

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

**Sent:** Saturday, June 25, 2016 9:45 AM

**To:** GPS

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

**Subject:** Weekly Reports - Executive Privilege 06 24 16.pdf

**Attachments:** Weekly Reports - Executive Privilege 06 24 16.pdf; ATT00001.txt

Highlighted Weekly Attached

Some EB5 updates upfront.

Public Service and Health have comments due to PSB Monday on the temporary wind sound standard from the energy bill. I have asked repeatedly to see them before they are filed. Hope to see them today.

PFOA update in ANR, and also Gov, update on Hermitage (I think they continue to make progress...)

Gov - good update on VHC. New national study shows VT uninsured down to 2.7%. Lawrence does that make us number 1? Backlog continues to come down....

Sarah, Sue, Scott, I flagged some items for you all.

Thanks,  
Darren

# WEEKLY REPORTS

Checklist  
6/24/16

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: June 24, 2016  
Re: Weekly Report

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PATRICIA MOULTON, SECRETARY

GOVERNOR'S PRIORITIES:

- **EB-5: Stowe Aviation:** DFR is continuing their review of Stowe Aviation and finding a number of concerns. The project is very much undercapitalized, and Russell Barr is now asking for early release of investor funds in escrow to continue his project. None of his investors have been approved by USCIS so the early release is very problematic. At this point, he is offering no other collateral or security to assure investor funds are available if investors are not approved by USCIS. He was seeking a rent moratorium for the Stowe airport from Vtrans, this was not considered. He was seeking real estate tax abatement but the airport is state owned property. He is quite an operator. It is likely we will be revoking their MOU. DFR is working on a revocation letter.
  - **SouthFace village:** DFR continues their review with SouthFace Village. Peter Hirschfeld has released a story in VTdigger based on a public records request. The public records request was instigated by a complaint from a non-investor who found erroneous marketing material. DFR is asking South face to correct any erroneous marketing material and send a letter to anyone who received the erroneous material correcting the errors. There are other issues with this project but issues that could be overcome.
  - **Peak CM:** This week I received a letter from Sandy Fead, attorney for Jerry Davis of PeakCM, the contractor on the Burke Hotel. Peak is seeking "assistance" for contractors and subcontractors owed money from the projects. I find this ironic given Mr. Davis's subcontractors have indicated he has paid himself but not them. We will be rolling out the new Jay/Burke Contractor Assistance Loan Program next week.
  - **Jay/Burke Contractor Assistance Loan Program:** This is a joint venture with VEDA and Northern Community Investment Corporation (NCIC) to provide loans of up to \$500,000 to subcontractors on the Jay and Burke projects. Interest only payments in the first year which should help as most hope to be paid off within a year.
- **Better Bennington Corporation:** Frustrated that the selectboard rejected his request to terminate their financial support for the downtown group, a local business owner (Joey Kulkin, Fiddlehead at Four Corners) requested state intervention. He first complained to ACCD that John Shannahan, Executive Director of the Better Bennington Corporation, had misstated local business tracking data as well as information on the organization's national accreditation. He demanded that ACCD hold him accountable. He was not happy when we explained that the state does not fund or manage downtown organizations like the Better Bennington Corporation and that he should forward his concerns to Mr. Shannahan's board. He then reached out to the State Auditor. Doug Hoffer and Susan Mesner followed up with us. They both understand and acknowledge ACCD's role is primarily to offer tax credits (directly to property owners) and to support downtown groups leading local revitalization efforts. It's also unclear if Mr. Kulkin's allegations are true -- [Better Bennington Corporation director defends business numbers, explains accreditation](#)
- **Vermont Life Magazine:** We are reconstituting the Vt. Life Advisory Board, established via Executive Order, to help us with the overall financial issues at Vt. Life but also to advise on ad policy, circulation and more. We had a run in last week with Linda Waite-Simpson over an ad she wanted to place promoting the end of life law. Our current policy restricts political or "advocacy" ads which we deemed this was.

KIERSTEN BOURGEOIS, SENIOR PROJECTS MANAGER

SelectUSA

- Overall, this was a great show and we made several very good business contacts that expressed interest in locating in Vermont. More specifically, it provided an opportunity to see how other states promote themselves as a place for foreign direct investment. Clearly, having a robust budget helps. However, we had a chance to talk about our

state as a place to do business, some of the neat companies that currently call Vermont home and of course, listen to peoples' thoughts on Bernie, Ben & Jerry's and Heady Topper.

In particular:

- I have followed up on a request from a purchasing manager from IKEA seeking hardwood chairs and preparing additional Vermont information for her.
- Followed up with a Finnish LED company that wants a US presence. Would probably be small office, to start.
- Communicating with a Kitchener-based company on a manufacturing expansion.
- Meeting tomorrow for an introductory discussion with a French software developer.
- ...and there are about a dozen more follow-up communications to do.

Actually talked about the WCEDP as well to ensure the promotion of Southern Vermont and let companies know that this is another region-specific funding opportunity.

Our booth saw very good traffic and the way the conference was organized allowed for a great deal of networking.

### **Vermont Quebec Enterprise Initiative**

- **NEXUS Sign-up Event:** Had over 50 people attend the mobile NEXUS event earlier this week. This was done in partnership with Senator Leahy's and Congressman Welch's offices.
- **LogicSupply:** Met with their team to discuss the initiative a bit more and also helped them connect with a possible partner in Quebec.

### **Brownfields**

- **Funding:** I should hear within the next two weeks whether my application for additional funding will be approved. I asked for \$880,000 to support 6 projects, but I have a suspicion that awards this year will be less.
- **City Market:** Working with Pat Burns to increase this grant for clean-up at the Flynn Avenue site. Additional contamination was found.
- **Gevry Mobile Home Park:** Also increased their award due to the discovery of much more petroleum contamination.
- **Robertson Paper Mill:** Will be meeting with BFADC to bring new members up to speed on this project; how much \$ has been spent; how much \$ is available, etc.
- **Richmond Creamery:** Trying to organize a BERA meeting to make sure all state agencies and departments are on the same page with respect to this project.

### **Other**

- **Cone Blanchard:** Next week, traveling to Windsor with Yves Bradley and Tony Blake to meet with the owners of the building. They are trying to decide whether to sell it and want guidance on how best to reposition the property - similar to the way that 100 River Street, Energizer and General Dynamics has been.
- **Fortune 100 Prospect:** Have been working on and off with the Fisher Group, who is representing a Fortune 100 client. They are seeking a large parcel of land near the interstate and have expressed an interest in land near Knapp. This would be available to them as a lease. Jobs would be mostly P/T (125) with about 15 full time. We haven't even gotten to the point of discussing incentives because the land search has been rather challenging. However, I know that this same consultant is in talks with a private developer as well in Chittenden County (Illick) and the project is quite far along. If the conversations at Knapp proceed, we may be in a very odd position of 'competing' with a private sector developer for a huge (100,000sf) building opportunity. Illick knows I am talking with Fisher. Fisher doesn't know that I am talking with Illick.
- **Elmet Technologies:** Continue to nudge these folks every couple of weeks. They are wrapping up their S. Korea project at this time.
- **Commonwealth Pump Station:** Discussions with VTrans and BGS are moving along swimmingly. I don't see this as a hindrance in the larger Commonwealth project; we just need to convey this to them.

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

- **Expansion of Citizen Cider (CC):** Met with Justin B, founder of CC, Mark Boucher CFO, GBIC, USDA/RD, and the planners and Kevin Dorn of South BTV. CC wants to lease land on the existing orchard in South BTV that is owned by the Larkin family, and build a facility around 75k square feet to process and store product on site, create a viewing place, tasting room, and café. They currently outsource the processing and storage and it is not only costly but they are at capacity. Their growth course is steep. Started in 2011 and are now at the top ten producers in the nation – with the others not being 'craft'. They need to expand their capacity in order to take

advantage of the opportunity. Chico Lager was also at the meeting and was acting as an advisor to Justin. Chico feels that this is similar to the Ben and Jerry's growth spurt. Justin wants to create 'a Napa Valley for cider'. People will come to see the orchard, watch it being made, taste and also eat at the establishment. The land is currently zoned as residential and will need to change to accommodate this commercial facility. Dorn is confident we can get it done and GBIC will organize a local effort to help it through. The tricky part is how much CC should put into pre-development in order to get to a go ahead decision. We are also thinking about alternative sites. A follow up meeting is scheduled for next week to review our incentive programs. This project should create about 50 jobs. The capex is around \$10mm.

- **National Guard:** Met with Brigadier General Michael Heston and Base Commander Patrick Guinee to discuss their efforts to provide education for their members. They are 92% of a full force while neighboring states like NH have 110%. It seems that UNH offers free college tuition if you serve in National Guard. They pitched this to the Legislature last session asking for \$400k so they could provide scholarships. It did not achieve traction. We brainstormed a bit about getting employers involved and I will arrange a roundtable whereby area employers can sit down with them to see about utilizing the National Guard as a possible pipeline of talent. And if the employer identifies persons to hire would they provide tuition assistance for further education. The screening process of who gets to serve is a robust one that employers may feel is worthwhile. There are significant skills learned in the National Guard and in order to get promoted they need to have an education. Additionally, those that commit to the National Guard commit to 6 years in Vermont. So it may be another way to keep skilled persons in the state. This is worth exploring.
- **Attended SelectUSA in DC:** It was worthwhile in that we gained several direct leads from Canada, Italy, Singapore and also met some key intermediaries such as banks, consultants, and accountants/attorneys. It is important to have a presence at these events since they need to know we are open for business, in addition to the natural beauty and skiing – which some already knew, we also actually have high tech and manufacturing businesses. We have incentives and training dollars – this was news to many. Also, was asked by Secretary Pritzker to attend a small meeting with attendees from smaller markets to give feedback on how else they could help. Additionally, met with several targeting companies to learn about what they could offer to help us improve our strategy. We need to cultivate these contacts if we are to gain traction in the FDI arena. There is also significant opportunity in the foreign pension fund infrastructure investment arena. Other states are ahead of us here.

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

- **Northern Border Regional Commission (NBRC):** We received **23 NBRC applications for Vermont** – more than a 60% increase from both 2014 and 2015, which each saw 14 applications. **Total requests (approx. \$3.91 million)** are a little over twice the **available funding (approx. \$1.86 million)**. Total matching funds for these 23 projects are just over \$7 million, with a mean average leverage ratio of 1.81 (for every \$1 in NBRC funds invested, it would be matched by \$1.81). The **average grant request is approx. \$170,000**. Our review process has begun in earnest.

#### **BUSINESS SUPPORT ♦ Brett Long, Director**

- Company visit with New England Woodcraft
- Company visit with Ellison Surfacing Technologies
- Community Outreach event at VT Air National Guard

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

- **AM Best Video Interview for AM Best TV:** Dan Towle, Director of Financial Services, was interviewed by AM Best at the Bermuda Captive Insurance Conference on current events in Vermont, industry trends, overall growth, new legislation and competition. The video was published this week. The video can be seen at: <http://bcove.me/sbibovlp>. It will be promoted by AM Best through various channels and should provide good exposure for Vermont's captive industry.
- **Ortho Forum Risk Retention Group:** Dan continues to make progress on getting this South Carolina domiciled risk retention group to redomesticate to Vermont. Dan was able to meet with the Chairman of the Board and the President of the Risk Retention Group to sell Vermont, answer questions and discuss the redomestication process.
- **Media Inquiries by Captive Review magazine and The Intelligent Insurer Magazine:** Dan is handling media inquiries from a large range of topics including 831b captives, advantages of being on-shore and the challenges of growing group captives.
- **Risk Retention Reporter Magazine Interview:** Dan was contacted this week to be interviewed for an upcoming article on risk retention groups, trends and an update on the Vermont domicile.

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

- Attended SelectUSA Summit. Vermont represented by Revision Military, Superior Technical Ceramics, Gardners Supply, Liquid Measurement System, SBE, Vermont Creamery and Caledonia Spirits to show a wide variety of our industry sectors. We were able to obtain strong leads make great connections and strengthen existing connections.

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

- Met with **Bariatrix** who is looking to add 2 new production lines in their Georgia facility and are working on a VTP grant.
- **Pulmac**, who is a Canadian company with an office and assembly line in Chittenden County, is in the pulp mill industry and produce fiber testing equipment. They are adding staff and new equipment and may be applying for a VTP grant.
- Attended the VMEC TWI training session at **Global Foundries** as they are looking into a Training Provider VTP grant to cover this training.
- Along with Brett Long and Sara Gilbert from REDC, met with **Ellison Surface Technologies**. They are facing new pressures in production cycle time improvements due to their customers' demands and are looking at a VTP grant as well as an OEA grant to help them with these new challenges.
- **Built By Newport and Vermont Renewable Fuels** both have approved VTP grants and Bourne's Energy has a grant which will be in the Commissioner's review soon.
- Upcoming meetings: Senior Workforce Collaborative, Central Vermont's Funding your Future and a Healthcare Pipeline meeting with Cathedral Square.

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

- **Cambrian Rise:** Noelle joined Chris and John in meeting with Eric Farrell and Owiso Makuku for an update on Eric's development Cambrian Rise (formerly Burlington College site). They have a development agreement with the City and have started work on the historic orphanage and benefited from the City's Neighborhood Area Designation. They were looking for guidance on how best to approach Act 250 and the next phase of the development. We suggested continuing to work with the District Coordinator, but meet with NRB chair Diane Snelling to provide an overview of the project which the former chair had received. Gave Diane a heads up as well.
- **South Burlington Town Center:** Joined Pat for a meeting with DEC Commissioner Schuren and wetland staff to discuss wetland issues at City Center. Since starting this process, wetland rules and regulations have changed. ANR had been working with the Town to discuss the new regs and they wanted to provide ACCD with an update. Town reps had met with Noelle and Fred near the end of the session to discuss their plans to expand the New Town Center designation and thus, expand TIF district. At that meeting, the Town brought up that they were aware of the new wetland rules and working with ANR for a solution. Town Manager, Kevin Dorn, also met with the Secretaries of Transportation, Natural Resources and Commerce and Community Development to provide an update. Noelle and Pat agreed that ANR should continue to reach out and try and work on options for developing City Center.
- **Dinner with HUD Regional Administrator:** Michael McNamara organized a dinner with HUD-RA Jim Reed with Noelle, Jen (VHCB), Maura (VHFA) and Nancy (HVT). Entertaining and informative evening. Noelle and Maura shared concerns that new requirements, such as the Impediments to Fair Housing are onerous and may not yield additional information given Vermont's concerns about the inaccuracy of HUD data and the cost of doing our own data collection. Mr. Reed listened and hopefully he heard our concerns.
- **Vermont Gas Archaeology Site Visit:** Joined Laura, Yvonne and Elizabeth at an archaeological dig in Monkton. VT Gas has contracted with UVM's CAP to do the Phase III review. They are literally between two work crews that are closing in fast. Work is behind as the land owners were late in coming to an agreement. VT Gas was proactive in working with DHP and our staff were responsive during the consultation and the result is that several sites have been protected and they have used wooden mats to help mitigate other areas of damage. The work in Monkton has yielded interesting finds. What is really cool is you can see at this site how lands and communities change. A dirt road, with ponds, a waterfall, wetlands and forests was once a thriving commercial area with a mill, blacksmith and other industries!

## **Deputy Commissioner Hanford**

- **Notification of Projects not funded:** Assisted VCDP staff with notification to projects that were not awarded CDBG funding. These discussions can be difficult when you have been working closely with the community and

projects players for many months. Explaining the board's reasoning for not recommending funding and providing good guidance on the value of re-applying is important.

- **Bennington- potential New Market Tax Credit & CDBG re-development project:** Provided guidance, with Dale's help to the developers interested in re-developing the former Putnam Hotel downtown Bennington. Dale was able to help them understand the need to comply with HUD's "Choice Limiting" rules around purchasing property before completing the Environmental Review. Further guidance and follow-up is needed to determine CDBG eligibility for the proposed use of the funds.
- **City of Newport/Main St Re-development:** Participated in a discussion along with Pat, Jared and Nathan from ACCD and representatives from VHCB, NVDA and the City of Newport. Discussed possible re-development options and available funding.
- **Housing the Homeless:** Hosted a meeting attended by stakeholders from AHS, homeless service providers, affordable housing developer/providers and affordable housing funders to implement the Governors Executive Order to make 15% of publicly funded affordable housing available to the homeless. A plan for how to report the success in meeting this goal annually was developed and a committee was assigned the task of finalizing the process for counting and tracking units filled by homeless families. Also attended the Poverty Council meeting to better understand their goals and initiatives for the coming year.

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

#### **Partner and Program Report**

- **DEMHS, Vigilant Guard:** Chris attended a training to learn more about his job at State Emergency Operations Center as part of this upcoming state and regional disaster response exercise. He is still looking for 2-3 volunteers to support testing of ACCD's ability to gather and collect data on damages to business and cultural resources. Work involves entering a limited set of data into the online system on July 1. Please email Chris if you have time to help.
- **Municipal Planning Grant (MPG) Program Updates:** The team met with group of RPC staff and directors, consultants and local planners to review and gather feedback on a number of proposed programmatic and administrative changes to the MPG program. The discussion highlighted the tension between the need to prioritize limited funding (about \$400,000 annually) toward larger projects with more demonstrable outcomes with the needs of small towns who need funding to make incremental improvements to their town plans and zoning regulations. The proposed changes were based on feedback received through the recent user survey and conversations with stakeholders. Updates for better consistency with agency procurement requirements are generating some push-back from the RPCs. Participants will provide comments on proposed changes by the end of this week and staff will announce the FY17 program by the end of June.

#### **State Designation Program Report**

- **Burlington:** Caitlin, Paul Bruhn from the Preservation Trust of Vermont and Ron Redmond from the Church Street Marketplace met with a group from Unitarian Universalist Society in Burlington (the church at the head of Church Street). The church is celebrating its 200<sup>th</sup> anniversary in 2017 and are in the beginning stages of planning for a capital campaign. The group discussed ways to promote/celebrate this milestone as well as future funding options to help the church address a number of potential projects.
- **Vergennes:** Gary attended the Vergennes Partnership annual meeting as a guest speaker to discuss the importance of investing in the future of downtowns. There were 45 people in attendance including volunteers, residents, city officials and state representative Warren Van Wyck. Earlier this year the City of Vergennes increased their funding commitment to the Vergennes Partnership which allowed them to hire Amy Barr as the part-time Marketing and Development Coordinator. The Partnership will be unveiling their new website soon which will offer the downtown a new tool for attracting visitors and promoting business and happenings in the downtown. The Downtown-Basin Master Plan, which is funded through a Strong Communities Better Connections grant, is nearly complete and the city is eager to start implementing some of the suggestions to improve this critical link from the basin to downtown which has over 600 boats in the summer months.

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

#### **CDBG Disaster Recovery Program**

- Additionally, staff is maintaining close contact with the City of Montpelier regarding the Taylor Street retaining wall project to ensure the City is able to complete the project in a timely manner by September 2017. This is a complex project and a very tight timeline.

#### **HUD Issues**

- Housing Trust Fund - Ann, Arthur, Willa Davidian and Jennifer Hollar of VHCB have spent several days this week attempting to resolve HUD Headquarters concerns about the lack of Citizen Participation with respect to the

new Housing Trust Fund (HTF) Allocation. HUD HQ is asking for us to re-do the Citizen Participation which would cause a minimum of a 45-day delay. Since the HFT Allocation Plan was required to be sent to HUD HQ's separately, they did not have the benefit of all the information that is contained in the complete Consolidated Action Plan that included the details of all the outreach to our stakeholders and partners, as well as two formal public hearings. A summary and documentation of notices, minutes and posting to the website have been provided to Robert Shumeyko, Regional Director of the Boston Office and to Cynthia Lopez, Community Planning Development Rep. to forward to HQ to resolve this outstanding issue. We were also informed that Vermont is the first to have submitted an HTF Allocation Plan, and the final regulations were not published until May 4, 2016, so HUD is being extra cautious understandably.

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

- The State Historic Sites program had a booth at the Vermont History Expo in Tunbridge on Saturday and Sunday, June 18 and 19. We distributed hundreds of our 2016 Calendar of Events and engaged kids with two activities inspired by the Chimney Point Historic Site -- making paper canoes, and working with clay. As we are in the midst of a presidential election year, we decided to conduct a straw poll to determine which Vermont-born president was more popular with the History Expo audience. Visitors to our booth were offered stickers beautifully designed by Erin Saals to resemble campaign buttons. Given a choice between Calvin Coolidge and Chester Arthur a strong majority selected Coolidge. This in spite of the fact the Tracy wore a Chester Arthur sticker on both days. We do feel that the proximity of the Coolidge Presidential Foundation booth (located at the front our tent) may have cost Arthur a few votes. Thanks to Elsa and Jesse for working at the booth and to our Division colleagues for their help getting our supplies there and back again.



- **Community Block Grant Program and CEDO:** Laura forwarded the final draft of a CDBG programmatic agreement to Burlington's Community & Economic Development Office. One additional part that needs to be added, however, is interaction with the Delaware Tribe, which has ancestral interest in Chittenden County. The PA for the LEAD and Healthy Homes program is now being prepared.
- **VDHP Covered Bridges:** Laura and Jamie joined staff from VTrans on the last of three jaunts around the state to see the bridges owned by the Division for Historic Preservation and maintained through an agreement by VTrans. Maintenance has been timely on several of the bridges but deferred on others, requiring a difficult conversation regarding long-term maintenance plans and funding. Discussion of immediate plans that would likely include the Agency of Natural Resources because of the bridge locations is also needed as trees and such begin to take over the bridge's settings and create a Brigadoon effect.

**State Archaeologist**

- **Fort Bridgeman:** Jess travelled to Vernon yesterday to meet with local representatives concerned with finding the exact location of, and potentially preserving the archaeological remains of Fort Bridgeman. The fort was in operation from the 1730-1750 and was repeatedly attacked and burned by Native Americans. Using archival material, they had amassed and analyzing various landscape features, it is probable that the remains of the site exist in a cornfield on an upper terrace of the Connecticut. We are making preliminary plans to conduct a non-destructive ground penetrating radar survey after the corn is harvested in the fall.

**Project Review**

- **Montpelier:** Jamie met with Kevin Henderson from BGS to discuss proposed renovations to 13 Baldwin Street, one of the former residential houses within the Capital Complex district. The building has a number of minor

structural, aesthetic and hazardous material issues. Employees will be temporarily relocated while renovations are completed, then returned after construction.

- **Colchester:** Devin and Elizabeth met with architects from Bread Loaf Corp. and staff from Camp Kiniya in Colchester to assess the State Register eligibility of camp buildings. Camp Kiniya was founded in 1919 by Helen Van Buren and is now operated by Camp Dudley. The Camp is preparing an Act 250 application to demolish 3 of the older buildings on the property in order to make way for new facilities. After visiting the facility and evaluating the buildings, DHP has determined that Camp Kiniya is not eligible for the State Register. although the Camp is not considered a historic site for Act 250 purposes, the Camp administration clearly respects the history of their facility and maintains an excellent online archive and has plans for the campers to work on a special art project to document the buildings prior to the demolition.
- **Enosburg:** Scott and Elizabeth visited the Blum property on Longley Bridge Rd in Enosburg to inspect the site of a proposed solar project. The array of solar panels will be located behind a nineteenth century farm complex and will have minimal visibility from the road. The site on a downward hillslope is not considered sensitive for archaeological resources and as a result DHP has cleared the project for impacts to historic sites.
- **Solar projects:** On Tuesday morning Scott and Yvonne visited solar projects on the eastern side of the state. The first project in Fairlee was a follow up on revised site plans which enabled them to provide a final sign off for the project. The second project in Post Mills is in the initial consultation stage and will require additional research.
- **Burlington College Development:** Although Burlington College is no more, work continues on the mixed housing development planned at the former Catholic Diocese property. A Phase I archaeological survey has been completed by the University of Vermont Consulting Archaeology Program with no apparent significant findings. We expect to receive the end-of-field letter shortly to confirm the project results.

#### State Architectural Historian

- **Hinesburg Town Forest:** The National Park Service officially listed the Hinesburg Town Forest in the National Register of Historic Places on June 7, 2016. Established in 1936, today the Hinesburg Town Forest encompasses 837 acres and has been actively managed and maintained by community over the past 80 years. **It is the first town forest in the nation to be individually listed in the National Register of Historic Places.**

#### Grants

- **Westminster:** Caitlin met with members of the Westminster Historical Society to tour the Bradley Law Office. The Division for Historic Preservation holds an easement on the building. The group discussed planned preservation projects. The Westminster Historical Society is also very interested in applying for a Historic Preservation grant to help cover the costs of needed repair work. While in Westminster, Caitlin also stopped by the local Congregational Church who has also expressed interest in the grant program.
- **Wolcott:** Caitlin and Lisa Ryan from the Preservation Trust of Vermont met with two local residents of Wolcott to tour the Wolcott School. The building is currently empty and the Town is trying to decide what to do with it, as it will need a significant investment in repairs/upgrades before it can be occupied. Caitlin and Lisa provided technical assistance on funding sources as well as the need for community input in the future use of the building. Whatever the community decides in terms of use will dictate what potential funding sources can be plugged in to support the project.
- **Hardwick:** Caitlin was part of a group of funders that met with the Board of the Judevine Library in Hardwick. They are in the early stages of plans to expand the library to provide accessibility to the building and more room for public meeting and library space. While in Hardwick, Caitlin and Lisa Ryan also met with the Hardwick Historical Society and Judith Ehrlich from VTrans to look at a small “section house” near the Hardwick Depot. The building is currently owned by VTrans and located in the right-of-way of the old railroad line (future site of a rail trail). The neighboring property owner has complained about the deteriorated state of the building which has become an “attractive nuisance.” The Historical Society would like to see the building preserved, so the group discussed how that might be accomplished, including the possibility of moving the building onto property owned by the Historical Society.

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

- **Mount Independence:** At the recent Mount Independence Coalition annual meeting Rep. Allyson Eastman from Orwell read the joint resolution on Mount Independence. She's the site's neighbor. Visitors and trail crew report the deer and horse flies seem to be early this year. Interpreters encourage visitors to keep in the shade if possible where there are less flies and we provide free squirts of repellent (visitors greatly appreciate this touch). The Mount Independence Coalition had a well-staffed and informative booth next to the sites at the History Expo this weekend, and enjoyed the networking and talking with the public.

- **Chimney Point:** Amy reports some visitors this past week said they saw the WCAX feature on Chimney Point and wanted to come. At History Expo the Green Mountain Timekeepers included a historic Chimney Point Barnes clock. They will participate in our July evening social and do a Sunday afternoon on the porch program in August. We appreciate their ongoing support. Ken Pohlman, from the Middlebury College Art Museum, came to see the architectural photograph exhibit in the historic ballroom.
- **Coolidge Site:** Vermont Tourism Network brought a “FAM” (familiarization) group on June 15. Bill greeted 14 representatives from several major tour companies and then gave them the grand tour; apparently, everyone was quite impressed because they stayed a half hour longer than their itinerary allowed! An article about the site appeared in the June 18/19 issue of *The Journal Inquirer* (Manchester, CT) and has already prompted several people to visit. The reporter came incognito, and gave both the site and our new tour guide, Don Harpster, glowing reviews:  
[http://www.journalinquirer.com/edition/page/page\\_163e0904-d980-5c96-ac59-e5c403b2b426.html](http://www.journalinquirer.com/edition/page/page_163e0904-d980-5c96-ac59-e5c403b2b426.html)
  - The press release for David Pietrusza’s “First Pets” program on June 25 was sent to Montpelier, approved, and distributed to area papers; David is a noted presidential scholar and author who has appeared on C-SPAN Book-TV, ESPN, NPR, AMC, and The History Channel. His program relates well to the presidential gifts exhibit (as many of the Coolidge White House animals were presents.)
  - Bill was re-elected chair of the Okemo Regional Chamber’s membership committee. The site’s fire detection systems had their annual inspection on June 22.
  - Unfortunately, we received no proposals for the Wilder House Restaurant concession at the Calvin Coolidge State Historic Site by the deadline on Monday, June 20. A meeting is scheduled for the coming week to determine how we move forward.

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

### **Regular VCDP**

#### **Potential Applications**

- **Town of Rockingham:** Nathan participated in a conference call with staff from the BDCC and Town Manager Chip Stearns to discuss the potential application to support the expansion of Chroma in Rockingham. The proposed project would utilize New Market Tax Credits and would involve BDCC purchasing, renovating and expanding the buildings currently owned by Chroma. Chroma would then lease the property back from BDCC with an option to buy the buildings after a period of time. Staff have some concerns that the project as structured would be a drain on ever depleting CDBG resources. Utilizing VCDP funds to support a business is typically in the form of a loan to the for-profit business, however BDCC has proposed that the town sub-grant the funds to their organization to complete the renovations. The problem with this potential approach is the funding is not revolved back to the town or the state to complete future economic development projects. Staff have recommended that the town look at the possibility to complete municipal infrastructure improvements rather than sub-granting the funds to BDCC. Or a low interest loan to Chroma to ensure that the state utilizes CDBG funds in the most effective manner.

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

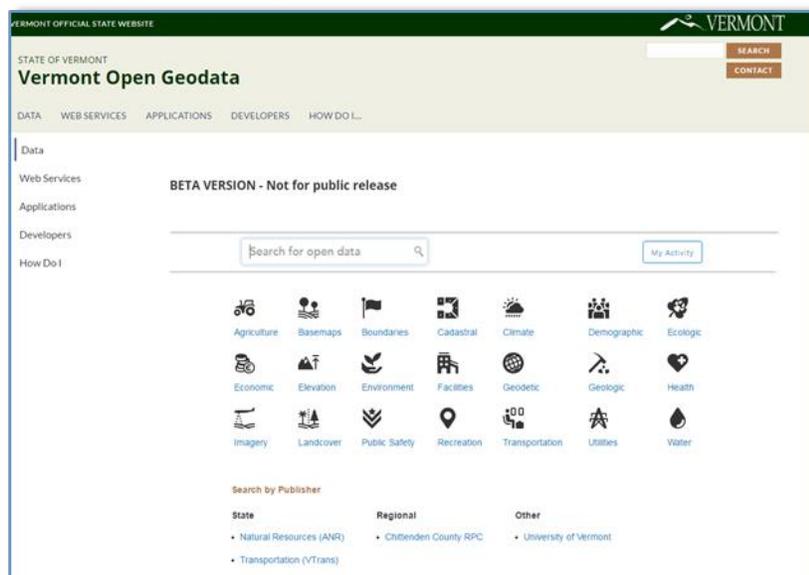
- **Economic Development Marketing Plan:** Implementation efforts are fully underway! Top priority is the development of the new “Why Vermont?” web portal, which will serve as a gateway for residents and businesses to discover all the reasons Vermont is THE place to live, work and play – and is where all traffic from earned, owned and paid media will drive to. The information architecture and site map are under development, and content creation guidelines, assignments and schedules are taking shape. Our efforts to keep this project on the fast track will be bolstered this summer by the help of two short-term temps who will be responsible for: conducting media research; acquiring and tagging image and video assets; compiling economic statistics; researching event and sponsorship opportunities, and assisting with the development of copy for web and print. The team continues to engage with partners and regional organizations to find ways the Plan can help us support each other’s marketing efforts, including a productive discussion this week with an ad hoc Burlington group working on a raising the City’s tech profile led by BTVignite.
- **Farm to Plate Local Food Campaign:** As reported previously, the Farm to Plate Network (VSJF) is in the process of developing a Local Foods Campaign to increase the consumption of Vermont foods by Vermont residents. After the last meeting of the Advisory Committee in April, the campaign was ‘paused’ so concerns raised by ACCD and AAFM over potential market confusion could be explored, and more clarity could be developed over how VSJF’s efforts might coordinate with the research AAFM is undertaking this summer to support out-of-state B2B and B2C marketing efforts for Vermont food and forest products. The Advisory

Committee convened again this week and agreed to let VSJF move forward with a 4-month hashtag campaign around the concept “Rooted in Vermont” to test how the concept resonates on social media with the target audiences of outdoor enthusiasts, young professionals and value-driven shoppers. Early results from this test should be available in time to be considered by the AAFM marketing consultants working on the domestic export research.

- **Creative Services:** The CMO’s office recently helped support two marketing initiatives with Vermont Life to encourage ridership on the Vermonter and Ethan Allen Amtrak routes. A Vermont Life ‘select’ email promotion yielded over 700 click-throughs on a call to action for the 20% off ‘Visit Vermont’ fare, and Erin designed a full-page print ad for the Autumn issue encouraging travel via train to the Women’s World Cup events at Killington over Thanksgiving weekend and the new through-ticketing service now available. Erin has also been working with the Agency of Agriculture to bolster the profile and traffic to Vermont producers participating in the Summer Fancy Food show in NYC next weekend. This annual event draws over 40,000 visitors, including many retail buyers, distributors and media, so a strong showing can potentially open significant new markets to participating Vermont producers. New signage for the Vermont pavilion was produced to give all the Vermont booths a consistent look and cumulative visual impact, as well as posters and handouts identifying all the Vermont producers at the show, and times and locations of tasting events. In the spirit of the election season, Erin has also created faux ‘campaign buttons’ for Calvin Coolidge and Chester A. Arthur. Artwork for the Coolidge button riffs off an actual “Courage, Confidence and Coolidge” slogan used during the 1924 election, but as Arthur never actually ran for President, the Arthur button features a historical photo in the style of commercial art of the time. Stickers of the two new buttons were apparently a hit at the History Expo last weekend and the buttons themselves will be available for sale at the Historic Sites this summer season.

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

- **VCGI Imagery Program**
  - **Historic Imagery:** VCGI hosted a meeting of 16 people representing 2 academic institutions, 8 state programs, and 4 businesses to discuss the current and future state of historic aerial imagery of Vermont! There was broad agreement that cataloging existing imagery series and how to access them is the first priority. VCGI’s GIS Technician (Jenny) researched strategies for scanning and georeferencing historic imagery based on experiences in other jurisdictions. Future meetings will focus on a plan of action, prioritizing imagery series for scanning and georeferencing, and funding.
- **Projects and Technical Support Services**
  - **VT Open GeoData Portal:** Staff have been refining the Portal interface design and content, working on resolving technical snafus related to metadata handling, and working on draft versions of the Tagging Standard and ArcGIS Online Configuration Standards & Guidelines.



- **Statewide Parcel Data:** The Parcel Program Project Team (VCGI and VTrans staff) continues to meet weekly. We feel we are close to a final budget and Project Approval Form, which we will be providing to senior management (ACCD and VTrans) for feedback.

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

- Hilary DelRoss, Heritage and Recreation Specialist, and I are in New Orleans this week at IPW.

**Steven Cook, Deputy Commissioner**

- **Boston Herald:** Deputy Commissioner Cook met with representatives of the Boston Herald to discuss this fall's advertising initiative. The Department will again be running a significant campaign in September that will allow for Vermont businesses to place an advertisement both in print and online at a significant discount. This program has been very successful over the past 4 years with over 8 pages of editorial in the fall special edition of the publication and on the Boston Herald's website.
- **Establishment Survey:** This week VDTM will release its annual establishment survey to Vermont lodging properties. This survey helps the department to estimate annual lodging occupancy, number of available rooms and room revenue. We need 200 responses to have a statistically relevant sample.
- **Cabot Marketing Partnership:** Cabot has requested a meeting with Deputy Cook to discuss the potential of reviving segments of the past marketing partnership for fall and winter. Cook will meet with representatives from Cabot in the coming weeks to discuss options.

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

- **FAM Tours:** Joined Senior Editor Lorna Sullivan of AAA's "Northern New England Journey" on multiple stops in Shelburne and Burlington on Tuesday. Highlights included tours of Shelburne Museum, Shelburne Farms, and the Vermont Teddy Bear Factory. Lorna is spending three days in the Burlington area, three in Stowe and one in Woodstock.

Her group produces seven regional AAA travel magazines, with a cumulative subscriber base in the millions, and the hope is she will produce a very favorable piece or section focusing on Vermont travel. We are also having tourism contacts not on Lorna's itinerary share information about their part of the state with her.

Other writers in the state last week included Annie Gilbert of Canada's French-language Ulysses Travel Guides, and Jessica Morrison of [www.30somethingmotherrunner.com](http://www.30somethingmotherrunner.com).

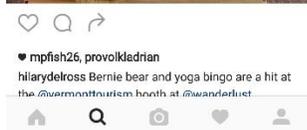
- **Wanderlust Weekend Update:** Joined our staff at the VDTM tent at the Wanderlust Festival at Stratton Mountain last weekend. Foot traffic and attendance at the event was considerably higher Saturday than on Sunday. Racer Danika Patrick was at Wanderlust and tweeting how great Vermont is!!
- **Social Media Update:** Since early April, we have added 2,000 new Facebook followers (now 34,000 likes), 1,400 Instagram followers (now at 3,800) and 600 Twitter followers (now at 22,400 followers).

**MARKETING ♦ Patrick MacCormack, Digital Marketing Coordinator**

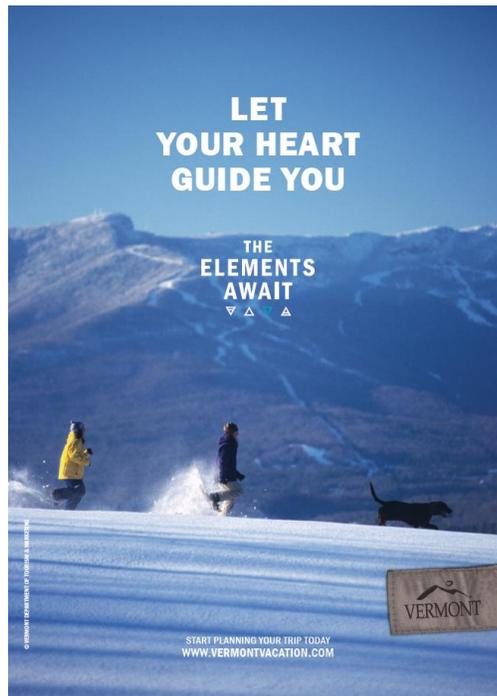
- **VermontVacation.com:** VDTM has updated the [Harpoon Point to Point](#) landing page in VermontVacation.com as well as added a homepage rotator. The arts rotator image was also updated to promote an event that took place June 21. Once this event takes place, the rotator will be updated back to the initial June image mentioned in a prior weekly.

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

- **Wanderlust Giveaway | Yoga Mat Strap and Bingo Card:** David executed Hilary's idea for YOGA Bingo to help give away Vermont Yoga Mat Straps at Wanderlust. The fun, quirky, interactive task offered visitors an executable to obtain the strap. David also incorporated lead generation into the card by having participants complete their name and email in order to validate their entry.



- **2016-17 Ski Vermont Magazine | Ad Insertion:** “*The Elements Await*” concept will be carried throughout the year. Below you’ll find an ad depicting snowshoeing to complement the abundance of ski and ride context throughout the magazine. This alludes to the abundance of winter recreational opportunities in Vermont other than what we’re so well known for.



- **2016 Fall Vermont Life Magazine | Ad Insertion:** David fulfilled the Vermont Life ad insertion consistent with “*The Elements Await*” concept. This particular ad showcases romance.



- **Open Farm Week 2016 | Videography & Promotion:** David accompanied Phil to a couple farm locations to video to be used at a later date. David has used these assets to create social media videos promoting Open Farm Week. Once complete, Phil will be sharing these videos with partners as well as on our social media channels. There are three different video lengths to support various channels.

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

- **Advertising:** Sales for the Autumn 2016 issue closed at just over \$74,000, a 33% increase over the previous issue, Summer 2016. This sales increase included over a dozen new and recaptured clients, many with annual program commitments. Now working on Winter 2016-17, continuing to build the foundation for a strong 2017

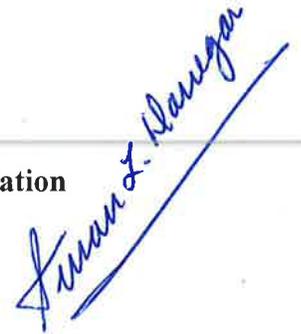
fiscal year, as well as ad sales for the Fish & Wildlife Guide. A new contact form was also created so 1/9th and 1/12th advertisers can submit their materials through the web. This should make it easier for advertisers to adhere to standardized ad format requirements.

**State of Vermont**  
**Department of Financial Regulation**  
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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: June 24, 2016**  
**Re: Weekly Report**



**Captive Insurance Division:**

Vermont captive insurance license number 1,071 was signed this week by Prospect Medical Holdings Risk Retention Group. The sole shareholder of the RRG will be Prospect Penn, which is a subsidiary of Prospect Medical Holdings Inc. Prospect Inc. is a for-profit corporation that owns and operates 14 hospitals in four states and manages health care services for approximately 257,000 members. Prospect expects to acquire the assets of Crozer-Keystone Health System, which is currently a member of Cassatt Risk Retention Group, a long-standing Vermont-domiciled risk retention group. The company will participate in Cassatt's claims, risk management and patient safety programs. Crozer-Keystone operates four hospitals (approximately 600 beds) in southeastern Pennsylvania. These hospitals will continue to operate under Prospect's ownership offering a broad range of inpatient and outpatient services. Net patient revenues for the fiscal year end June 30, 2015, were approximately \$710 million and it employs approximately 400 physicians. Prospect plans to invest more than \$200 million Crozer-Keystone hospitals during the next five years.





**Privileged and Confidential**

**MEMORANDUM**

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

From: Christopher Recchia, Commissioner

Date: June 24, 2016

Subject: Weekly Report

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**Governor Level Issues:**

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

PSB Temporary Sound/Noise Rulemaking – Department, Board, and VDH staff met to discuss possible approaches to crafting an effective temporary noise rule pursuant to Act 174 (S.260). Board staff gave no meaningful guidance on any preferences held by the Board. The Board encouraged the Department to take a prominent role in the proceeding, going as far as to suggest that the Department submit via comments a draft of the rule. The Department is using one of its outside sound experts to help identify and prioritize issues to address in the rule to improve enforcement of the new rule. Stakeholder comments are due to the Board by June 27. The Department will not file comprehensive comments at that point but will provide broad strokes and follow-up in reply comments with a more specific proposal.

VY Second ISFSI – Docket 8300 – The Board issued its final order granting a CPG for the construction of a second fuel storage pad at the VY site. New England Coalition has a motion for reconsideration of the Board’s denial of its motions to reopen the record on a number of issues pending before the Board, although it appears that motion is now moot. Construction of the ISFSI Pad is expected to commence almost immediately. (VY’s construction schedule assumes a mid-to-late June 2016 start date.) In anticipation of the construction start, a pre-fabricated, single-story office building is being installed within the Protected Area, which will

house several of the onsite staff from Holtec International, the manufacturer of the ISFSI Pad and Dry Casks. I also spoke to Mike Twomey for the first time since we did not reach agreement, and the relationship is sound. Gave him heads-up that we might be pursuing site restoration standards with the Board, but need to give him another call if we actually file. He has indicated they do not intend to pay if we bill back for Heath or Emergency Management – we'll cross that bridge when we come to it.

S.260 – Drafting of Standards for Determination of Energy Compliance – Stakeholder engagement continued, including meetings with VLCT and REV, as the Department continued to lay the groundwork for the development of standards and guidelines for town and regional energy plans. The Department intends to host 3 themed workshops in July and will engage RPC's, VLCT, REV, and VNRC/VPIRG on an ongoing basis. The plan is to release a draft set of standards in mid-September in anticipation of finalizing the standards by the November 1 deadline.

VGS Alternative Regulation Plan – The Planning and Energy Resource Division met with legal and finance and proposed some changes to Alt. Reg. structure for VGS. These possible changes would compensate VGS for meeting performance metrics in efficiency, RNG sales, and customer service while keeping financial incentives for the expansion of the distribution system strong. A full rate case in 2017 would set a revenue requirement per customer that would be held steady for a 2 or 3-year time period. This would simplify the regulatory process (no rate base filings every summer), provide incentives for VGS to control costs, and encourage effective efficiency investments by VGS. PERD will provide a more detailed description of our proposal this week – including revisions to VGS's compensation formulas. Regarding the rate case, the Department has completed discovery, with the only remaining item being a site visit by Bill Schultz to review documents that the Company indicated could be reviewed on site. AARP has a set of discovery outstanding. Testimony will be due on July 22.

GMP Time of Use marketing plan – GMP submitted a “marketing plan” for its Time of Use rates (rate 14 and rate 9). GMP had agreed to do this as part of the MOU in docket 8525 (rate integration with legacy CVPS rates). Unfortunately the draft plan was unsatisfactory on three counts: 1) lacking in detail; 2) the marketing efforts peter out after an initial push at the end of the summer; 3) no concrete performance metrics were included. PERD and CAPI had a call with GMP to air concerns. GMP was minimally responsive. Department staff are considering next steps.

VGS Addison Expansion—Docket 7970- On June 21, Vermont Gas submitted a letter to the Board and parties announcing a third increase in the capital budget of 7.8%, up to \$165,600 including a \$5.6 million contingency. Of this amount, approximately \$525,000 is potentially eligible for above-the-cap treatment under the MOU between the Department and VGS.

Methane Digesters – We were supposed to meet with James Ehlers, but that did not happen, so we are rescheduling. Expect to receive a counter-proposal next week from GMP that may shed some light on this issue.

**Meetings/Calls this Week:**

June 20 – TransCanada phone Conference  
June 21 – REV Check-in on S.260  
June 22 – VLCT Check-in on S.260  
June 23 – Check-in with LCI/Ehlers on Biodigesters (did not occur – he did not show), Peter Nixon Meeting, NDCAP meeting  
June 24 – VEDA Board meeting

**Meetings next Week:**

June 27 - TransCanada phone Conference, VY Next steps, Darren Springer meeting  
June 28 – Commissioner speaking at the VT Elec. Board meeting,  
June 29 – S.260 planning  
June 30–  
July 01 –

**Media:** Multiple outlets – coverage of the VGS revised estimate on the cost of the Addison Expansion Project. Multiple outlets – coverage of PSB approval of construction of a second ISFSI Pad at VY. Multiple outlet contacts on NRC ruling regarding Emergency Mgt. decision.

**Public Official Contacts: none**

***PERD***

EEU Evaluation

- RA R&D – Continuous Energy Improvement (CEI) and Home Energy Report (HER) Evaluation
  - Staff await confirmation from the Board on the scheduling of a workshop to review the results of the HER and CEI evaluations; proposed to be held on Tuesday, July 26.
  - We have received the complete draft HER evaluation report from Cadmus (after receiving partial report drafts) and will be sending our final comments. Cadmus will send a revised draft on Monday June 27 and we will forward that version to EVT. This will be EVT’s first opportunity to review the HER evaluation results. We have an hour long call scheduled with Cadmus and EVT on Wednesday June 29 to address EVT’s questions on the evaluation. Then a round of EVT/DPS comments are due to Cadmus on 7/15.

Key findings of the evaluation show mixed results indicating that the HER did not result in impacts as significant as those predicted by contractor OPower.

- The HERs program resulted in savings of approximately 0.2% of electricity use during 2014 and 0.8% during 2015. (The original OPower forecast was 1.6%). High energy users produced the largest average daily kWh savings per customer (0.36 kWh) and the largest savings as a percentage of energy use (1.03%).
- HERs savings increased during the first six months, reaching approximately 1% of electricity consumption, and then decreased while EVT suspended delivery of HERs between March 2015 and August 2015

due to consumer complaints and other issues. After delivery resumed savings returned to a steady state of approximately 1%.

- The HERs appear to have ambiguous effects on energy saving actions, behaviors, customer awareness, purchases, and installation of efficient lighting products. Overall, survey respondents' self-reports showed that treatment group customers and control group customers undertook energy-saving improvements and behaviors at the same rate.
- The HERs lifted the participation rate in EVT's other efficiency programs by about 15%, but savings from this lift in participation was small (less than 1% of total savings). HERs provided the greatest lift in participation for hot water efficiency and refrigeration measures. The energy savings from lift in program participation was likely very small, because most customers do not heat or cool their homes with electricity and therefore could not produce large electricity savings by adopting high-impact space conditioning measures.

#### Clean Energy Development Fund

- Crafted (together with the Northern Forest Center) and submitted an application for \$230,000 to the VT office of the Northern Border Regional Commission. If awarded the grant will be used to promote and incentivize advanced wood heating in the 6 "Northern Border" counties.

#### Dockets/248 Review

- 8673 – GMP Digester – Staff had a lengthy conversation with GMP's director of power planning about the ethics of counting the GHG benefits of the project even though GMP plans to sell the offsets. Two analogs came up to consider: first, in Kingdom Community Wind, the benefits of renewability were considered (though not quantified) although the RECs were being sold. In that case, Vermont was still under the SPEED paradigm and had a legislative mandate to buy renewables and sell the RECs. The other analog is efficiency where we count environmental benefits for the purposes of screening. However in that case, just the *energy* benefits must outweigh the costs by 20% - so that ratepayers capture some benefit. Also, non-energy externality benefits are counted for screening, but are only allowed as a 15% adder.
- 8667 – Vermont Gas Renewable Natural Gas program design – PERD Testimony is due on July 7. Staff began identifying key issues which include how to handle over- or under-supply, appropriate marketing strategy, and addressing why an RNG RPS is not appropriate at this time (CLF had floated this idea early on. Our feeling is that the market is not mature enough to require an RPS). Our approach is generally supportive and suggests a few items be codified by order of the Board including regular check-ins and reporting by VGS.

#### Other

- ANR reached out to coordinate efforts to develop state-wide GHG lifecycle accounting protocols. PERD met with ANR for an initial scoping meeting. PSD staff feel that a narrow approach is appropriate because of the significant potential for scope creep and the potential application of these guidelines to many areas of economic and regulatory

activity (transportation, development, Act 250 etc.). A more narrow rule can be more thoughtfully crafted. ANR will be leading the charge, starting with a survey to state agencies on how GHG accounting may be used. PERD will take a supporting role, attending meetings, providing comments on drafts, and suggesting a process for stakeholder engagement.

### ***Regional***

#### **TransCanada Acquisition Study**

- The state selected Synapse Energy Economics to perform a general valuation of The TransCanada hydroelectric assets and assist in preparation of a legislative report regarding the potential acquisition of the assets.
- DPS staff have prepared a draft contract; the Agency of Administration will be the contracting entity, although DPS staff will be primarily responsible for directing Synapse's work and reviewing invoices.

#### **North Hartland Petition for Enforcement of PURPA**

- North Hartland, a hydroelectric facility seeking a 20-year contract under PSB Rule 4.100, implementing PURPA, filed a petition for enforcement at FERC. The petition asks FERC to conclude that Rule 4.100 is inconsistent with PURPA because it requires that a resource meet the substantive requirements of Section 248 prior to receiving a long-term contract.
- On June 20, the DPS submitted comments explaining why the PSB Rule is consistent with PURPA. Green Mountain Power, Burlington Electric Department, and the Public Service Board also filed comments recommending that FERC reject North Hartland's petition.

#### **NEPOOL Participants Committee Meeting**

- NEPOOL, the energy industry stakeholder group that reviews ISO-NE proposed changes to wholesale market rules and the transmission tariff, held its annual meeting June 21-22. The main topic of discussion at several of the meetings was potential changes to the wholesale markets to better integrate state policies, particularly policies related to renewable requirements.
- NEPOOL, ISO-NE, and the states will meet in Boston on August 11 to present potential market changes, and discuss potential implications for the markets and stakeholders.

#### **Federal Energy Legislation**

- Congressman Welch's staff stated that the House Energy and Commerce Committee will be holding a hearing on the Federal Power Act on July 12. The intent is to provide general education for members of the committee, although Welch's staff previously indicated that the committee may be proposing changes to the Federal Power Act related to the line between state and federal jurisdiction.

### ***Engineering***

### NRC Report Recommends Changes to Decommissioning Funds Review Processes

The NRC Office of the Inspector General (OIG) has issued a report (OIG-16-A-16) on its audit of NRC Decommissioning Funds Programs (i.e. NRC's oversight procedures related to Decommissioning Trust Funds). While the report indicates that the NRC has "adequate" processes for addressing possible DTF shortfalls, a number of "process improvement opportunities" were identified. Specifically, the NRC needs to: 1) develop guidance on processing exemptions to reactor licensees, 2) re-evaluate the minimum decommissioning funding estimate formula, 3) strengthen user controls and guidance on conducting decommissioning financial assurance reviews, and 4) consistently document decommissioning financial assurance reviews and financial instrument inventory reviews.

### Vermont Gas Systems Addison Transmission Pipeline Project Construction

18 contractor crews performed ANGP construction activity during this report period. 5 of those crews performed pipe-welding and coating operations. Approximately 3000 feet of pipeline was installed during this period by the primary construction contractor for the project. This total includes installation by open-trench and "trenchless-technology" (Horizontal Direction Drilling) in several northerly sections of the project between Williston and Middlebury. The Gas Engineer and Pipeline Inspector reviewed current project specifications and performed inspections of electrical safety, trenching, pipe laying, backfilling and pipe-coating and quality control procedures for material defects.

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

Vermont Yankee – No Docket – The Department erroneously received an email from Entergy containing spreadsheets that seem to indicate that Entergy has been withdrawing amounts from the VY decommissioning trust in excess of what has been noticed to the NRC and the State, and in at least one instance, withdrawing funds without notice. Department staff have confirmed with Vermont bar counsel that it is not obligated to return the document, and is currently determining next steps. Separately, NRC Commissioners are scheduled to issue a likely ruling on the State's pending Emergency Planning Zone license amendment appeal on Thursday, June 23.

South Forty Solar – Docket 8600 – The Department filed an initial brief supporting issuance of a CPG for the 2.5MW project, subject to a couple of conditions including a requirement that SFS revise its decommissioning cost estimate to include all appropriate costs (some were omitted due to anticipated salvage value), and to provide a compliance filing from a Vermont-certified electrician certifying that the proposed perimeter fence meets all applicable safety codes. Reply briefs are due in early July.

CLF declaratory ruling re: amended CPG for the VGS Addison Expansion-Docket 8330- Reply briefs were submitted by VGS and CLF on June 14. On June 21, CLF submitted a request for oral argument as contemplated by the schedule. The Board has not set a date and no one has objected to the request.

GMP-St. Albans Community Digester-Docket 8673- 800 kW methane biodigester generation facility to be constructed in St. Albans. GMP and the Department are engaging in informal discussions between staff in advance of a larger meeting tentatively scheduled for June 28

between GMP and the Department. The schedule remains suspended.

Triland Williamstown Solar Project-Docket 8666-Petition to construct a solar electric generation facility of up to 2.2 MW off George Road in Williamstown. On June 15, the Petitioner advised the Board that the Department and the Petitioner continue to work to resolve issues with the System Impact Study. On June 16, Triland filed an initial response to ANR's request for an investigation into pre-CPG construction activity at the Project site. On June 17, the Department and ANR jointly submitted a request to the Board that the investigation continue until all issues surrounding the activity at the Project site are resolved. The schedule remains suspended.

VGS-Broughton condemnation-Docket 8641 - This parcel is in Monkton and is owned by Mrs. Broughton's Revocable Trust. The late Mrs. Broughton's lawyer, Jim Dumont, has contacted VGS to advise that he now represents the successor Trustee, Mr. Stevens, and the other trust beneficiaries. The beneficiaries are interested in settling the matter through a conveyance of the parcel in fee and not the conveyance of an easement. The hearing officer was advised of this development by VGS, accompanied by a request that the stay in the schedule be continued for an additional two weeks to allow time for negotiations. The Department supported this request.

VGS-Town of Hinesburg condemnation-Docket 8643-This parcel is in a park owned by the Town. On June 16, the hearing officer issued a procedural order adopting the schedule jointly proposed by all of the parties. The Residents served discovery requests on VGS, the Department and the Town on June 10, with responses due June 24. Many of these requests are specific to the Hinesburg parcel and some are along the same lines as those which were served in Cuneo and Broughton. Opposing counsel continues to threaten a Motion to Compel with respect to the Department's responses. VGS continues to work with the selectboard and believes it can structure a new, acceptable deal that will soon be ready for a vote by the selectboard.

GMP Vegetation Management – No Docket – Department staff has submitted a round of discovery to follow up on the new information and positions advanced by GMP at the April meeting between the Department and GMP. Responses provided little in the way of analysis. GMP has not yet provided requested communications to/from its staff involved in vegetation management, and has instead invoked sweeping claims of privilege. The Department will oppose those claims of privilege and is determining what adjustments are appropriate to GMP's base rates filing.

GMP Base Rates Filing – No Docket – GMP has made its annual base rates filing, seeking a rate increase of 3.53%, which is made up of a 2.57% increase to underlying rates and 0.96% increase to power supply costs. GMP has already responded to an initial round of discovery on capital additions and the Department has submitted another round later this week on a broader range of subjects. GMP is attributing a large amount of the increase to net metering (approx. 2%). While the investigation is still at an early stage, it appears that a full four month investigation may be appropriate for this filing in light of: (1) the relatively large 3.5% increase; (2) the large portion attributed to net metering; (3) the fact that this is the first filing in which GMP seeks to "bake in" its new innovative services on a permanent basis (GMP is likely to file tariffs offering these services in the next month or so); (4) the fact that 4 large solar projects are proposed to enter rates through a tax flip mechanism that remains opaque; (5) lingering concerns about GMP's

vegetation management practices, among other things.

North Hartland Rule 4.100 Contract – Docket No. 8569 –North Hartland filed rebuttal testimony and motions to strike testimony of DPS, GMP, and BED on 6/15. A technical hearing is scheduled for July. North Hartland has made a FERC filing challenging the proceeding as inconsistent with PURPA and seeks FERC enforcement against the Board. The Department has attempted to facilitate further settlement talks, which have not succeeded.

Generic Rule 4.100 Ratesetting Proceeding – Docket No. 8684 – VIPPA and BED are in a discovery dispute with VIPPA having filed a motion to compel. Remaining issues appear to be resolved in advance of a July 7 technical hearing.

Charlotte Solar Enforcement - Docket 8638 – This investigation concerns alleged violations of the CPG for this 2.2 MW standard offer solar project. PSD retained Landscape Architect Jean Vissering as our expert; her recommendations focused on the failure to install landscape mitigation in a timely manner and also the fact that construction of the project was not done in accordance with the plans approved by the PSB. Parties filed prefiled testimony on June 13<sup>th</sup>. The Board’s Hearing Officer held a technical hearing on June 20<sup>th</sup>, after which the Hearing Officer set the briefing schedule in this matter to afford parties two weeks to submit initial briefs (due 7/7/16) followed by reply briefs two weeks later. The briefs will make recommendations for sanctions and penalties. Following the briefs, the Hearing Officer will issue a Proposal for Decision.

BDE Grand Isle Solar 5 MW facility in Grand Isle – Docket 8665 –PSD is reviewing responses to discovery on the revised project. While the revisions address the Department’s concerns with the § 248(b) criteria we typically review, we will also reach out to ANR to determine if the previously raised wetlands issues have been resolved to their satisfaction. PSD will decide by June 30 whether there is a need to file rebuttal testimony. The technical hearing is scheduled for July 14<sup>th</sup>.

Demand Resource Plan proceeding - EEU 2016-03 – In response to the Board’s 6/17/16 Order opening up the 2016-2017 Demand Resource Plan proceeding to establish three year budgets and savings goals for Vermont’s Electric and Natural Gas Energy Efficiency Utilities (EEUs), Department staff have been working with the EEUs to develop a schedule for this 18 month proceeding. In addition, we have developed an agenda for the opening workshop scheduled to take place on 6/30/16. Our stipulated proposed schedule and agenda will be filed by 6/24/16.

Commercial Building Energy Benchmarking and Labeling – Docket 8488 – PSD filed Reply Comments in response to a filing by Burlington Electric Department, wherein BED sought to be exempted from the recommended obligation to provide aggregated energy use information. BED asserted that the obligation was inconsistent with its customer privacy policy, but the Department believes the obligation can be discharged without violating the existing policy. The recommendation was specifically designed to protect customer privacy. The Department, on behalf of the Commercial Building Energy Benchmarking Working Group, will be making a filing on 6/27/16 requesting that the Board issue an order implementing the Working Group’s recommendation.

SunCSA 58, LLC 150 kW Group Net-Metered Facility in Addison – CPG #NM-6841 – On June 17, the Applicant served discovery on the Intervenor and the Intervenor served discovery on the Applicant; responses are due June 22. Stipulations and/or rebuttal testimony are due on June 30, 2016.

Peck Electric, 150 kW Group Net Metered Facility in Charlotte – CPG #NM-6691 – On June 13, 2016, the Town of Charlotte served discovery on the Applicant. On June 21, 2016, the Applicant sent an email to the Clerk of the Board noting that a scheduling order had not yet been issued in this proceeding, and seeking clarification regarding the Town's intervenor status and the issues to be heard.

BDE Sheldon Woods Lazar Solar, LLC 500 kW net-metered facility in Sheldon – CPG #16-0022-NMP – On June 17, 2016, the Department responded to the Applicant's written response to parties' initial comments on the Project. With respect to the Northwest Regional Planning Commission's request that the final order not include a finding that the regional plan does not contain land conservation measures, the Department supported the NRPC's request on the basis that it was not necessary for the Board to reach a finding on land conservation measures in this particular case because the NRPC does not allege that the Project violates any such measures and therefore whether the NRPC plan does or does not contain land conservation measures is not material to the outcome of the application. The Department suggested that a finding that the Project is consistent with the NRPC plan would suffice. The Applicant's written response to the Department's comments address the Department's initial concerns with the Project and the Department is now satisfied that the Project does not raise a significant issue with respect to the applicable Section 248 criteria.

Gilman Renewable Solar, LLC 2.1 MW Net Metered Facility in Lunenburg (Gilman Landfill Project) – Docket 8725 – The Department and ANR served a first round of discovery on the Petitioner on June 17, 2016. Responses are due July 1, 2016. The Department did not receive any Motions to Intervene in this proceeding.

Mountain Funds, LLC 500 kW Net Metered Facility in Windsor – CPG #NMP-7400 – On June 8, 2016, the Board issued a final order granting a CPG. The CPG was conditioned upon, among other things, a landscape mitigation and maintenance plan stipulated to by the Applicant and the Town of West Windsor. The maintenance plan includes an obligation on the CPG Holder for the first three years after plantings to maintain and replace any dead or diseased arborvitae with like nursery stock. During the comment period, both the South Windsor Regional Planning Commission (SWRPC) and the Department requested that the Board supplement this condition to require lifetime maintenance of mitigation plantings, however, the Board did not include this as an express condition of the CPG. The SWRPC reached out to the Department indicating that the SWRPC is considering filing a Motion to Amend the Final Order to include a requirement that the Applicant maintain the landscape mitigation for the life of the project. SWRPC sought the Department's support. The Department stated that it generally expects landscape mitigation to be maintained for the life of the project such that the overall mitigation effect is not compromised – this may not require replacement of every dead tree if the plantings have grown and filled in such that one dead tree does not compromise the overall mitigation effect. We

believe that this requirement is implicit in CPG condition #1 which requires the facility to be constructed and operated in accordance with the application.

Village of Morrisville Water & Light Department Request to Reserve 500 kW of Capacity in Net Metering Program – No docket number - On March 25, 2016, the Village of Morrisville Water & Light Department (Morrisville) filed a letter with the Board stating that it intended to construct and operate a 500 kW net-metered community solar facility. Morrisville stated that utilities are not prohibited from developing net-metering projects, and also that Morrisville intended to interpret the term “first-come; first-served” in § 219a(h)(1)(A) as allowing a person or entity to enter the net-metering queue by announcing an intention to develop a net-metering project. The Department filed comments on April 25 stating that it agrees that the statute does not prohibit a utility from developing a net-metering project, but refrained from taking a position on the desirability of utilities so doing. The Department also agreed that the statute and Board Rules allow utilities a degree of discretion in administering the net-metering queue, however, the Department disagreed that a statement of intent is sufficient to secure a position within a net-metering queue. The Department believes that an interconnection application or a CPG application are an appropriate measure for administering the net-metering queue, but that a statement of intent is too ambiguous for the effective and fair management of the interconnection queue. On April 28, 2016, Morrisville filed a 45-day notice for their project. By Order dated June 17, 2016, the Board opened an investigation to resolve several factual questions before issuing a declaratory judgment responsive to Morrisville’s March 25 filing.

GMPSolar Williamstown – Docket 8682 – GMP entered into an MOU with DHP and ANR. The PSB denied Allco’s motion to reconsider the hearing officer’s denial of Allco’s motion to intervene; Allco filed a notice of appeal. GMP informed the PSD that it will make a supplemental filing with the PSB on Friday, but has given the PSD only two days to review the filing and offer feedback. The draft filing is quite lengthy and includes prefiled testimony and exhibits for multiple witnesses. The PSD has requested its experts review these documents as soon as possible, but does not believe it likely that its experts will be able to provide any valuable feedback within the time frame offered by GMP.

Coolidge Solar 20 MW facility in Ludlow - Docket 8685 and Request for Rule 4.100 contract approval- Docket 8586 – ANR and GMP served second rounds of discovery requests on the petitioner. The deadline for petitioners to respond to the second round of discovery is June 29<sup>th</sup>. The PSD met internally to discuss concerns regarding the project and anticipates filing testimony regarding engineering, planning and aesthetic concerns by the July 20<sup>th</sup> deadline.

City of South Burlington § 248(j) 1.55 MW Solar Group Net-Metered Facility on the Closed Landfill – Docket 8722 – On June 3<sup>rd</sup>, the Board issued a Procedural Order requesting input from the Petitioner and the Department on comments filed by the City of South Burlington and the Burlington International Airport regarding a proposed access road in the Airport’s master plan. The proposed road appears to cross the project site. The Board has asked the Department to comment on whether and how the proposed access road should affect the Board’s evaluation of the project. Upon the Department’s request, the Board granted the Department an extension until June 24<sup>th</sup> to file comments in order to allow the Department to respond to other parties’ filings. On June 17<sup>th</sup>, the City of Burlington filed a letter requesting that the Board either require changes

to the proposed project to accommodate the access road or place conditions on the CPG requiring the petitioner to remove all solar panels conflicting with construction of the roadway when it is built. With its letter, the City of Burlington provided documents from the Airport's Master Plan depicting the proposed access road. Also on June 17<sup>th</sup>, the Petitioner City of South Burlington filed supplemental testimony responding to the Board's Procedural Order. The testimony provides information demonstrating that the potential access road lacks the necessary engineering detail that would allow the Board to evaluate the impact on the proposed solar project. The Petitioner also pointed out that the Airport has not obtained any of the necessary permits for the access road (with the exception of one FAA approval), has not developed a schedule for road design or regulatory permitting, has not demonstrated the necessity of an access road, and has no control over the subject land since the Petitioner owns the parcel. ANR also filed comments indicating that the Agency has not received enough information from the Airport describing the environmental and geotechnical issues that would need to be addressed in order to determine whether it would be feasible to construct an access road on the closed landfill. The Department plans to file a letter on June 24<sup>th</sup> indicating that the City of Burlington and the Airport have not demonstrated that the potential access road should be considered in the Board's review of the proposed solar project.

WEC Section 108 Petition – no docket – WEC has filed a petition pursuant to Section 108 for approval of a promissory note and mortgage to the National Rural Utilities' Cooperative Finance Corporation to finance its Siloxane Removal System. The Department's comments are due on July 8<sup>th</sup>.

### ***Telecommunications***

2016 Connectivity Initiative RFP – The Department will be issuing broadband grant awards totaling \$556,000. June 17 was the deadline by which ISPs could challenge that eligible locations were served or to be served. ValleyNet, Cloud Alliance, Kingdom Fiber, FairPoint, Comcast and Waitsfield/Champlain Valley Telecom all submitted challenges and/or updated propagation maps of locations with broadband at speeds of at least 4/1 in their service territory. June 17 was also the deadline for ISPs to submit questions. The most substantive question was posed by FairPoint who, in brief, has asked whether RFP-awarded locations can be counted toward their CAFII obligation. The Department will circulate an email with all questions asked and associated responses to the list of ISPs who submitted an intent to respond to the RFP.

GIS capability at PSD – PSD staff has met with representatives from Department of Public Safety and Department of Agriculture to consider possible cooperation on GIS work. PSD staff is also working with DII to identify the cost of building a GIS server for the PSD, and has inquired with VCGI and Stone Environmental about hosting GIS data on their servers. For this round of Connectivity Initiative grant work, Stone will perform the final GIS processing under the existing contract.

VTel Annual Report Public Records Request – The Valley News requested the VTel Wireless and Vermont Telephone company annual reports for 2016. VTel wireless has redacted almost the entirety of the report. The Valley News has requested that the PSD consider this confidentiality claim. The Valley News has also questioned some of the information in the Vermont Telephone Company report. Valley News is writing a story about the financial

viability of VTel as regards the WOW project.

Reading Fiber Project – The Department inherited several ongoing fiber construction projects from the Vermont Telecommunications Authority. One project is a 14-mile long segment of fiber along Route 106 in Reading. This project, once complete, will connect ECFiber’s plant in Woodstock with its new plant in West Windsor. Construction is complete, and the contractor is wrapping up testing. Testing results are due this week. Some corrections will need to be made, which require an additional day of work, but these corrections are minor.

VUSF Audit – The fiscal agent will be seeking out an auditor for fiscal year 2016. Request for Proposals go out next week. The Department can review and approve the fiscal agent’s selected vendor under the Department’s contract with the fiscal agent.

Pre-Paid Wireless Revenue – in 2014 the General Assembly added the universal service charge to sales of pre-paid wireless plans. These charges are assessed on the wholesaler. The law requires the wholesaler to remit to the VUSF an amount of money that would equal 2% of the retail price of these subscriptions. The legislation directed the Public Service Board (“PSB”) to develop a methodology for collecting these fees. The PSB issued an Order calling on carriers to individually submit a methodology, which the PSB would approve if found reasonable. To-date, no carriers have submitted a methodology to the PSB. Some carriers have submitted a statement to the fiscal agent, but these vary in degree of quality. Division staff is assessing carriers’ methodologies and will contact by letter those carriers which have not complied with the Board’s order.

EDA Funded CoverageCo Project – The Department is administering a grant to build a network of small cell wireless antennas along state highways. The Department requested from the EDA a change in scope. The Department sought permission to move some of the antennas to areas that are more likely to generate revenue for the wholesale carrier, CoverageCo. On Tuesday the EDA approved the change in Scope.

Staff are executing a field test plan to validate the sites for Project 1 of the contract. To date four of the six corridors have been tested. Some anomalies have been found with the CDMA portion of the CoverageCo hardware and this has been feedback to CoverageCo. Last week’s field test showed that the S. Strafford to Thetford route has been built out but due to a backhaul issue with Fairpoint they are not operational. For the Topsham area, only 4 of 12 are operational. Eight are not constructed due to a backhaul issue with Topsham Telephone. These issues will be addressed. Final field testing for Project 1 will be completed this week.

Staff had a conference call with CoverageCo last week to discuss issues. We learned they have some hardware issues that are causing CDMA performance problems. They claim to have made adjustments in the field. They also have plans to improve the ability to maintain their sites remotely and are investigating backhaul approaches. We will follow-up to insure the CDMA problem is completely addressed in the field.

Equipment Distribution Program:

1. The Telecommunications & Connectivity division has been in contact with the Vermont Center for Independent Living to discuss the transition of Equipment Distribution Program (EDP) administration, which is scheduled for July 10<sup>th</sup>. The program had previously been administered by the Department of Aging and Independent Living, through an MOU with the Department of Public Service. It has been decided by both parties to dissolve the MOU, and for the program to return to the oversight of the Department of Public Service. DPS is the current administrator of the Vermont Telecommunications Relay Service and the Connectivity Initiative, programs funded through the Universal Service Fund (USF). USF is also the funding mechanism for the Equipment Distribution Program.
2. The EDP program will be combining its Advisory Board with the Vermont Telecommunications Relay Service Board to attain the most robust and effective feedback on both programs. The first combined Advisory Board meeting is scheduled for July 17<sup>th</sup> at the Department of Public Service. The formation of the Advisory Board is required by statute, and the Board is tasked to advise the Department of Public Service and the contractor for telecommunications relay services on all matters concerning the implementation and administration of the State's telecommunications relay service and equipment distribution program.

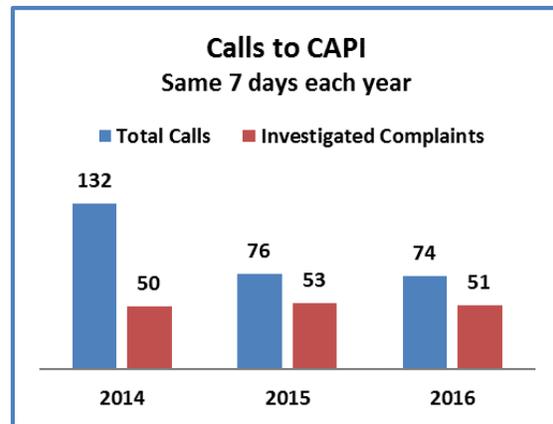
AoT and Public Service Department Coordination – Staff provided AoT the GIS data layer of the PSD fiber optic cable locations and construction status. This GIS data layer will enable AoT to overlay PSD fiber locations with AoT’s existing fiber infrastructure in order to aid in prioritizing their future fiber projects and reduce potential duplication between the two agencies.

State Government GIS Cooperative Gathering – Staff attended the first annual cooperative gathering where agencies present GIS projects that they are working on. Most of the presentations consisted of online mapping solutions to aid in internal production and also convey and gather information from the public. This was a great opportunity to network and collaborate with other state agencies.

***CAPI***

Report period for June 12 through June 18, 2016

CPG Complaint Protocol (H.577) – CAPI facilitated a brief meeting to update the workgroup about our progress at which we finalized the public input process and worked on the list of key informants. CAPI staff finished its initial rough draft of the sections of the protocol.



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

**To:** Peter E. Shumlin, Governor  
**From:** Hal Cohen, Secretary, Agency of Human Services  
**Re:** AHS Weekly Report  
**Date:** June 24, 2016

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**Secretary's Message:**

I attended the National Governor's Association 2016 Policy Institute for Governors' Human Services Advisors. This was an excellent institute that validated some of the directions the Agency is moving in and also highlighted some additional areas for new initiatives. For example, I'd like AHS to use predictive risk modeling (predictive analytics) more extensively. This type of modeling is an automatic tool which generates a risk score from an event based on large data sets. These tools are used in military, insurance, gaming, fraud detection, etc. We currently use similar tools in our Department of Corrections but I think it would be exciting to use these tools in screening child protection calls, in determining who is more likely to severely injure a child, which family is more likely to become homeless, etc. These tools are being used successfully by other state social service agencies. I would like to explore more options with my staff on this and determine how best we can utilize such tools.

In this report there are number of report items from my departments, many of which I've been taking an active role, for example, issues with the BR, out of state DOC beds, VT Women's Health Initiative and VHC stabilization.

**AHS Highlights:**

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

**St. Albans Hub**

The Howard Center has requested to review the materials regarding the State's decision on the Franklin County Hub RFP, including all the applications and the applicant's scoring, except, those materials that are classified as proprietary. VDH is in the process of collecting and producing that information.

**Zika Virus Testing**

The Vermont Department of Health Laboratory (VDHL) has implemented testing for Zika virus. The VDHL can test patient specimens for the Zika virus genetic material, which is performed using the Centers for Disease Control (CDC) polymerase chain reaction or PCR test and can also test blood serum specimens for the presence of Zika antibody, using the CDC Zika antibody test procedure. Positive test results are still required to be confirmed at the CDC, however having the availability to test specimens at the VDHL will speed up overall test result turnaround time to the medical provider and patient.

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

**Vermont Psychiatric Care Hospital**

VPCH census is currently 23 with likely admission of at least one patient later today. Staffing levels continue to require frequent mandating of staff overtime each day on multiple shifts. The hospital continues to advertise for Mental Health Specialists and Nurses. Interviewing has been ongoing, and

as of this report, recent hires include 4 permanent Mental Health Specialists, 1 temporary Mental Health Specialist and 1 new Psychiatric Nurse. VPCH and CMVC CEO's and Medical Director's met to further communications and explore any areas of concern between the hospitals. All agreed that the current overall partnership has gone reasonably well between facilities for the nearly 2 years of operations. In addition, the CVMC CEO expressed interest in having an exploratory meeting with DMH and DAIL Commissioners to discuss nursing home level of care needs of VPCH patients and opportunities for better collaboration. A meeting between the various leadership is being scheduled.

This week, DMH received a request from the VSEA seeking all patient assaults of VPCH employees back to 1/1/15, as well as, current security plans in use at VPCH. Documents responsive to the request are being compiled for VSEA inspection.

### Emergency Departments

This week there were 20 people in need of inpatient psychiatric admission and 15 were admitted. Of the five people who remain waiting at this time (3 involuntary adults and 2 voluntary adults) all have been waiting less than 12 hours. There was one court ordered person this week and they were admitted from a DOC facility in less than 3 days. Having slightly lower numbers of people in need of inpatient psychiatric admissions and a lowering of acuity at VPCH has allowed for improved movement throughout the inpatient system of care. The occupancy rate of the adult beds was at 90% occupied this week and the children/adolescent inpatient system of care has averaged 82% occupancy this week.

### Brattleboro Retreat

Secretary of Administration, Justin Johnson, DMH Commissioner Reed, and DVHA Commissioner Costantino met with the Brattleboro Retreat CEO this past week to explore possible alternatives to reduced children's inpatient access at the hospital. Without remedy, the Retreat has identified losses on treatment services reimbursements that make continued availability of inpatient services not sustainable beyond July 1<sup>st</sup>. A number of potential options were put on the table for exploration with regard to reimbursing costs for children's inpatient admissions, including contracting for higher acuity care, utilization review options for complicated discharge planning timeframes, and creation of more readily available step-down/diversion options as cost-effective alternatives. Before considering any children's inpatient bed closures, the Retreat has agreed to provide more information on the numbers of children served, current lengths of stay, and clinical criteria resulting in higher cost medical services for a smaller group of admitted patients before considering reduction of inpatient services. The group agreed that exploration of alternative in-state hospitalization capacity for children's inpatient beds needed to be explored parallel to also considering both short-term and longer term options to assure inpatient access. A follow-up meeting will occur within three weeks to review progress and propose next steps.

### SAMHSA Site Visit

Substance Abuse and Mental Health Services Administration representatives completed a three-day site visit this week as part of its required five-year review of the annual Mental Health and Substance Abuse Block Grant uses and expenditures. DMH and VDH/ADAP staff shared Vermont progress in treatment and service areas and received several compliments on Vermont's innovative approaches to service delivery and funding. AHS Secretary Cohen also briefed the site visitors on AHS' "One Agency" service delivery collaboration improvements and health reform gains and ongoing initiatives. Given preliminary exit comments, DMH expects to receive recommendations in the areas of MHBG planning member orientation to roles and responsibilities, expanded data collection with special

populations, and additional resource investments in data development for trend analysis and reporting capabilities.

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

**Path at Stone Summit Application Changes**

Staff from DAIL's Division of Licensing and Protection Survey and Certification Unit met with Mike Munson, the attorney representing The Path and Stone Summit on Tuesday June 21<sup>st</sup>. Mr. Munson furnished a new application which asked for a bed capacity of 4 rather than the 8 requested in the previous application. The application is complete except for two items:

1. A current wastewater permit from DEC; and
2. A recent water test on their drilled well.

Mr. Munson intends to submit these items as soon as possible. The developers are currently installing a sprinkler system and hope to have a certificate of occupancy from The Department of Public Safety's Division of Fire Safety soon. Once DAIL receives a copy of the certificate of occupancy, we will schedule a "walk through". A surveyor will go onsite to review their policies and to evaluate the environment. While DAIL did not receive any individual community member complaints this week, we were contacted by Jay Kenlan, an attorney representing a group of concerned community members, and responded to his request for a copy of the license application. Before issuing a license, DAIL will review all materials thoroughly and develop a communication plan.

**Department of Corrections (DOC):**



**Out of state trip planned**

The in-state population has been rising and the department has very few in state beds available. We are planning an out of state trip next week to relieve the pressure on in-state beds. This will likely garner media attention as we have not increased the out of state population in months.

**Population**

The Department's incarcerated population averaged **1762** for the previous week. Last year at this time, the average was **+131** over the current number.

The Department's incarcerated male population averaged **1628** for the previous week. Last year at this time, the average was **+117** over the current number.

The Department's incarcerated female population averaged **135** for the previous week. Last year at this time, the average was **+13** over the current number.

The Department's overall detainer population averaged **430** for the previous week. Last year at this time, the average was **-48** under the current number.

The out of state population is currently at **236**. Last year at this time, the out of state population was **+63** over the current number.

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

**DCF Healthcare Position Transfers to DVHA**

In an effort to centralize healthcare functions, DCF’s healthcare eligibility and operations staff have been managed by DVHA through an MOU since 2015. Effective July 1, 2016, all DCF healthcare staff will be officially transferred to DVHA. Seventy-eight staff were transferred through the appropriations act and 84 staff were transferred through the Secretary’s statutory authority per 3 V.S.A. §3025.

**Inquiry by the Attorney General’s Office Medicaid Fraud Unit**

While looking into the Medicaid billing practices of a PNMI provider (residential treatment program for children), the Attorney General’s Office Medicaid Fraud Unit (MFRAU) raised questions about whether DCF was properly returning the federal share of Medicaid overpayments received from PNMI providers to the Centers for Medicaid and Medicare Services (CMS). DCF, along with representatives from DVHA and the Agency of Human Services central business office, met with MFRAU to explain PNMI billing and the process for how DCF returns overpayments to CMS. In preparing for this meeting, DCF discovered an area of the overpayment processing procedures that were not followed properly in a few instances over the last six years. This showed that the State of Vermont owes CMS approximately \$120,000 in federal share overpayments received from PNMI providers. DCF is correcting these procedural errors and is returning the federal share owed to CMS. This inquiry into PNMI billing has renewed conversations with DCF and other AHS departments around improving the billing process for both the providers and the Agency.

**Burlington Police and DCF Join to Support Challenging Families**

Burlington Police Chief Del Pozo, and DCF Family Services, Economic Services and Child Support staff as well as AHS Field Director, Jane Helmstetter met this week to discuss several families with significant police involvement who are also involved in benefits and child services. This team was empaneled under the DCF Commissioner’s authority to facilitate information sharing and discussion around specific cases that touch all of these arenas. This new and different approach to supporting families has allowed more open conversation around family centered safety issues and the benefit services that protect these children. The meeting has been a very positive step in the direction of collaboration and integration.

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

**Vermont Health Connect**

— Sue

*Enrollment:* A new national study, based on census estimates, reports that Vermont’s uninsured rate fell even further – down to 2.7% - last year. 2016 VHC enrollment data shows continued progress on the last 2.7% and reaching the challenging demographic of “young invincibles.” More than one in five (21%) new enrollees are in the 26-34 age bracket, compared to 12% of the renewing population.

*Medicaid Renewals:* Nearly nine out of ten (87%) households processed to date have been determined to still be eligible for MAGI Medicaid. Of the rest, most (77%) have experienced a modest income increase that now qualifies them for state and federal subsidies to purchase a qualified health plan.

A passive file for VHC Medicaid renewals was attempted on 1,903 cases; each of these cases encountered data issues. Another execution of the passive file is targeted for Friday (6/24).

*Customer Support Center:* Maximus answered more calls in May than in any month in over a year (since February 2015) primarily due to VHC Medicaid renewal responses. With 11,789 calls received

last week (week of 6/13), it the third heaviest week of the year and only a few hundred shy of the busiest week (final week of Open Enrollment). Only 15% of the calls were answered in under 24 seconds (target is 60%). Maximus added 13 Customer Support Representatives to the phones starting this Tuesday (6/14).

*Integration:* Overall error rate between VHC and payment processor systems cut in half from March to May (2.8% to 1.4%). Overall error rate between VHC and carriers cut 36% from March to May (2.5% to 1.6%).

*COC backlog:* Inventory under 2,400 households (2,373 as of 6/22) for the first time this year. Target is to complete requests that come in by the 15<sup>th</sup> of the month by the next invoice (5<sup>th</sup> of month).

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

#### **Agency of Human Services Central Office (AHS CO):**

##### FY16 Closeout

The AHS fiscal team continues to work with the departments of AHS and Finance & Management to prepare for the close of the fiscal year.

##### SAMHSA Review

AHS fiscal staff met with an auditor from SAMHSA, the federal agency with jurisdiction over the Mental Health Block Grant, related to the following areas: federal draw processes, single audit process and state policies and procedures.

##### Cost Allocation – HSE

The HSE fiscal team is working on the cost allocation within the HSE and responding to related questions from CMS. A call with CMS staff on the cost allocation is scheduled for today, Thursday, June 23<sup>rd</sup>.

##### Brattleboro district groups meet to discuss supporting parents

From several partners, concerns about families—especially single women—after their parental rights were terminated have been part of team conversations. Often, these women’s situations were dire and became worse after losing their parental rights because many services and benefits are tied to having custody of children. A group that included AHS Field Services, representatives from several AHS departments’ field staff, and representatives from many community partners met to begin a discussion about how we might support these families toward successful outcomes after the TPR process, also preventing further interventions by DCF FSD if there should be future children. Field Services will be working with a small group from that larger team to develop next steps, including how to partner with families to understand what supports would be beneficial. In addition, the Windham Southeast Supervisory Union has been convening discussions about improving parental engagement strategies related to school attendance, especially with families experiencing mental health issues, addiction, and cognitive impairment. Field Services is involved in the potential development of a collective impact model as these kind of supports touch the work of the developing Integrating Family Services team and the District Leadership Team.

##### DCF ESD staff meets with local teams about GA alternative proposals

Geoffrey Pippenger and two other DCF ESD operations staff met with groups in the Bennington and Brattleboro districts to talk about the General Assistance pilots. The conversations focused on the

status of the current pilots and implementation of future pilots. Geoffrey was able to answer many of the groups questions and learn more about the needs and capacity of local providers. It was a valuable step in re-building relationships with local providers.

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

#### Blue Green Algae

The Vermont Department of Health is getting visual reports from Lake Champlain and three inland Lakes. Vermont had its first reported cyanobacteria bloom of the season at Lake Carmi. The cyanobacteria tracker is live- <https://apps.health.vermont.gov/vttracking/bluegreenalgae/2016/d/>

#### Perfluorooctanic Acid (PFOA) & Perfluorooctanesulfonic Acid (PFOS)

The Vermont Department of Health is sending a revised drinking water health advisory for PFOA and PFOS combined (20 parts per trillion combined) to Department of Environmental Conservation for inclusion in the Groundwater Protection Rule. This is relevant to ongoing litigation.

#### Zika Grant

The Division of Emergency Preparedness and Injury Prevention submitted a grant application for CDC funding in the amount of \$162,289 to assist with Vermont's ZIKA preparedness and response efforts. The grant is intended to strengthen public health incident management and coordination, enhance information sharing and supplement awareness activities currently being rolled out by the Health Department. Notice of award is expected before the end of the month.

#### Award to Support Dental Care

Ashley Cleveland, Public Health Dental Hygienist in the Newport District Office provided technical and strategic support to advance the successful application for \$1.05 million U.S. Department of Health and Human Services grant to three Vermont community health centers (link and text, below). This grant will help to expand desperately needed dental access in the Northeast Kingdom.

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

#### Supreme Court

On June 17<sup>th</sup>, the Vermont Supreme Court unanimously held that only the Commissioner of Mental Health, and not a State's Attorney, can request continued involuntary treatment beyond an initial 90-day order. *State v. B.C./State v. B.H.*, 2016 VT 66. The Court concluded that only the Commissioner is authorized by statute to file Applications for Continued Treatment (ACT) in the Family Division of the Superior Court. In addition, the Court confirmed that a State's Attorney cannot prevent an Order of Hospitalization or Non-Hospitalization from expiring if the Commissioner decides not to file an ACT. Likewise, a State's Attorney is not entitled to a hearing if the Commissioner decides to let an order expire. As articulated in the decision, "[U]nder no circumstances is the State's Attorney empowered to seek continued treatment . . . [T]he Legislature has vested the Commissioner, in whose care persons needing mental health treatment are entrusted, to have the sole authority to seek an order of continued treatment at the expiration of a treatment order. This legislative decision is presumed to be made advisedly and that decision settles which representative of the State shall make that choice." *State v. B.C./State v. B.H.* at ¶ 15.

- Sarah

I think this is a thoughtful decision by the Court and is in the best interest of Vermonters living with mental health conditions. This decision supports AHS/DMH's belief that decisions around an

individual's clinical needs for treatment are best left to the professional judgment of skilled mental health care providers.

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

**The Frail Elders Project**

What matters to Vermont's seniors? That is the question the Frail Elders Project sought to answer. The Vermont Medical Society Foundation, with funding support from the Vermont Health Care Innovation Project (VHCIP), explored several aspects of the health and health care of older Vermonters in two central Vermont communities. The research focused on 10 sub-topics including: Who is an "at-risk" senior? What matters to seniors? What barriers do they encounter to receiving the care they want? What are the characteristics of their service utilization? Are there models of care that work better than others? How can payment reform support the ability to meet the needs of Vermont's frail and at-risk elders?

The Project's conclusion is that we need to change how care is delivered to better meet the needs of seniors – and that not all care transformations require payment reforms. One specific recommendation is that practices identify their frail and at risk seniors, provide team-based care, a care coordinator, and at least one in-home assessment. DAIL is reviewing the Project and will follow-up with the Vermont Medical Society Foundation regarding the feasibility and/or advisability of implementing any of its recommendations.

**Senior Farmer's Market Nutrition Program (SFMP) to Continue This Summer**

DAIL receives a grant from the U.S.D.A. to provide Community Supported Agriculture (CSA) shares and farmer's market coupons to eligible seniors and some individuals with disabilities. Both components of this program are very popular and in fact there is often a wait list for CSA shares. DCF plays a significant role in distributing and administering the farmer's market coupon portion of the program. With some recent changes in staff at DCF, we have been working with AHS, DCF, VDH and the Department of Agriculture on efforts to preserve the farmer's market coupons that are distributed each summer. We are pleased that a temporary solution has been found to preserve this component of the SFMP for this year and will continue to work with DCF and other partners to consider long-term plans going forward.

**Department of Corrections (DOC):**

**Justice Oversight Committee**

The committee discussed the gender equity study, electronic monitoring program and reviewed relevant statutory changes. For July the agenda will include: St. Johnsbury work camp agreement and staff searches.



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

**Child Development State Plan Conditionally Approved**

On March 11, 2016, the Child Development Division (CDD) submitted the first draft of the State Plan to meet the new federal requirements outlined in the Child Care Development Block Grant (CCDBG) Act of 2014. The CCDBG Act of 2014 included significant changes to previous law and required states to fully examine child care subsidy, child care licensing rules and regulations, and professional development among other provisions. While Vermont was well-positioned to embrace the majority of changes, CDD took this opportunity to delve deep into previous policies and procedures improving the overall delivery of child care services across the state. CDD and their federal partners at the Office of

Child Care (OCC) engaged in frequent dialogue on revisions and clarifications; the final Plan was submitted in late May.

On June 10, CDD received notice from the Administration for Children and Families (ACF) that Vermont's CCDF State Plan has been "conditionally approved" for the period of June 1, 2016 through September 30, 2018 which is considered a "fully approved plan" with conditions to be met based on waiver requests. CDD submitted three distinct one-year waivers for federal requirements that require additional resources for CDD to implement; all were granted. CDD will continue to develop and revise implementation plans for the areas out of compliance. In October 2016, we will receive the official Notice of Grant Award.

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

**Blueprint**

The Blueprint partnered with VDH to formally launch planning for the Vermont Women's Health Initiative, with a Steering Committee meeting on June 14. Women receive substantial preventive care services in OB-GYN offices and women's health clinic settings. The initiative will encourage women's health providers to provide enhanced health and psychosocial screening along with comprehensive family planning counseling and timely access to long acting reversible contraception (LARC). New staff, training, and payments will support effective follow-up to screenings through brief, in-office intervention and referral to services for mental health, substance abuse, trauma, partner violence, food and housing. The first Steering Committee meeting engaged partners and introduced the work the group will do together – including guiding screening design, provider outreach and education, payment model, and evaluation. The team is targeting January 2017 to launch the initiative in practices.



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

TO: Governor Peter Shumlin   
FROM: Rebecca Holcombe, Secretary, Agency of Education  
SUBJECT: AOE Weekly Report  
DATE: June 24, 2016

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**Fingerprinting**

AOE has already adjusted our licensing process to ensure that fingerprinting is initiated more quickly, to try to reduce the anticipated September bottleneck. At a joint meeting with CDD/AHS on June 3, we agreed we would send a letter to superintendents and child care providers, explaining the challenge of trying to fingerprint so many people at one time, and encouraging them to accelerate the request for prints whenever possible. CDD agreed to draft a letter. We followed up on the 7<sup>th</sup>, 10<sup>th</sup>, 14<sup>th</sup>, 20<sup>th</sup> to schedule a meeting to move this issue, and have been unable to get a response or a draft or a meeting. We have drafted our own letter (attached) which we propose to send in lieu of the meeting. We feel we cannot wait any longer, and propose to send the letter out next week.

**Thanks to Sarah**

Sarah, thanks for helping on the suit by two religious PKs. We are concerned the AG is inclined to avoid conflict, without considering the system-wide implications of changing precedent.

**Performance Improvements**

We have been very focused internally over the past few months on trying to improve internal processes. We have made a lot of headway; regrettably we may not have time to finish what needs to be done before the transition.

- The Finance team just completed a risk assessment process for grants, with significant help from IT, which will streamline and standardize how the Agency distributes grant funds. One problem: the private vendor is considering discontinuing support for our Grantium system. Basically, these big private companies get their big money from building the system, not from continuing support and service, so there is inherent risk in relying on the private sector for these projects.
- AOE worked with the Agency of Administration on a better way to handle expense alternatives for service contracts of limited duration and low dollar value. This will be a more efficient way to compensate individuals, typically educators, that are not employees of the State of Vermont. There are about 400 of these contracts each year. It

is nuts and completely fiscally inefficient to treat them as regular contractors or temp employees.

- Finance improved the RFP selection process to make it less burdensome and more efficient.
- Revenues in our Licensing Division now exceed expenditures for the first time in years.
- AOE strategically held vacancies to facilitate a reorganization of the AOE around state initiatives. Now that the reorganization has been done, AOE has steadily been filling vacancies and is seeing the benefits of the influx of new employees.

We are hoping to carry over some vacancy savings to invest in additional process improvements in the coming months.

Most of this work is invisible and thankless. However, without it and without the efficiencies it is slowly creating, we would be completely unable to execute on our statutory duties, given our diminished budget. By supporting these changes, the administration is leaving the AOE in better shape.

### **Moment of humor/practical suggestion on healthy food laws**

We “implemented” the new healthy foods guidelines at the last State Board meeting. The Board came out, took one look at its buffet line, and veered hard right to swipe potato chips, mayonnaise-coated potato salad and dessert off the buffet line of a neighboring event. Here is one practical suggestion that would support implementation of this new statute. The State’s “Department Provided Food and Refreshments Policy” say “On a per person basis, food and refreshment expenses should be nominal and not excessive; any department provided meals should be generally in accordance with allowable costs under state travel regulations.” The travel regulations are the in- and out-of-state meal allowances set by the Contract. In-state meals are \$5.00 breakfast, \$6.00 lunch and \$12.85 dinner. FYI - We are using \$5.00 for breaks and \$13.00 for lunch for our meal rates for meetings/conferences. This makes it challenging to both meet the healthy guidelines and provide sufficient food. **To effectively implement the healthy foods policy, we need to increase these rates.**

### **238 Equalized Pupil “Phantoms” due to Early College?**

The funding formula insulates schools from precipitous drops in revenues by holding them harmless when their student numbers drop by more than 3.5% in a year. It does so by creating “phantoms” which are included for funding purposes. Last year, two high districts had enough “phantom” students created when seniors disenrolled from the high school in order to enroll in Early College. This year, 11 districts did. However, this year, new language that the legislature tacked on at the last minute in conference committee effectively requires us to create “early college phantoms” to insulate schools from funding losses due to early college participation by their students. The intent is good: if, for example, 11 Winooski seniors enroll in college, this is a large enough number in a fiscally taxed system to compel program cuts. From an equity point of view it is important, since our data suggest that the students who participate in early college are on average wealthier and less likely to have disabilities than the students who stay behind in the high schools they leave. However, the way the law directs us to calculate this creates 238 new phantoms, and we expect the number to increase. More mud on our face, but this is what happens when the legislature

micromanages the funding formula without consulting us or JFO.

### ***Independent School Rules***

The SBE has been adamant about pressing ahead on new rules for independent school approval, and in particular, on requiring schools that accept public dollars to be NEASC approved (marker of quality) and to be approved to accept students in all areas of disability (a marker of equity), and open enrollment. They were a little annoyed we did not submit draft rules at the last meeting—we delayed in hopes working with the head of the Council on Independent Schools on a direction. At issue is how much accountability should there be for equity and quality with respect to the use of public dollars. The Board is also now aware of and referring to Gov. Hassan's recent veto as a rationale for moving the rules. The veto effectively rejected the creation of a system like ours. The Board's rule changes would effectively move VT towards a system like NH's.



Veto Statement\_Gov  
Hassan\_HB 1637\_Sch

### **Persistent Records Requests: ACLU and Lola Duffort**

Jay Diaz of the ACLU has been representing Lola Duffort as a frequent flier on the records request front, trying to get school level discipline data to write a story about exclusions and disproportionality. We have declined to release it for FERPA reasons and because we create State level records and creating school level would effectively be creating a new record. Recently and separately, the Office of Civil Rights created school level reports for the entire country. We sent the link so they can access the OCR data if they wish, however, we have continued to refuse to create a record from our own data, which Lola and Jay probably want because our data quality is better. I assume Jay Diaz' intent is to make a lot of news about our refusal, and maybe to compel us to release the data.

Context shapes perception. Most of the systems with which OCR works are very large, so for them, this is more of an academic question than a practical reality. However, OCR identifies schools where one or two students in a subgroup (e.g. one student with a disability or one student of color) has been suspended. I've worked in small schools where everybody would say "oh, that's Johnny" because they knew the whole cast of characters. The practical universe of possible candidates is much smaller than the numerical universe. In most states, this kind of reporting might yield a little collateral damage. In our state, where we have so many small schools and small subgroups, it feels like collateral damage in most of our schools and communities. Kids make mistakes. Sometimes, they make big mistakes. One reason for privacy is it allows kids who make mistakes to learn and grow and move forward without being followed in public perpetuity by their mistakes.

And of course, as someone who was suspended in both elementary school and high school, I would like to think there is hope for kids who get suspended....

## **End of administration transitions**

We are starting to see evidence of possible turnovers associated with the end of the administration, which will potentially reduce our capacity to execute and create instability. I have people in a couple of critical positions who are looking for new jobs. I wish it weren't so, but I understand why they are doing it. We are actively resisting new initiatives, and trying to close out and finish up what has been started.

## **Meetings**

**State Board of Education** (meeting and retreat)

**Addison Northwest Supervisory District**—organizational meeting of the newly formed unified district

**Addison Central Supervisory District**—organizational meeting of the newly formed unified district

**BEST institute**—spoke to 420 teachers who convened to develop school wide plans to support early interventions and social and emotional learning/positive discipline

**Financial Literacy Commission-** Trying to get them to focused on aligning with State Colleges and VSAC on a “paying for college” initiative as a way to get personal finance into all high schools

**VT Business Roundtable**—regarding a new awards program for schools

## **Media Contacts:**

**Tiffany Pache, VTDigger:** At the State Board of Education meeting Tiffany asked for information about the newly appointed student board member. Haley sent her his name and information from his resume. She then asked for a list of the SBE's priorities for the 2016-17 year and the approved motions regarding Act 166 and Act 46. Haley sent her copies of the motions and the priorities. She also asked for specifics on what the board will be reviewing in the post-secondary rules. Greg Glennon sent Haley details about accreditation change and the approval cycle, and she passed the information on to Tiffany. Tiffany also asked how long the State Board has had a student member. Pat Pallas-Gray looked through old education directories and found the first student was from 2001. She later asked for the updated number of approved mergers. Donna provided the numbers to Tiffany. Tiffany later asked for a comment on the reason for the policy statement regarding the Act 46 motions at the SBE meeting. We ignored this request as it was speculative about SBE motives in nature.

**Howard Weiss-Tisman, VPR:** Howard emailed Donna, Secretary Holcombe, Haley and Stephanie to ask if someone could give a short run down on actions taken by the State Board regarding Act 46. Haley sent him the motions about Act 166 and Act 46, and the priorities for the 2016-17 year.

**April Burbank, Burlington Free Press:** April called after Haley talked to her several weeks ago off the record for a story idea about Grand Isle and pre-k. She called to get more information and ask some questions to gain a better understanding for a story.

**Lisa Rathke, Associated Press:** Lisa asked for updated merger numbers and about School Choice. She sent Haley specific questions, asking what Act 46 says about school choice, what unusual choices parents make (sending kids to school out of state, in Quebec), and how many students take advantage of school choice and what the cost is to the state.

**Lola Duffort, Rutland Herald:** After receiving the press release about the new student board member, Lola emailed Haley for the total number of applicants. Jessica Gingras in the Governor's office said she had a record of 12 applicants.

To: Superintendents and Principals  
From: Secretary, Rebecca Holcombe, EdD  
Date: July 1, 2016  
Re: Alert related to fingerprinting in 2016-17

In this school year, Act 166 goes into effect and regulations related to background checks for all providers of early childhood services through the Department for Children and Families Services will place increased demands on the resources currently used to process fingerprints for educators in our state. We anticipate nearly double the number of individuals needing fingerprints to be processed between now and September 1 as we had last year. This increased demand can delay fingerprint clearance from occurring.

We are writing to you to advise you that AOE has taken the following steps:

1. We have immediately altered our application process. We have begun asking people who apply for licenses to secure their fingerprints *before* we have confirmed if they qualify for a license. There may be a very small number of people who complete the criminal record check and then are denied a license; however, this is a relatively small risk. Please be advised that the issuance of the fingerprint request *is not an affirmation* that the candidate has met licensing requirements.
2. We have consulted with the Department of Public Safety to identify solutions including overtime work and double staffing to address the overflow.

We also recommend you take the following steps to increase the likelihood of securing fingerprints for new staff you may need to hire:

1. Emphasize to new hires that there are high demands for fingerprinting. Applicants should immediately arrange for fingerprinting appointments with your local police offices as soon as possible. Prior years we estimated 4-6 weeks for fingerprints, currently we are estimating 6-12 weeks.
2. Contact your local police office to let them know you are aware of the increased demand and to ask if they may be able to provide more appointment times this year than last year.
3. Remind applicants that they can authorize sharing of fingerprints between locations (eg AOE and school systems)- it will reduce the backlog if people only submit fingerprints once.

Thank you for your attention to this matter-



**Executive Privilege**

**TO: Governor Peter Shumlin**  
**FROM: Secretary Chris Cole**  
**DATE: Friday, June 24, 2016**  
**SUBJECT: VTrans - Confidential Report to the Governor**

**NOTES FOR GOVERNOR**

**Vacation**

I will be taking a vacation starting on July 5 and my anticipated return to work is July 18. Michele Boomhower, Director of Policy and Planning will be acting Secretary the week of July 5<sup>th</sup> and Richard Tetreault will be acting Secretary from the 11<sup>th</sup> to the 15<sup>th</sup>. I will be in Cape Cod, no phone but I will be on email in the morning daily if you need to contact me for any reason.

**Transportation Climate Initiative (TCI)**

I will be attending a TCI retreat in New York on July 18 and 19 with other states in the NASTO region to begin discussions with more states on a regional market-based policy that reduces the amount of carbon emitted from the transportation sector. The goal of the 2016 activity is to come to a working agreement and timeline for developing the elements of the policy framework, identifying the additional analysis necessary to determine the economic impacts, and developing the components necessary to create a model rule or statutes that states would have to pass to become a member of the regional policy. We see this operating in a very similar manner as RGGI. As a result of the presentation that TCI and I gave at the NASTO meeting in Quebec City, there is a lot more interest in this policy discussion from State DOT's. Any opportunity to discuss this with your counterparts in other NASTO states would assist in this process.

**LVRT**

The meeting with VAST and their attorney went well. They will sign the four-month lease extension to give us time to redevelop the relationship. We are in general agreement on how to move forward and I've informed the key legislators on both Transportation Committees. Moving forward, VTrans will pay for 80% of the new development costs, VAST will pay 20% which they will raise through fundraising, and VAST will agree to conduct routine maintenance of the trail. I anticipate that who pays for the future costs for maintaining the trail will become a sticking point in the negotiations and I want to end up with either VAST covering those costs or it becoming

a shared responsibility. We will still want VAST to have a lease for the trail; this may also become a sticking point as they would like to get rid of the liability in leasing the trail.

### **Porsche Rally**

Guy Rouelle and Trini Brassard deserve a lot of credit for making the Porsche rally happen without any incidents. They have been working hard behind the scenes with the receiver to make sure this event occurred and had a lot of work to do with the FAA to get the necessary approvals.

### **Bristol Bridge**

The Bristol bridge project on Route 116 with the anchor bolt issue has been quite active the past two weeks. Here is a brief overview and summary. This is the project where a whistleblower came forward to inform VTrans that the contractor J.A. McDonald (JAM) had cut short the anchor bolts for the bearings during construction. VTrans launched an investigation and also brought FHWA and the OIG into the conversation, who in turn reached out the US DOJ.

VTrans commissioned a consultant to take nondestructive measurements of the anchor bolts and confirmed that almost all of the 48 bolts were cut short. This past week the contractor took their second round of measurements (the first was inconclusive) and this data set aligns very well with ours. The contractor has responded to our comments on the repair procedure, has ordered replacement bolts and is preparing to make the repairs. We will have inspection staff on site and track the cost of the repairs as requested by the US DOJ. I expect the repairs to begin within weeks.

FHWA has asked the question: Could this be the tip of the iceberg with this contractor? After consulting with AAG Clithero, we ran a query of all bridges that JAM has constructed or repaired for VTrans in the last ten years, and correlated that list with the superintendent from the Bristol project as a starting point for a sample. I will be working with our consultant to do some random testing to determine if Bristol was an isolated incident or a pattern of fraud. I hope to have that completed in the next few weeks as well. I'll keep you updated as this investigation continues.

This raises a concern with me as to whether we have sufficient state employee Resident Engineers on our projects. Currently we have a mix of state employees and private sector inspectors who oversee our state construction projects. We recently caught a private inspector lying that work was completed by the contractor when in fact it hadn't been completed. Quality assurance is a key component of taxpayer value in our projects.

## **NOTES FOR STAFF**

### **Construction**

We have 48 active work zones: 24 bridge, 9 safety, 4 paving, 4 reclaim, 2 roadway and 5 rail. We anticipate 90 contracts active this year.

### **Railyard Enterprise Project**

The City would like to pursue additional investigation of Alternative 1B through the scoping process with the CCRPC. A meeting to outline next steps is planned for June 24.

### **CIRC ROW Management Plan**

A final draft plan was shared with CCRPC staff for comment on June 23. Next steps include briefing FHWA and Executive Staff, then meeting with staff from the CIRC Communities.

### **Transportation Health Investments Analysis**

Briefed Executive Staff regarding the VT Department of Health's project to monetize state government's health-based investments as compared to the state's health-based goals and objectives. Participation in the effort was endorsed and a meeting has been scheduled for June 27 to brief key staff who will be participating in identifying the 2015 data needed for the project.

### **Milton Hourglass Intersection Project**

Staff met internally to prepare for an upcoming meeting on June 24 with representatives from the Town of Milton and Ernie Pomerleau regarding the interest in developing a private access point at one of the project intersections and advancing the ROW process.

### **Champlain Parkway**

Staff are working on follow-up to the monthly Coordination Team meeting held on June 15. ROW efforts continue with an anticipated completion of preparations for negotiation with VRS expected in mid-August.

### **State Smart Transportation Initiative**

Joe Segale attended the SSTI Sustainability Director's meeting on June 15 in Nashville, TN. Topics discussed included how to measure sustainability and organizational requirements to support sustainability, solar in the federal ROW, and incorporating sustainability in project selection and project prioritization. Joe provided a presentation on VTrans efforts on installing solar panels. There were also presentations from Oregon, MASSDOT and NYSDOT on solar in federal ROW. VTrans is not leading the pack, but we are close behind. The Deputy Secretary for VA DOT described the development of their priority system for allocating funds to capacity projects, which include any type of transportation mode that expands and enhances the system referred to as Smart Scale:

<http://vasmartscale.org>. The approach may be useful for VTrans to consider as we update our project prioritization process.

### **Aviation**

- Middlebury
  - Wetlands permit is now out for public notice
- Newport
  - Taxiway construction is moving ahead
  - Snow Removal Equipment Building (SREB) foundation has been poured
- Knapp
  - Potential economic development lease clients were provided the non-aeronautical rates and have indicated that they are fine with the rates.
- Highgate
  - Industrial Park Development Project – Guy Rouelle and developers met with Agency of Ag staff. Ag was proposing \$157,000 in mitigation fees; Guy responded with Newport's mitigation schedule which was 1:1, versus the 2:1 fee they were proposing. Ag indicated they would be willing to use a 1:1 rate. Kiersten Bourgeois of ACCD is setting up a follow-up meeting.

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Deborah L. Markowitz  
Agency Secretary

Trey Martin  
Deputy Secretary

**State of Vermont  
Agency of Natural Resources**

**CONFIDENTIAL and PRIVILEGED**

**To: Governor Peter Shumlin**  
**From: Deborah Markowitz, Secretary, Agency of Natural Resources**  
**Date: June 24, 2016**  
**Subject: ANR Weekly Report**

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**Governor Level Issues:**

**TMDL was issued!** There were no surprises last Friday when EPA finally issued the TMDL. This final step allows us to finalize our implementation plan. We will be holding three public informational meetings to take public comment on the plan – but unlike rulemaking – because the TMDL uses the draft plan to demonstrate “reasonable assurance” that we will accomplish the required reductions, it cannot change much as the result of public comment. We will be working to moderate expectations insofar as advocates wish to see these meetings as another opportunity to strengthen/weaken the plan. The most significant consequence of the TMDL being finally issued is that phosphorus offsets will no longer be required for projects in the Lake Champlain watershed. This will affect several existing and anticipated applications.

**PFOA Updates:** A public informational meeting was held in Pownal on June 14th. An update was provided on the status of the treatment system for FD#2 community water system. The treatment system is still on track to be installed and operational by the end of June. A concrete pad was poured this week and the carbon vessels were to be shipped to the site with arrival for next week. Site investigations began at both the former Warren Wire site in Pownal and the former Chemfab site in North Bennington. Sampling of private wells continued in both North Pownal and Bennington. Written responses to the Town of Bennington and North Bennington Preliminary Engineering Reports (PERs) were sent this week, and revisions are expected the week of June 20<sup>th</sup>.

**In case you are on the road in Addison county and hear about this – Our Environmental Compliance Division Permit Specialist are doing local visits in Leicester, Salisbury, Middlebury, Weybridge and Cornwall:** Regional Office Permit Specialists are visiting town officials in their regions to establish a relationship and put a “face” to the services we offer. The

Rutland Regional Office-based Permit Specialist visited Addison County towns of Leicester (met with Town Clerk), Salisbury (met with new Town Clerk), Middlebury (met with Zoning Admin.), Weybridge (met with new Town Clerk) and Cornwall (met with Town Clerk). During these visits, the Permit Specialist delivered “Do You Need a State Permit?” brochures and business cards, answered questions about their proposed projects of interest, provided resource materials, and discussed regulatory changes.

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## **EVERYTHING ELSE:**

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

**Possible Data Exposure for Hunting and Fishing License Online Sales System:** Information belonging to customers who purchased hunting or fishing licenses from the FWD website may have been accessed improperly. Although there is no conclusive evidence of a misuse of customer information, security monitoring by the company which manages the website, bolstered by 3rd party forensics audits, have found traces of unauthorized server access occurrences in 2015 and January 2016. This prompted FWD to notify seven (7) customers of potential exposure of their credit card number.

**Printed Moose Hunting Applications Available: *Deadline to apply is July 12!*** VT moose hunting permit applications are on the VTFWD’s website ([www.vtfishandwildlife.com](http://www.vtfishandwildlife.com)), and now printed applications are also available at license agents statewide. A total of 135 regular moose season permits and 25 archery moose season permits will be issued for VT’s 2016 October moose hunt. The regular season will be October 15-20, and the archery season is October 1-7. The number of permits are reduced from last year in ten WMU’s, and permits will be for bulls-only in all WMUs except B, C and E1. The 160 permits being issued represent a 40 percent decrease from the number of permits issued last year. Hunters are expected to harvest close to 70 moose.

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

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## **SUMMARY OF KEY DEPARTMENT ACTIVITY**

### **Office of General Counsel**

**VtGas Pipeline Construction:** ANR staff will meet with VtGas next week to discuss a purchase and sales agreement associated with natural resources mitigation for the construction of a natural gas pipeline. VtGas has acquired parcels for mitigation in Bristol Vermont, but we have not yet reached agreement to allow them to construct. The primary area of disagreement relates to the extinguishment of a storage easement on an existing mitigation parcel was sold without notice to or the consent of the ANR. The storage easement is inconsistent with mitigation principles and is a continuing and significant management challenge. The owners of the storage easement

violated the wetland rules by filling in a wetland on the mitigation parcel, and the violation is currently pending enforcement action.

**Mountain Top Inn and Resort:** This matter involves multiple violations of Act 250, stormwater, and indirect discharge and wastewater rules and permits associated with a failed indirect discharge wastewater system, various unpermitted new activities, changed uses of existing structures, and improvements to existing structures at its resort in Chittenden. These violations have been referred to the Attorney General's Office (AGO) and they are currently reviewing them, but have not initiated any formal action yet or contacted Mountain Top. Representatives from Mountain Top recently sent a letter to the NRB Chair and ANR Secretary regarding the need for further discussions with program staff. Shortly before receipt of that correspondence, DWGPD staff had arranged for a meeting with them to discuss ANR wastewater permitting issues. Ernie Christiansen has reported back that Division staff met with Mountain Top Inn representatives Steve Bryant, Partner; Kyle Sparks, General Manager; Steve Glassberg, Consultant; and their designer Craig Jewett, Otter Creek Engineering, on Friday, June 16, at the Rutland Regional Office. Division staff attending the meeting were Dave Swift, Regional Engineer and Ernest Christianson, Program Manager, and, by conference phone, Bryan Redmond, Director, John Akielaszek, Indirect Discharge Program Manager, and Bryan Harrington, Environmental Analyst. The designer provided an overview of the uses at the Inn and an explanation for how he derived the design flows for those uses that discharge to the wastewater system approved by the Indirect Discharge Permit. The Division is evaluating the basis of design and will prepare a response to address each use and design flow. Issues to resolve include establishing the design flow for the restaurant seating, use of the spa, wedding gatherings, and uses that were not included in the basis of design such as conferences for up to 300 participants. The Agency and NRB will continue to coordinate with the AGO on these issues.

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

#### **Hermitage Resort**

The Planning office coordinated a meeting Wednesday, 6/22, amongst Hermitage, DEC, DFW and OPP staff to discuss the path for Hermitage to seek a master plan decision from the Act 250 District Commission on their Mountainside project. The parties agreed to a punch list of four items Hermitage must provide the Agency prior to filing proposed findings with the Commission. The Agency also agreed develop language to address certain outstanding issues and to review Hermitage's proposed findings with the goal of having agreement on a final document early next week. The District Commission has yet to issue a decision regarding Hermitage's request to amend their master plan to drop the East Track and Airport phases, as the Commission appears to be skeptical that Hermitage has truly abandoned those aspects of the project.

#### **Iberdrola Atlantic Wind (Windham/Grafton)**

Two members of the Windham Select Board sent Iberdrola a letter this week recommending they suspend the development of their proposed wind power project. This letter comes well in advance of a scheduled referendum on the matter in early fall. The letter cited a number of

purported negative impacts associated with the project and made a number of factually incorrect statements regarding the stormwater system at GMP's Kingdom Community Wind. The Deputy Secretary has contacted the one author of the letter directly and further dialog will likely follow. Given that wind power opponents often and regularly cite the KCW stormwater system as negative aspect of large, high elevation wind projects, the program may want to develop a fact sheet that others in the Agency can reference when taking questions on this issue.

### **PSB Wind Sound Dockets**

The Public Service Board has begun the wind sound interim rule making process set forth in S.260 by soliciting stakeholder comments and recommendations on an interim sound standard. The Agency intends to support the recommendations of the PSD on an appropriate interim standard, but will also provide the PSB an overview of the potential impacts of sound on wildlife. This concept will be more fully explored when the Board begins the full rule making process later in the year.

### **New Applications**

Week of June 13<sup>th</sup>, OPP received 6 new Act 250 applications and 1 new Section 248 petition.

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

#### **Administration & Innovation Division: Enterprise Content Management System (ECMS)**

– The ECMS Project Team is working to present the reduced scope and responses to risk items identified in the third Party Independent Review. These materials will be delivered to DII Commissioner, Richard Boes, in preparation for a formal meeting set for June 23. The goal is to obtain approval and permission to proceed with the project from DII. Updated pricing, including search capability for internal staff remains under \$700K. Once permission to proceed is obtained from DII, the team will develop a final contract and a revised deliverables schedule will be published. If approval is granted by the end of June, the team anticipates starting work with the selected vendor by mid-to-late July, 2016.

#### **Drinking Water & Groundwater Protection Division: Websterville Fire District No. 3:**

The Division received a phone call on 6/15/2016 from Websterville's operator, who reported catastrophic failure of water treatment facility's operational controls. A boil water notice is in effect, and will remain active until control systems have been replaced. Staff coordinated with Facilities Eng Div, the District's consulting engineer, to coordinate response and interim measures for water system operations.

#### **Waste Management & Prevention Division: Jelley Property, Bennington:**

A formal request was sent to EPA Removals for assistance to investigate the Jelley Property for historical dumping of batteries and potentially medical waste. This property was once looked at by DEC Enforcement and EPA (2010-2012) but ran into site access roadblocks and other issues in town. Several new citizen complaints have come in during the PFOA response in Bennington concerning the existence of this old dump and its potential impacts to private wells in the area. Evidence points to the old dump being the Jelley property.

**Ely Copper Mine, Verhsire:** DEC's project manager has been involved in communication with EPA, USFW and VTDFW on the current bat studies and results of finding bats at the site and surrounding properties. Northern Long-Eared Bats, a federally threatened species, were just identified at the site. This is a significant discovery given the recent plummeting of their population from white-nose syndrome. We continue to work closely with stakeholders on wildlife protection as it relates to any site remedies.

**Walgreens enforcement referral (battery stewardship law):** The Solid Waste Program prepared an enforcement referral for Walgreen's violations of Vermont's battery stewardship law (10 VSA§7582(a)). Despite outreach, Notices of Alleged Violation, and stop sale notices, Walgreen drugstores continue to sell prohibited primary (non-rechargeable) batteries produced by the Walgreen company. The sale is prohibited because Walgreen is not participating in a battery stewardship plan as required. Almost all other battery producers have complied with the law, either by joining an approved battery stewardship plan, or by ceasing the sale of their batteries in Vermont. Battery stewardship allows consumers to drop off spent batteries at locations throughout the state for recycling.

**Water Quality Standards Rule.** A revision to the WQS rule has now been posted online for public comment. Revisions account for statutory changes due to Act 79 (H.517), propose changes that further align Vermont WQS rule with Federal guidance, and further enhance the tools the Agency has to manage waters in accordance with the Standards. There has been one large open stakeholder meeting, and several smaller targeted ones, internal and external. A meeting with specific interested parties - CLF, VNRC, LCI - is being scheduled for the week of June 20. We hope to file with ICAR in July.

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

**Rare Plants Possible Conservation Concern:** Staff reviewed specimens, and reconfirmed the historic population of inland bluegrass (*Poa interior* S1 G4G5 Flora Conservanda Division 2) at Rock Point in Burlington. This has been missing from Rock Point for over a century, and only a handful of extant populations are known in Vermont, and nowhere else in New England. Also refound marsh horsetail (*Equisetum palustre* S2 T), which has been missing from Appletree Point Bay/Lone Rock Point for over a century. A new subpopulation for beach pea (*Lathyrus japonicus* ssp. *maritimus* S2 T)—a species that is not doing well in recent years—these plants will probably not survive trampling, but there are possibly others nearby.

**Invasive Species:** Staff participated in a VT Invasive Exotic Plant Committee Mtg (VIEPC) to discuss potential additions to the Quarantine & Watch List. A few species were approved for the WL, and one European alder (*Alnus glutinosa*) was recommended for the Quarantine. This is the species that was mistakenly substituted for gray alder (*Alnus incana*) and planted in numerous riparian restoration sites around the state.

**Fishing Activity:** Fishing pressure around the state is waning slightly as are uncovered violations. License issues ruled the week with numerous violations addressed on the waters.

Additionally, revocation issues persisted. The LCI derby brought out large crowds which resulted in numerous boating issues to address.

**Commercial Fishing Working Group:** Staff participated in a meeting of the commercial fishing working group. The purpose of this group is to draft commercial fishing regulations for consideration by the FW Board, which has just recently been given authority by the legislature to regulate the buying and selling of wild caught fish in VT.

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

**Shady Rill Reservoir:** The ANR Lands Administration Director met last week with the Middlesex Selectboard to discuss future management of the Shady Rill picnic area in Middlesex. This land is part of the Wrightsville Reservoir lands that are under the ownership and control of the Department of Environmental Conservation. The Selectboard felt the Shady Rill site serves as an important local and regional recreation resource and expressed a willingness to work with the State to assume management responsibility for this site.

**Electronic Communication Sites:** We are reviewing a proposal from AT&T to co-locate antennas at the Mt. Ascutney North Peak electronic communication site. This project would involve increasing the height of one of the communication towers at this site by 40'. This may raise some aesthetic concerns given the popularity of this site to hikers. We are also working with Smugglers' Notch Ski Resort and other parties at that site regarding the use and management of telecommunication providers within the Smugglers' Notch ski lease.

**Visitor Numbers:** Although park visitation was strong for Memorial Day weekend, poor weather for other early weekends has resulted in a 22% decline in overall visitation through June 13, 2016. Most of that decrease is day use activity and a large part of that is because of the very poor weather on Vermont Days weekend. With the recent weather pattern change and the end of the school year, we expect the numbers to rebound by our next report.

**Prescriptions:** 12,000 Park Prescriptions are being distributed to over 100 physicians across the state this week. The program is a significant expansion of the effort that began last year as a partnership between Vermont State Parks and the Governor's Council on Physical Fitness and Sports. Doctors and other health practitioners can issue prescriptions to their patients who can then redeem them as a free day use pass to any state park.

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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:** June 23, 2016  
**Subject:** Weekly Report

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Priorities:

Administration

We have been able to post the final payroll of the year without any big surprises. Now that we know that is covered, we will be spending the next week and a half doing minor fund cleanups and making sure we are ready to close out the year on 6/30. Then we move to getting the new fiscal year set up and preparing all of the required reports for FY16. The reports for FY16 will continue for the next several months.

Management Response was submitted to OCDEF on 6/21/16 regarding audit findings.

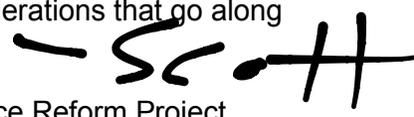
PIF will be coming on site in early July to load a test copy of their software onto the computers in my AP unit, so things are starting to happen. We are also hoping to get started on a configuration of the DocStar software for grant management within the next few months as well.

CJS  
OTM-

We have determined that the enterprise implementation of Cornerstone is not an option for DPS. The system does not contain the functionality that we require. We are also exploring the possibility of using Microsoft Office 365 calendar functionality to create a schedule and reminder system for the annual review process.

DII Mandated Office 365 Conversion (Email and Office Suite) was successfully migrated to with minimal impact on the user community. DII was responsive and helpful for us during this process.

The Police Data Initiative (PDI) project is moving forward, with a few complications and considerations along the way. VSP is thoughtfully considering the case data that they are willing to share with the general public. A decision was made to filter out certain cases involving offenses like homicides, sexual, assault, and other actively investigated incidents. The filtering rules are difficult to define and implement into the data extract process. In order to meet our proposed implementation dates, we are considering alternatives to the Law Incident data set. We are working to develop a plan for our public launch of our PDI data. We are targeting sometime in August, which will allow us time to be fully prepared for all of the considerations that go along with this project. We feel it is important to take the time to be completely ready.



We have launched a campaign to get VT practitioners to respond to the NCJA Justice Reform Project survey for the justice stakeholder community. The goal is to have VT submit more survey responses than any other state in the nation. The deadline for survey submission is 6/30/16. The sense is that we are going to have a strong showing from VT.

Electronic ticketing (e-Ticket) functionality is working very well with the Valcour system. Agreement has been reached with spillman on the necessary contract issues. We are waiting for the contract to complete the signature cycle through VT. Progress on the Spillman side of eTicket will begin soon.

A Spillman Mobile software patch was applied for all Spillman Mobile users (VSP and other local agencies) to receive IMAGES from the DMV database when running a query on a person through Spillman Mobile. This is a feature that law enforcement has been asking to have for over 10 years. A draft MOU/SLA between DPS and the Public Service Department regarding GIS Support/E911 is in development. We seek to identify areas that Public Service has knowledge or expertise that DPS can utilize. We working to clearly articulate the details of this collaborative relationship, in order to ensure we have a sustainable agreement.

We have finalized our contractual agreement with ClearCost for new chargeback software. This marks the beginning of a new and modernized process for recovering IT expenses incurred on behalf of other agencies and departments. ClearCost vendors will be on site this week to assist with our implementation.

#### Communications-

We have successfully concluded the technology testing at Westminster. Our testing consisted of verifying radio channels were operating properly, all console positions operated normally, voting systems and associated displays indicated proper traffic routing, VLETS Inquiries and routine traffic operated properly at the facility, recording of telephone sets in radio traffic operated properly and the telephone systems worked per users expectations and operational requirements.

The new message switch (VLETS) hardware has arrived in Vermont and we are in the process of installing the equipment. Support staff and engineers from CPI are on site performing the final configurations. I anticipate by next week we will start to conduct live traffic test. Initially, the public Safety communicate will see better performance with this upgrade. Eventually the new user interface purchased with this upgrade will be brought online and replace the antiquated and unsupported PS portal and Glink programs currently in use. The new program called messenger is an intuitive menu driven interface. This project is on time and within the budget allocated.

#### VCIC-

The vacant Deputy Director position is being reposted to update the candidate list in preparation for interviews and selection.

Work continues on review and response to triennial FBI audit of Vermont criminal justice information services. At this time responses have been submitted for the National Sex Offender Registry (NSOR) and National Instant Background Check System (NICS – Gun Purchases). Currently responses are being drafted for the Crime Reporting (NIBRS) program, NCIC (National Crime Information Center), Fingerprint Processing and Dissemination (NIS), IT Security, and the National Data Exchange Program (N-DEx).

The bulk of 2014 geographic data has been integrated with base level NIBRS (Crime Reporting) data in preparation for posting to the publically available Crime Online (VCON) tool. A disclaimer is being generated to accompany the data due to low numbers provided by agencies (including the transition of multiple agencies to Valcour).

The Tri-State AFIS contract has been now been signed by the Attorney General's Office, DII, and the Agency of Administration. The contract will next be forwarded to MorphoTrak for signature and then back to DPS for any necessary final steps. At this time Maine stands prepared to move forward as soon as possible with New Hampshire still on an uncertain timeline.

Currently the pending processing time for properly submitted fingerprint supported criminal history record checks (Education, Vulnerable Populations etc.) is three to four weeks. This is down from a processing time of 3+ months earlier this year.

#### DEMHS

R+M personnel met with DPS Finance to explore options for claiming indirect expenses through PA Category Z PWs and HMGP management costs.

FEMA Region I gave approval of Multi-Jurisdictional Hazard Mitigation Plan for Town of Lyndon and Village of Lyndonville on 06/20.

AmCare Ambulance and the city of St. Albans were provided VT Alert Notifier training.

The Operations and Logistics Section Chief briefed the Director's and Commissioner's offices of the upcoming Rainbow Gathering event taking place in the Green Mountain National Forest.

Planning Section Chief and RERP Planner attended NDCAP meeting in Brattleboro on 6/23.

Director responded to information requests from Rep. Oliver Olsen re: the Rainbow Gathering.

Prepared talking points about Vigilant Guard exercise. Done in response to Burlington Free Press story pointing out conspiracy theories about the exercise.

#### Fire Safety

The Division received \$2.1 Million in new plan review construction valuation collecting \$18,400.00 in fees.

The treatment and removal of the water in the storage containing PFOA/PFOS at the fire academy continues. A work plan has been submitted to BGS with the total cost of \$23,400

The fire academy cadet program opens this weekend (Sunday) at the fire academy. There are approximately 30 students.

We are close to setting up the first round of interviews for Jim's former position. I have the committee formed and my hope is we have a couple of good candidates to send up to you.

We have the following Legislative items to complete:

Act 157- Internet Based Lodging Study: On or before January 15, 2017, the Department of Taxes, of Health, of Tourism and marketing, of Financial Regulation, and the Division of Fire Safety and engaging with other interested stakeholders shall Review the provisions of law within their subject matter jurisdiction and enforcement of those provisions if any, applicable to internet-based lodging accommodations businesses; and Report its findings, conclusions, and any recommendations for administrative action or legislative action, or both, to the House Committee on Commerce and Economic Development and on Ways and Means, and to the Senate Committee on Finance and on Economic Development, Housing and General Affairs.

Act 156- Professional Regulation Report: Due to the magnitude, complexity, and overall burden this places on us I attached Section 21, pages 57-64. Report due December 15, 2016.

#### Vermont State Police

A Troop-

FF

19 Total Arrests, 7 DUI

The Bomb Squad was activated for Parade in Burlington.

VSP responded to a boating fatal crash in Mallets Bay. Colchester PD handled investigation.

162 cases resulting in 14 arrests and 23 charges.

St. Albans also dealt with the missing 12 year old with multiple mental health disabilities.

A fugitive from PA was apprehended which required several recourses from the barracks, TSU and CNU.

BCI

Assigned fugitive from justice case. Male was located in the Town of Washington and taken into custody with. Investigation received assistance from NIU, CNU, TSU, VIC, and road troops from multiple barracks. Male was arraigned in Orange Cty. and denied any participation in the court process. Pennsylvania SP working on Governor's warrant for extradition.

Assigned Sex Assault case in Lamoille Cty. Suspect was a previous suspect in another investigation two years ago. This will be a second known victim. First victim willing to participate again in investigation. Det Tpr. assigned.

Fire investigation in Sheldon. Fire determined accidental. Homeowner left debris in her garage that caught fire.

41 year old female alleges she was sexually assaulted by a known male acquaintance in Winooski, CUSI assigned.

Two known sex offenders both reported being sexually assaulted by each other. CUSI assigned.

Assault case at CRCF. Female detox inmate, a college student, was assaulted by another causing multiple facial injuries. Victim was released prior to us making contact. Victim appears to be unwilling to participate in investigation.

Assisted Field force with a missing 12 year old autistic boy. Boy found after extensive search.

NUSI D/Tpr. went to NY to interview female who had been alleging that her father who lives in Vermont has been sexually assaulting her.

Assigned case of a correctional officer bringing drugs into the facility for inmates. Inmate working with D/Sgt.

Elderly female reported as missing by her husband. D/Sgt pinged her cell phone in NH. Female was located in a hotel in Manchester who reported that her husband was very demanding and she took off for a long weekend and would be returning after the weekend. Female alleges that her husband is aware she was going away and he reported her missing so he would not have to take care of himself.

DCF employee reported as having used her assigned laptop to access cases to alert her son who was a suspect in sex assault cases. D/Sgt. assigned.

B Troop-

FF

17 Total Arrests, 5 DUI

VSP St. Johnsbury, along with BCI, responded to LSC for a reported bomb threat via email.

Assisted the Task Force with locating and arresting 4 subjects for meth related sales and manufacturing.

Continue to work on the double fatal from Charleston. The surviving female has been in Dartmouth since the collision.

Stopped a motor vehicle on I-91 southbound. Seized the vehicle and applied for a search warrant. The search resulted in the seizure of the following: 1.5 lbs marijuana, several pills (narcotic based), 10 g. crack cocaine, 1.5 oz cocaine, \$3730.00 cash, .380 handgun.

Responded to Corinth for an individual who had walked into the woods with a handgun across from his residence. Complainant reported hearing 1-2 gunshots. Just prior to arrival, Sgt. was able to see the individual outside his residence and had him walk down to his location. The individual was cooperative and was checked out by EMS and MH.

BCI

One Detective away in Alabama for week of Instruction at Bomb School.

Sex Assault involving a 16 and 15 yr. old supposedly having group sex with 18 yr. olds. Consensual and on other occasions intoxicated.

Sex assault case allegedly involving a 2 yr. old victim.

Bomb threat at Lyndon State. Email received at the college from an unknown individual using the name of a student who attended. Traced to an IP address in NYC. FBI JTTF following up on that end.

Death investigation St. Johnsbury. 90 yr old female. Natural.

C Troop-

FF

15 Total Arrests, 4 DUI

Rainbow Gathering Meeting at the Rutland Office.

13 year old shot into a house, playing with a weapon outside.

Fugitive from Justice Arrest- NY State Warrant from the KOA Campground in Hubbardton

BCI

Began project at AG's request for retrieval of all case emails related to Windsor OIS.

New Case/Sexual Assault: Investigation of a 13 yoa female forcibly sexually assaulted in her Fair Haven home by a 16 yoa male from Whitehall, NY. Offender located in Whitehall, NY, evidence and confession obtained. Charges forthcoming.

Continued investigation of Florence business embezzlement.

Continued investigation of Benson sexual assault; adult male offender located in West Rutland, offender interviewed, confession obtained, case to be reviewed by S/A.

Continued investigation of Center Rutland Macs robbery; multiple attempts to obtain witness statement, subject not cooperative.

Completed review and corrections of deposition transcripts for Windsor OIS.

3 days West Virginia – case follow-up Hart homicide.

Filed paperwork for arrest on Sam Jessup – the tree sitter in Monkton protesting the pipeline (Unlawful Trespass and Resisting Arrest).

Assist uniform with embezzlement/larceny/fraud case.

Supplemental Affidavit for arrest warrant for Sam Jessup – submitted paperwork to Addison Co. SA for filing.

Case follow up - Sex Offense –interviewed POI – also followed up with juvenile victim’s mom who advised she no longer wants to work with LEO/DCF.

Case write ups and Case follow up for missing person case from Pawlet.

CNU Activation – 2 day negotiation with Monkton tree-sitter.

CNU Activation – PA fugitive in Washington.

Alan Van Overbeke arraigned on lewd and lascivious conduct charge from 2003 03C102662. Held on \$25000.00 bail. Also served Van Overbeke abuse prevention orders from North Carolina.

Assisted uniform with follow-up on LSA Fatal in Tinmouth – Thomas Velde jail calls.

Arrested inmate William Philburt Jr. on simple assault on another inmate. Completed arrest paperwork.

Case Follow-Up: Sex Offense. City of Rutland. It was reported a 4 year old boy may have been sexually abused by his biological father. Case Completed.

Case Follow-Up: Sex Offense. Town of Pittsford. It was reported a 14 year old girl was being sexual abused by a 19 year old transgender female. Affidavit and Case Completed. Attempted to locate Offender.

New Case: Sex Offense. Town of Wallingford. It was reported a 13 year old was sexually abused by her 35 year old caregiver. Victim Interviewed.

Meeting with DCF/Possible Human Trafficking Case.

New Case: Sex Offense. Town of Tinmouth. It was reported a 15 year old girl was sexually abused by a 25 year old male subject. Victim Interviewed. Case Completed.

Meeting with Corrections/Possible Probation Officer having a Sexual Relationship with Probationer.

Assigned a Fire Investigation in Windham. Fire occurred to a motor vehicle, which was ultimately destroyed in the blaze. Fire was not considered suspicious.

Assigned a Fire Investigation in Dummerston. Fire occurred along an open field. Suspicious vehicle reportedly departed prior to fire being noticed.

Assigned a Fire Investigation In Morrystown. Fire occurred to an unoccupied residential home. The origin and cause was determined / Fire was not considered suspicious.

Case Follow up-Sex assault on child. Case submission to Bennington SA for review.

CRT Case Follow up- Retrieval of airbag module from fatal car in Marlboro VT.

D Troop-

FF  
13 Total Arrests, 6 DUI

Arrested one for Possession of, Trafficking, and Transporting Heroin into VT (520 bags) (located via dome light).

BCI  
TSU Call in Washington.

Execute wire warrant-2 calls (Monday) 1 call (Tuesday)-write up and follow up-med records/interviews-firming up warrants for car/house and NTO. Stalking Order obtained by victim-to be served by RPD.

Sex Offense-Athens-dad perping on 14 yod daughter for 11 years-came in on tipsoft. DCF notified and trying to set up interview.

SSCF-reported escape plans by two inmates/CO who may be involved in bringing contraband in for these inmates.

DRE Training – Essex.

Death Investigation – Chelsea – Untimely death investigation involving 66 year old male. Determined to be a natural death.

Assist to Springfield PD with Cellebrite phone dump in fatal hit and run case.

Transcribed interviews for child sex assault case.

Assist FBI in locating individual in Pomfret

TOPS-  
CRT investigation on W Charleston fatal

OCME-  
10 autopsies/1 inspection  
Cadaver K-9 presentation to OCME interns

Polygraph-  
Training all week

Major Crimes Unit-  
Smith Homicide: Interviews in Brownington following up on phone record information.

Marzilli homicide (Shrewsbury): Discovery completed and filed with SA.

CSST- Drug room audit @ HQ – Field evidence lists sent out to barracks for case status, drug destruction run to incinerator scheduled.

Peters homicide: Work on Digital case file.

Brattleboro homicide (Rashed): Follow-up on SA requests.

Gaudette homicide- Case book, digitalizing files for AG review.

Follow up on Paula Weldon case.

Attended VSP Award Ceremony – Girouard and Letourneau took photographs.

## Courses Attended at Conference

### Thursday 6/16/2016

8:00 am – 12:00 pm -**PC14: Gasoline Cargo Tank Emergencies** Come along with us as we discuss the MC-306 & DOT-406 Gasoline Cargo Tanks, their construction features, emergency devices and considerations that must be taken into account in the event of a roll-over, fire or other emergency involving this vessel. The presentation will conclude with a hands-on review of unique gasoline cargo tank models, a dome leak simulation and flame impingement demonstration that will permit the responder to gain a visual association with the equipment and techniques discussed throughout the course. Michael Moore, Operations Manager, Safe

1:00 PM – 5:00 PM - **PC23: MC-307 & DOT-407 Cargo Tank Emergency Response** This course was designed to give you everything from a good starting point for most cargo tank incidents to practical information about the construction features, strengths and weakness that will allow you to make better decisions at your next roll-over. The presentation will conclude with a hands-on review of a cargo tank crash box and internal valve models that will permit the responder to gain a visual association with the equipment and techniques discussed throughout the course. David Wolfe, Senior Partner, Safe Transportation Training Specialists, LLC

### Friday 6/17/16

8:30 am – 11:00 am - **Opening General Session The Evolution of the Terrorist Threat: From Al Qaeda to ISIS America** is now in the 15th year of its war with the Global Jihadist Movement. With the 9/11 attacks, Al Qaeda proved itself to be the deadliest terrorist group in modern history with a campaign that included the Fort Hood Massacre and inspired the Boston bombing. Today, a new and even deadlier threat group has taken the place of Al Qaeda, and ISIS is far more dangerous than Al Qaeda ever was. In this presentation, Dr. Sebastian Gorka will explain why ISIS is a much more dangerous threat and what the U.S. response should be. Dr. Sebastian Gorka, Expert on National Security, Irregular Warfare, Terrorism & Democratization

12:30 pm – 2:00 pm - **103: Rescue from Hazmat Entrapment & Exposure** This session will be presented on a large screen format with audio allowing attendees the near feeling of being at difficult Hazmat rescue operations. The learning from this session could prevent some entrapments as well as assist in a timely & effective retrieval of those who do become entrapped and/or exposed to Hazmat releases. Ron Gore, Director & Senior Instructor, Haz Mat 1 Rapid Response LLC

2:15 pm – 4:15 pm - **205: Response to Railroad Hazmat Incidents: Ensuring That Your Response Does Not Go “Off the Tracks”** As hazardous materials are transported by rail on a daily basis through many jurisdictions, join in an interactive discussion outlining the best practices of preparing for and responding to railroad hazardous materials incidents. The discussion will cover response principles and techniques (including railcar identification and features), product control techniques including response “tricks of the trade”, product-specific response considerations, the management of railroad hazardous materials incidents, and current response topics. Glenn Clapp, Emergency Manager, High Point Fire Department

## Courses Attended at Conference

### Saturday 6/17/16

8:00 am – 9:15 am - **310: Meth Lab! Now What?** Since the advent of the “one pot” method, meth lab responses are on the rise again. What are the actual hazards that responders are exposed to? What is the myth versus the science? How do we decontaminate responders and patients? How can we reduce on scene time while maintaining responder safety? Several different production methods will be evaluated along with a new response model that pairs fire based Hazmat response with police based lab processing for a faster more efficient scene processing. Tobias Frost, Lieutenant, Lafayette (IN) Fire Department

9:30 am – 11:00 am - **407: Introduction to Intermodal Containers** Current information about International and Domestic intermodal containers is presented in an interactive lecture. ISO containers are the fastest growing mode of transportation - rail, truck, air or ship. The emergency responder needs to understand the difference in types of tanks and the products they contain. Identification of potential leak points will be discussed. Barry Lindley, Senior Emergency Response Specialist, Chemours LLC; Thomas Keefer, Emergency Response Manager, Chemours LLC

12:30 pm – 2:00 pm - **507: Hash Oil Extraction Labs** For the last several years there has been a nationwide push to legalize the recreational use of Marijuana in the United States. This new addition to the American pastime has created a whole new set of uncontrollable factors for members of the American fire service to train and plan for. As a result, Marijuana Grow Operations are opening up in the communities we serve, faster than fire departments can plan, train and implement safe operating procedures. This class will highlight the hazards and show how you can use the HMIQ system to make deliberate tactical decisions. CJ Haberkorn, HazMatIQ/Federal Resources

2:15 pm – 3:45 pm - **615: Hazmat Team Management** - It's More Than Suits and Boots Managing a hazardous materials response program requires knowledge, skills, and abilities that program managers need to successfully lead and support their programs. The purpose of this session is to provide attendees with an overview of model program management considerations and skill sets. Using lecture and facilitated discussion, attendees will gain a better understanding of the scope and complexities of managing a hazardous materials response program and share personal experiences so that others may learn. Rick Edinger

4:00 pm – 5:15 pm - **708: Building Collapse and the Hazmat Tech Role** Any large building collapse should have a Hazmat response with it. This session will look into potential scenarios that local and regional teams need to be introduced to and then given direction on its handling. Joseph Gribbins, Lieutenant, NJ-TF1/West Windsor (NJ) Fire & Emergency Services; Jeffrey Kaplan



**Attachment D - Water Tank Cleanout Cost Estimate, VT Fire Academy**

Stone Project No. 16-068

June 17, 2016

Rate Schedule:

VT Special; Contract #31386

Staff Type		Rate Per Unit	Unit	Amount	Subtotal	Scope Details
<b>Task 2.2 - Water Treatment Set Up and Operation</b>						Set up water treatment system and monitoring operation, collect sample of treated water (1.5 day).  Coordinate with BGS on-Site staff for periodic inspection during system operation. Assumes 6 days (144 hours) of continuous operation, plus 2 extra days to account for the possibility of intermittent operation.  One site visit during system operation (6 hours).  One effluent water sample to be analyzed for PFCs on 48-hour turnaround by NLS Lab.  Monitoring final discharge and disassemble treatment system (8 hours).  **Fire Academy hoses will be used for discharge where practical to reduce overall cost.
<b>Professional Services</b>						
Senior Professional 3	B. Nowack, PE	\$150.00 / hour	2	\$300		
Project Professional 1	S. Hubbs	\$100.00 / hour	8	\$800		
Technician 2		\$77.00 / hour	32	\$2,464		
Accountant 1		\$61.00 / hour	1	\$61		
	<i>Professional Services Summary</i>		43		\$3,625	
<b>Subcontractor Services*</b>						
Granular Activated Carbon (GAC) Drums		\$525 / each	2	\$1,155		
GAC Drum Delivery Fee		\$150 / ls	1	\$165		
Submersible Pump, Hose & Fittings		\$50 / day	8	\$440		
Bag Filter		\$75 / day	8	\$660		
NLS Lab - Water Sample		\$520 / sample	1	\$572		
	<i>Consultant Summary</i>				\$2,992	
<b>Expenses</b>						
Mileage (Personal)		\$0.54 / mile	500	\$270		
PPE - Disposable		\$15 / each	3	\$45		
Pressure Gauge (3)		\$30 / day	8	\$240		
Filter bags (10 and 25 micron poly)		\$20 / package	2	\$40		
Hoses and Misc. Fittings**		\$500 / ls	1	\$500		
Sample Shipping		\$75 / each	1	\$75		
	<i>Expense Summary</i>				\$1,170	
<b>TASK SUBTOTAL</b>					<b>\$7,787</b>	



**Attachment D - Water Tank Cleanout Cost Estimate, VT Fire Academy**

Stone Project No. 16-068

June 17, 2016

Rate Schedule:

VT Special; Contract #31386

Staff Type		Rate Per Unit	Unit	Amount	Subtotal	Scope Details
<b>Task 2.3 - Tank Cleaning</b>						Observe and document tank cleaning operations.  **Tank cleaning and waste disposal to be performed by NRC under separate contract to BGS. As such, NRC costs are not subject to markup by Stone. Disposal cost for GAC drums will depend on analytical results. Budget assumes non-hazardous disposal.
<i>Professional Services</i>						
Project Professional 1	S. Hubbs	\$100.00 / hour	12	\$1,200		
	<i>Professional Services Summary</i>		12		\$1,200	
<i>Subcontractor Services*</i>						
NRC - Tank Cleaning & Waste Disposal**		\$6,000 / ls	1	\$6,000		
NRC - Per extra day**		\$2,700 / day	1	\$2,700		
Carbon testing for disposal (incl. shipping and analysis)		\$550 / sample	1	\$605		
NRC - GAC Drum Disposal**		\$500 / each	2	\$1,000		
	<i>Consultant Summary</i>				\$10,305	
<i>Expenses</i>						
Mileage (Personal)		\$0.54 / mile	160	\$86		
	<i>Expense Summary</i>				\$86	
<b>TASK SUBTOTAL</b>					<b>\$11,591</b>	
<b>Task 2.4 - Reporting and Regulatory Coordination</b>						Prepare letter report documenting water treatment and tank cleaning, and providing recommendations for future routine monitoring.
<i>Professional Services</i>						
Senior Professional 3	B. Nowack, PE	\$150.00 / hour	4	\$600		
Project Professional 1	S. Hubbs	\$100.00 / hour	22	\$2,200		
Accountant 1		\$61.00 / hour	1	\$61		
	<i>Professional Services Summary</i>		27		\$2,861	
<b>TASK SUBTOTAL</b>					<b>\$2,861</b>	
<b>Task 2.5 - Regulatory Coordination</b>						As needed, 4 hours of Senior Engineer and 4 hours of Project Manager time to discuss results and recommendations with BGS and/or VTDEC.
<i>Professional Services</i>						
Senior Professional 3	B. Nowack, PE	\$150.00 / hour	4	\$600		
Project Professional 1	S. Hubbs	\$100.00 / hour	4	\$400		
	<i>Professional Services Summary</i>		8		\$1,000	
<b>TASK SUBTOTAL</b>					<b>\$1,000</b>	
<b>TOTAL PROJECT COST</b>					<b>\$23,239</b>	

\*Stone Environmental's standard mark-up on all subcontracted expenses is 10%, excluding NRC who will contract directly with BGS.



**State of Vermont**  
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*Justin Johnson, Secretary*

**PRIVILEGED AND CONFIDENTIAL  
MEMORANDUM TO THE GOVERNOR**

**TO: Governor Peter Shumlin**

**FROM: Secretary Justin Johnson**

**DATE: June 24, 2016**

**SUBJECT: Confidential Report to the Governor**

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**BUILDINGS AND GENERAL RESOURCES**

**Issue Updates:**

Randolph – VAEL – New Construction – We are working on outstanding issues regarding the Act 250 permit including air pollution, traffic, aesthetics, prime ag soils, public investment and local and regional plans. We have received the final Environmental Assessment and a Conditional Finding of No Significant Impact (FONSI) from FEMA.

Westminster – Public Safety Facility – New Construction – BGS signed a letter of substantial completion on 5/18/16 and took ownership of the new facility. Division of Fire Safety occupancy has been granted. DEC Stormwater permit #9020 (construction) is pending public notice period. As soon as this permit is in hand, Naylor & Breen Builders will commence construction of the detention pond, which we anticipate will take four weeks. DPS IT personnel continue to install vital communications and telephone systems in readiness of DPS occupancy.

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

144 State Street – This is swing space this summer and the Governor's transition from November – January. Working thru the capital bill language and reviewing options on the property.

**Significant Meetings/Events:**

Search for state owned land for DPS – Discussed sites for replacement of Williston and Middlesex barracks.

Woodside Next Steps Meeting – Discussed plan to renovate and rebuild the present facility.

144 State Street Development – Discussed VSECU plans and BGS’s role.

Union Mutual Proposal Meeting – Met with Tom Torti and discussed the Union Mutual garage plan for the pit.

## **FINANCE AND MANAGEMENT**

Nothing new to report.

## **HEALTH CARE REFORM**

No report.

## **HUMAN RESOURCES**

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

VTTHR Operations is now officially part of DHR. Billing code, new position numbers, timesheet updates, spending authority, asset transfer, etc. have been completed. Next: phones, badges, PCard transfer, cell phones need to be transferred.

Testing start of FY pay increase (ABI) in system this week and planning CBA updates to system. No issues to report.

Met on ESI’s annual review of our prescription drug benefit. Specialty drugs are driving much of the increase, and we want to approach the union with ESI, with ideas on some appropriate measures to begin to take to modify this trend, while maintain quality. Labor Relations will need to be involved. We will also want to address compound drugs.

State’s Attorneys and Sheriffs – met with John Campbell about effect of VT Supreme Court Decision re: defining many of the SAS employees as municipal employees. Creates MANY issues for benefits, payroll, and collective bargaining. Fixes would need to be statutory. Next step is for DHR to meet with SAS executive committee as they will need to decide how to proceed.

Commuter Benefit - this is a joint project with AOT that seems to be shifting more and more to DHR. Our sense at this point in time, is this will be a lot of work, for a small number of participants.

Workplace Violence training has been transformed into narrative, and editing is complete. It is being prepared for recording.

Working on security training in two arenas:

1. Completing the schedule of presentations for BGS’ employee security training, as Peter Danles leaves his position; and
2. Participating in creation of a security officer training with a cross-agency team.

## INFORMATION AND INNOVATION

### Evolving Issues:

#### Web Updates:

- The Vermont Labor Relations Board Website in the new template will be launching the week of 7/4.
- The new Green Mountain Care Board Website is now live at [gmcboard.vermont.gov](http://gmcboard.vermont.gov).
- The Governor's Office is putting the final touches on their Website in the new template and it should be launching in the next 2 to 3 weeks.

### LIBRARIES

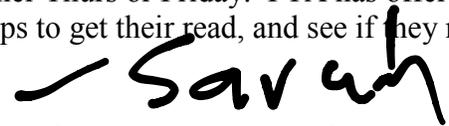
No report.

### TAXES

Very busy week at Tax, this report is brief but has several important issues you need to be aware of.

### Operations Update:

2015 Tax Changes, Intuit Return Errors: As of this morning, our strategy is to listen to Intuit's counter to our demand for \$2.7M so we can refill state coffers and take burden off taxpayers. Call this morning. If we are disappointed with their counter, we have in our arsenal potential suit against Intuit, either on state's behalf or consumer protection on behalf of their customers. I discussed this with Bill Griffin. The situation is complicated because of the release I signed to obtain the \$125,000 payment – I take responsibility for that. In any event, in talking to other Commissioners and the FTA, they cite this as yet another frustrating example of Intuit's bad acting (mostly around fraud). They have given me higher ups to contact at Intuit, including an Exec who has promised publicly that the states should hold the vendors accountable. The MN Commissioner strongly suggests that the best tactic against Intuit would be to announce that we will not accept Intuit extension returns in October because we have no assurance that all the errors will be resolved, and cannot afford the risk to the state (lost revenue and errors) and taxpayers (possibly on hook for more – or less- than Intuit software is telling them). We will game that out. In meantime, staff is preparing a press conference for either Thurs or Friday. FTA has offered to help with publicity. We are going to contact practitioner groups to get their read, and see if they may want to be involved.



Personnel Issue: We have a serious potential personnel issue involving a supervisor and one of her employees – a variety of suspicious activities, one of which, if proved, would constitute financial fraud. We stumbled on this – as I understand it (I have limited details), the supervisor had been given direction, and there was a question about her focus at work – so her superior pulled recordings of phone calls on her line. It is well known that we have been recording phone calls for some time on our ACCD system – we use the recordings fairly often to offer feedback when we get a taxpayer complaint. We are working with Maribeth's HR team to sort out next steps.

Disclosure Issue: Doug Farnham in our PVR Division was just informed yesterday of a potential data disclosure of income sensitized tax bills. Again, I only have limited details – we put one of our AGs on it (our GC is on vacation) and Doug is investigating the scope. As I understand it, although this is

oversimplifying, we have a contract with NEMRC for software used by towns for property tax billing. The VT contract is clear about non-use of the info. NEMRC, or one of its subcontractors with access to the information, was bought out by a national company that apparently doesn't read contracts and thought it would be nifty to resell the property tax bill information – also not bothering to read VT statute which (since the adverse court case) clearly delineates the confidentiality of property tax adjustments. So the ADJUSTED bills came to be published on sites such as Zillow – someone could see the resulting bill owed by taxpayer. The argument would be that one could take the town record of what full bill would be, subtract the adjusted bill, take that delta and back into the owners household income. Lot more nuance, but that is the long and short.

The Commissioner touched base with an acquaintance who is a national risk management expert around data disclosure. His white paper suggests that although the typical response is to try to warn the possible affected persons ASAP, that has to be balanced with causing unnecessary burden to those NOT affected – since history is showing that often the breach is more limited than it first appears. I guess we would be following that advice to take a few days to drill down on the scope. We understand the public information has been taken down.

Corporate Tax Reform: We met with three practitioners to address longstanding concerns that our non-resident withholding requirements for pass through entities are unduly onerous. We concluded that we agree – it is onerous for the taxpayer, onerous for the Dept, and of limited value. We will drill down more, but we think we have a good opt-out solution that a number of other states have adopted – this would go in Misc. Tax. Big win.

The Commissioner took this opportunity to suggest that we put together an informal group to look at a number of pressing issues around corporate tax reform – joining the overwhelming trend in other states. Steps like market based sourcing of services and single sales factor apportionment are considered business friendly for instate business – and if we don't follow other states, there is a strong argument that our companies are subject to double taxation on the same income. There was support from these three, plus two members of our advisory board (one a national tax practitioner working on a legislative panel just convened by NH, the other who presided as RI Commish when they went down this road). Very exciting, details to follow. Need to get the Chamber on board.

VTax Project: Testing and training for this phase, personal income tax, is underway. This will be the most resource intensive period for the Dept in the entire 4 year project (not that anything else is going on). The Commissioner has fielded a number of growing complaints from frustrated taxpayers who cannot get staff time for assistance – which is an unfortunate truth. We continue to try to mitigate, and our practitioner group advisory board (which met last week) had some great ideas for some communication that we can put out.

**CONFIDENTIAL and PRIVILEGED**

**To: Governor Peter Shumlin**  
**From: Patrick Delaney, Commissioner**  
**Date: June 24, 2016**  
**Re: Weekly Report**

**Vermont Department of Liquor Control**

Legislative Issues/Contacts/Updates:

None to report

Press Issues/Releases/Contacts:

The Bennington Banner published an article yesterday relating to a contract dispute between the Green Mountain Racetrack and the organizer of the Green Mountain Brewfest. Deputy Commissioner, Gary Kessler is quoted in the article explaining that issuance a permit for the event was delayed due to an advertising reference to the ability to consume “unlimited” amounts of beer with the purchase of the ticket. The Dept. had issue with the term “unlimited” describing the consumption environment and requested the removal of this term from advertising materials. This request resulted in the delay of issuing the event an operating permit.

Significant Events/Meetings:

On June 21, I met with Mclean Publishing to discuss the 802Spirits magazine. We requested monthly production of the publication, versus quarterly, to provide real time product pricing and more focus on advertising of monthly promotional pricing. We would like to dial in our marketing efforts to stimulate sales versus a more generic informational approach. The meeting was productive

On June 22 I conducted site visits at several southern Vermont liquor agency stores. I was introduced to our agency partners in the beautiful Southeast portion of the state in Bennington, Pownal, West Brattleboro, Wilmington, and Stamford. An enlightening experience that highlighted some of the unique business dynamics that effect our business in the proximity of the Massachusetts boarder

Summary of Key Department Activity:

*Agency Issues:* The Liquor agency in Shelburne changed hands on June 21.

For the Harmonyville store we anticipate a change of agent August 1.

*Staffing:*

The Department is in the offer stage for the Warehouse vacancy, and will seek to fill the soon-to-be vacant Principal Assistant position as soon as possible.

**Commissioner's Commentary:**

The Dept. staff held a group event to thank Jim Giffin (recent interim Commissioner) for this leadership and commitment to the DLC in its recent period of transition.

We continue to move forward on several operational fronts including website re-development and upgrades, re-organization of the 802Spirits section of our website, and initial discussion regarding distilling down the number of permits that the Department offers.

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**Chuck Ross, SECRETARY**

**STATE OF VERMONT  
AGENCY OF AGRICULTURE**

**Confidential and Privileged**

**TO:** Gov. Peter Shumlin  
**FROM:** Chuck Ross, Secretary of Agriculture  
**RE:** Weekly Memo  
**DATE:** June 24, 2016

**Summary of Key Activity**

Kristin Haas, State Veterinarian, attended the Vermont Veterinary Medical Association's summer meeting to hear a presentation on the Veterinary Feed Directive by Dr. Mike Apley. Dr. Haas is the Chair of the Responsible Antibiotic Use Task Force and has been involved with the effort to lower Vermont's incidence of drug residues found in VT-sourced livestock at slaughter.

The VAAFM had a second meeting to discuss on farm enterprises with the Vermont Planners Association, Addison County Regional Planning Commission, the Vermont League of Cities and Towns, Vermont Natural Resources Council and the Vermont Farm Bureau. Also in attendance were Ron Rodjenski, Town Manager Hyde Park; Susan Smiley, New Haven DRB member and farmer; and Sam Smith, Intervale Center. Sam Smith provided insight to farm economics including the impact of low milk prices, aging of farm operators, and farm operators wanting to diversify operations to include agritourism, adapting existing buildings for alternate uses that are economically viable (many are historic, but functionally obsolete structures).

The North Lake Farm Survey Initiative has concluded and in total 350 farms were surveyed as part of the initiative. A final report of the North Lake Farm Survey information will be started once the RAP public meetings have been completed.

Required Agricultural Practices – formal rule making public hearings are underway. The Agency will complete formal rulemaking hearings around the state. At the two first hearings – attendance was strong. Press was in attendance in St. Albans and the article was balanced.

Secretary Ross, Deputy Secretary Bothfeld and Division Director Leland met with agricultural lenders and feed and fertilizer dealers to review the changes to the water quality requirements and how that could affect their businesses. During the meeting several myths of the RAPs and ACT64 (sweeping water quality legislation in 2015) that are going around between farmers. This group can help spread the correct message that all farms will have time to implement fixes for water quality unless there is a direct discharge of wastes to state waters. Farmers will be able to determine a plan and have a timeline to implement the changes needed. There is some concern around the authority of the Agency to adjust livestock numbers on farms as wastes produced outpace the available lands ability to absorb the nutrients in the waste. There are several solutions to this imbalance – innovation to remove nutrients from manure, export wastes to another farm that can manage the nutrients, secure more land and or reduce livestock numbers.

Assistant State Veterinarian participated in an Agency presentation to bring colleagues up to speed on the continued efforts of the Produce Pod to regarding a produce program within the Agency. VAAFM applied for a 5-year \$3.6 million cooperative agreement with FDA to create an educational and inspectional program within the Agency for implementation of the federal produce safety rule.

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**Chuck Ross, SECRETARY**

**STATE OF VERMONT  
AGENCY OF AGRICULTURE**

**Confidential and Privileged**

**TO:** Gov. Peter Shumlin  
**FROM:** Chuck Ross, Secretary of Agriculture  
**RE:** Weekly Memo  
**DATE:** **June 24, 2016**

**Press Issues/Releases/Contacts:**

Secretary Ross has drafted an op-ed to dispel myths circulating among farmers surrounding the Required Agricultural Practices. Once final reviews take place, this will be distributed widely.

Deputy Secretary Bothfeld was on VPR this week discussing the Settlement between Dairy Farmers of America, Dairy Marketing Services and a group of dairy farmers. The piece was an over view and quite short. The settlement would provide on average \$4,000 per farm for those who sign up for the settlement. As well as a payment, both defendants agreed to an ombudsman to manage dairy farmer concerns and greater transparency in full service milk contracts with dairy buyers.

**Legislative Issues/Contacts:**

- Kristin Haas, State Veterinarian, received an inquiry from Adrienne Wojciechowski with Senator Leahy's office regarding the position that the National Assembly of State Animal Health Officials has taken on the proposed National Organic Program rule. Among other things, the rule proposes to place restrictions on organic certification of poultry that are housed in "chicken tractors or trucks".
- Kristin Haas, State Veterinarian, provided information to Representative Chip Conquest pertaining to the reporting of animal cruelty concerns after he received a call from a constituent on the matter. Representative Conquest also asked about the process for making requests of the Livestock Care Standards Advisory Council.

**Significant Events/Meetings:**

- Assistant State Veterinarian participated in an Agency presentation to bring colleagues up to speed on the continued efforts of the Produce Pod to regarding a produce program within the Agency. VAAFM applied for a 5-year \$3.6 million cooperative agreement with FDA to create an educational and inspectional program within the Agency for implementation of the federal produce safety rule.
- Animal Health Section met with USDA Veterinary Services partners to review inspection and enforcement protocols for the fair and event season.
- Assistant State Veterinarian attended an emergency response training at the State Emergency Operation Center regarding the Vigilant Guard exercise in July/August and was specifically for participants will be located in the sim cell providing injects to players involved in the exercise.
- Henry Marcres, Chief, Consumer Protection, and Kathy Hopkins, University of Maine, presented a maple grading school in Dover Plains, New York on Tuesday and Wednesday.

- Kristin Haas, State Veterinarian, represented Vermont on a monthly conference call of the New England States Animal Agricultural Security Alliance. She provided an overview of the One Health considerations that have evolved out of the recent shipment of pigs to slaughter in Vermont.
- Kristin Haas, State Veterinarian, attended the Vermont Veterinary Medical Association's summer meeting to hear a presentation on the Veterinary Feed Directive by Dr. Mike Apley. Dr. Haas is the Chair of the Responsible Antibiotic Use Task Force and has been involved with the effort to lower Vermont's incidence of drug residues found in VT-sourced livestock at slaughter.
- Kristin Haas, State Veterinarian, and Deputy Secretary Diane Bothfeld met with dairy industry leaders by phone and in person this week to receive their feedback on recruitment strategies for the open dairy programs section chief position. Two prior recruitment cycles have not filled the position. The position will be posted for a third time by 6/30 and will remain open for 3 weeks.

### **Evolving Issues:**

- Kristin Haas, State Veterinarian, provided contact information to the VT. Department of Health for "upper level decision makers" in FSIS and APHIS so that they could engage these federal agencies in a discussion pertaining to worker safety for employees exposed to zoonotic diseases, such as those who work in slaughter facilities.
- Animal Health Section provided revisions and corrections to USDA Veterinary Services for the two cooperative agreements the section has with VS. The cooperative agreements provide about \$130,000 to VAAF to fund staff time, equipment, outreach, and education for traceability initiatives and disease surveillance in Vermont.

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

#### **Administration:**

Secretary Ross, Deputy Secretary Bothfeld and Division Director Leland met with agricultural lenders and feed and fertilizer dealers to review the changes to the water quality requirements and how that could affect their businesses. During the meeting several myths of the RAPs and ACT64 (sweeping water quality legislation in 2015) that are going around between farmers. This group can help spread the correct message that all farms will have time to implement fixes for water quality unless there is a direct discharge of wastes to state waters. Farmers will be able to determine a plan and have a timeline to implement the changes needed. There is some concern around the authority of the Agency to adjust livestock numbers on farms if wastes produced outpace the available lands ability to absorb the nutrients in the waste. There are several solutions to this imbalance – innovation to remove nutrients from manure, export wastes to another farm that can manage the nutrients, secure more land and or reduce livestock numbers.

#### **Agricultural Development:**

##### Land Use Section

- Current Use: The Vermont Department of Taxes retired the Notice of Development or Discontinuance. This was the title of the form used to notify the department of discontinued enrollment of land and/or buildings in the Current Use Program. Retiring this notice is necessary because of the new process for determining the Land Use Change Tax that took effect October 2015 under Act 57 in the 2015 session.
- The new form is Form LV-314, Notice of Withdrawal from the Use Value Appraisal Program. The form and instructions can be found as a fillable pdf on the Department of Taxes website, <http://tax.vermont.gov/property-owners/current-use/removing-property-from-current-use>. Please share with your networks.

##### On Farm Enterprises:

- The VAAF had a second meeting to discuss on farm enterprises with the Vermont Planners Association, Addison County Regional Planning Commission, the Vermont League of Cities and Towns, Vermont Natural Resources Council and the Vermont Farm Bureau. Also in attendance were Ron Rodjenski, Town Manager Hyde Park; Susan Smiley, New Haven DRB member and farmer; and

Sam Smith, Intervale Center. Sam Smith provided insight to farm economics including the impact of low milk prices, aging of farm operators, and farm operators wanting to diversify operations to include agritourism, adapting existing buildings for alternate uses that are economically viable (many are historic, but functionally obsolete structures). Consumers are more interested in knowing where their food comes from, developing a relationship with a farm operator, and by giving the consumer the opportunity to experience the farm and develop the relationship with the farm operator, the consumer is more likely to spend a higher dollar on the agricultural product.

Ron Rodjenski shared his municipality's experience with on-farm enterprises. These businesses did not have a clear path to permitting to operate in Hyde Park. Over the past two years the town developed local zoning regulations to accommodate business growth on the farm, including agritourism opportunities, and will allow a diversity of possible businesses in its rural areas with the goal of preserving farmland. Susan Smiley provided her experience in New Haven, as a member of Addison County Relocalization Network and a farm operator who would like to engage in agritourism. New Haven's local zoning regulations would need to be updated to allow for enterprises that currently exist and to allow for other activities farm owners are interested in engaging in. She shared comments from area farm operators about the need to expand markets and how many see agritourism as the opportunity.

The next meeting will be to discuss other state approaches.

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

### **Animal Health:**

- Provided animal traceability materials to McCracken's Livestock in St. Albans completed a routine review of current activities at the Empire Livestock comingling station.
- Completed annual National Poultry Improvement Plan certification for Dresser Hill Poultry and completed Pullorum testing for a new multiplier flock. This is 1 of 2 flocks on the farm.
- Attended the weekly livestock auction at the Addison County Commission Sales to monitor Animal Disease Traceability compliance and complete the livestock market report.
- Completed annual testing and inspection for an NPIP participant farm in Springfield VT.
- Scheduled PT and AI testing for participants at an upcoming poultry show. All birds exhibited, sold, or traded must be first test for Pullorum. Animal Health staff often at the same time as the Pullorum testing collect oropharyngeal samples to test for avian influenza as part of the USDA Veterinary Services ongoing surveillance program

### **Meat Inspection:**

- Doing follow-up progress inquiries concerning new red meat slaughter facility in Pawlet, a custom processing facility in Westford, poultry slaughter in Panton, smokehouse operation in Bridport, Beef Jerky operation in Essex as well as new inquiries for an inspected poultry slaughter plant
- Program and inspectors are working on EAD migration for the federal computer systems
- Setting up meetings to discuss press release and outreach and information webinars concerning 6 VSA 204 section 3311(a) and changes related to Act 860 for exemptions for on-farm slaughter

The items below are continuing projects from last report

- Asst. Director beginning work on applying for the Cooperative Interstate Shipment Program

with USDA.

- Meat Inspection continues to work with Animal Health, USDA/FSIS, USDA/APHIS and Several other states regarding interstate movement of animals to slaughter at a federal slaughter establishment in the state.
- Inspection staff is extremely busy this time of year, as most establishments are in full operation and we continue to provide relief coverage to several federal plants.

### **Agricultural Resource Management:**

- Plant Industry staff conducted an hour and a half forest pest workshop for the The Stewardship of the Urban Landscape (SOUL) program on June 22<sup>nd</sup>. SOUL Tree Stewards Program is offered by the Vermont Urban & Community Forestry Program, a joint initiative between University of Vermont Extension and the Vermont Department of Forests, Parks and Recreation. 16 participants attended the presentation.
- The field season for the Cooperative Agriculture Pest Survey and associated Farm Bill projects is well underway. Surveys currently occurring include nursery survey (traps and visual), Exotic Woodboring Bark Beetle Survey (working with APHIS), Asian Defoliator Survey, Apple Commodity Survey (working with UVM extension) and Grape Commodity Survey (also with UVM extension). A total of 170 traps associated with these surveys have been set around the state and are being monitored every 2 weeks.

### **Entomology:**

- During the week of June 17, the vector surveillance group submitted their first 36 samples to the Vermont Department of Health (VDOH) lab in Colchester for arbovirus testing. All samples came back negative for WNV and EEE.
- A day-long training session for mosquito district larval surveillance specialists was held on June 16. Topics discussed included data collection, mapping, and a discussion about used tires in the state. The group spent the afternoon on improving adult mosquito identification skills with the vector management team.
- This spring the VAAFM IT team, Morgan Judd and Hunter Thompson, designed a webpage that allows the mosquito database to be shared with the VDOH lab and the epidemiology group in Burlington. This will greatly facilitate the speed of lab data entry and the reporting of arbovirus findings. The team also designed a barcode entry system that allows for quick and accurate entry of mosquito data in the entomology lab.
- Alan Graham, State Entomologist, was interviewed by WCAX on a piece about fireflies in Vermont.

### **North Lake Farm Survey Initiative:**

- The North Lake Farm Survey Initiative has concluded and in total 350 farms were surveyed as part of the initiative. A final report of the North Lake Farm Survey information will be started once the RAP public meetings have been completed.

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

- Staff had consultation meetings with 2 LFOs and discussed Agency direction, LFO's permit compliance, and reviewed insufficiencies with LFO's nutrient management plan.
- An application for an LFO permit was received and is currently under review.
- Staff are continuing to work on and test the FoodSafety Water Quality database. The Agency recently hired a new project manager and we are currently developing a new strategy to complete the water quality database. Additional team members are assisting with database testing to hasten database go-live.
- Staff continue to coordinate with North Lake contractors as projects move forward. Three scopes of work have been received and are under review.
- Staff conducted 2 LFO annual inspections and started writing reports.
- 1 SFO complaint was investigated and reports are being written.

- Due to increased staffing efforts, supervisors are working on restructuring farm inspection zones.
- Staff continue to reorganize LFO and SFO files and are making sure paper files are consistent with the shared drive.
- ANR and VAAFM attended coordination meetings between the two Agencies to better facilitate communication and information flow.
- Staff attended a Monthly Ag BMP Tracking Coordination Meeting to discuss tracking efforts related the Lake Champlain Basin TMDL. Partners included ANR-DEC, AAFM and NRCS.
- 6 Staff members attended CLEAR's 3-day NCIT training for Inspectors in Hartford, Connecticut.
- Staff assisting with RAP meetings being held across the State.

## **Topics from Secretary**

**Press:** Spoke with Ann Galloway regarding a report generated by an organic farmer Will Allen. Mr. Allen uses data collected by VAAFM to describe what he sees as an increase in pesticide uses in VT agriculture and suggests that conventional farming has issues because of its reliance on pesticides. I discussed the report with Galloway making the points that while Mr. Allen has one point of view there are others and that the report does not provide adequate context. Cary Giguere our Section Chief who oversees the collection of the data and an expert on these issues also communicated with Galloway emphasizing the Agency makes sure the use of pesticides is safe for farmer, animals and consumers.

## **Meetings:**

**Cuba Trade** – met with Devry Boughner from the lobby/law firm of Akin Gump from Washington DC. They are interested in exploring trade opportunities between Vermont and Cuba. They would like to reach out to Vermont and Vermont businesses.

## **Water Quality –**

-Attended event celebrating the award of over 600K from USDA RCPP program to work on water quality in the Lake Memphremagog water shed. This included meeting with NRCS officials include the regional director from Washington Gayle Barry as well as State Conservationist

- Attended RAP public hearing in South Royalton. This meeting was dominated by Rural Vermont farmers and Board member. This is in contrast to another RAP public hearing held in ST. Albans (missed because of flight issues) that was dominated by Large Farm Operations. Both communities of farmers had contrasting and somewhat conflicting and at times strongly conflicting points of view.

- Attended RAP Public Hearing in Brandon. Meeting was attended by a mix of farmers.

- At the Secretary's invitation, VAAFM leadership, including the Secretary met with the ag lenders and feed dealers to discuss the RAPs.

- Its important to note the RAP Public Hearing process is underway and the Agency is receiving a wide range of comments from multiple stakeholders. Not surprisingly the critics are standing out but there are some compliments as well.

Its also important to note that the roll out of these rules also coincides with increased activity from the Agency including inspections and on going work on some enforcement cases. Sometimes concerns on these other matters are mixed into the testimony.

**Middlebury College** – Met college interns from Middlebury College Foodworks intern project. VAAFM currently has a Foodworks intern working in the Agency.

**Breakfast on the Farm** – VAAFM is helping a farmer in Ferrisburg host the 2<sup>nd</sup> Annual Breakfast on the Farm. Agency Staff and the Secretary will be attending.

## LOTTERY WEEKLY REPORT

Work on priorities. We continue to work on reduction in package volumes and shipping costs. We are also automating some weekly reports to agents so they can self serve and we can reallocate this time to other efforts.

No legislative contact

No media contact

We had presentations from our ad agency RFP finalists yesterday. We expect to choose the winner next week.

Greg

Sent from my iPad