

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

**Sent:** Friday, November 04, 2016 8:50 PM

**To:** GPS

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

**Subject:** Weekly Reports - Executive Privilege 11 04 16.pdf

**Attachments:** Weekly Reports - Executive Privilege 11 04 16.pdf; ATT00001.txt

Highlighted weekly attached.

Gov - note TransCanada dam purchaser meeting with VT utilities and DPS soon.

See Brattleboro Retreat update upfront in AHS. Lawrence is on top of this and has all the latest.

VHC metrics all look good.

Lamprey treatment carbon filter has been delivered to Champlain Water, and go-date is Nov 8.

Gov see update on "large Internet retailer" and Tax negotiations. They hope to have deal in few weeks.

I'll follow up again with Ken on Monday, no news since we talked on NH situation. I spoke with Hal about it yesterday.

Pepper see Rebecca note on fingerprinting (similar to her earlier email). Let us know if you need help with that.

Sue, Scott, Laura and Sarah some notes for you all.

Thanks,  
Darren

# WEEKLY REPORTS

Checklist  
11/4/16

Darren Springer

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

Sue Allen

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

Sarah London

- ☒ Department of Public Safety – Keith Flynn
- ☒ Agency of Administration – Trey Martin

Jessica Gingras

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

Laura Gray

- ☒ Agency of Agriculture – Chuck Ross
- ☐ VT Commission on Lottery – TBD

James Pepper

- ☐ Department of Labor – Annie Noonan

To: Governor Peter Shumlin  
From: Lucy Leriche, Secretary - Agency of Commerce and Community Development  
Date: November 4, 2016  
Re: Weekly Report

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LUCY LERICHE, SECRETARY

- **Commonwealth Dairy Expansion:** I spoke with Adam Grinold and the good news is that the Germans appear to be close to agreeing to do the expansion in Vermont. Fred is teed up for the VEGI application. We should find out any day/minute now. Fingers crossed!
- **Chroma & Vermont Housing Ventures—New Market Tax Credits:** I spoke with Beth Boutin who is the New Markets person at Housing Vermont. She said, confidentially, that Chroma seems to be having a hard time trusting her, and that they are hesitating on pressing the “GO” button on the project. I will investigate to see what else I can learn.
- **Cold Storage Project:** I was contacted by Phillippe Troitin, who has a Boston client looking for space in Vermont to develop a cold storage facility to service Montreal customers. The business is very interested in locating in a Foreign Trade Zone, but Newport just isn’t going to cut it for him. I am investigating with Susan Murray of the SBA and Dave Snedeker of NVDA.
- **One Stop Operator Bids—VDOL:** A new WIOA requirement mandates that the One Stop Operator work be put out to bid. Since forever, VDOL has provided this service. No one expected another bidder on the project, but one private sector company did submit a very good bid. Theirs and VDOL’s bids are about a thousand dollars apart on what will be an 800k-900k project. The Operating Committee is a subcommittee of the State Workforce Development Board. We on the Operating Committee are supposed to make a recommendation to the full board but Joan and I both got the word that we are to recuse ourselves from this vote. The operating committee also includes some private sector folks including Janette Bombardier and others. Frank Cioffi is Chair.
- **Congressman Welch Staff Visit - Patrick Satalin & Megan Sullivan:** Patrick was in Vermont from DC and wanted to take the opportunity to check in with me. Regarding the Northern Border Regional Commission (NBRC) grant program, I put out a request for additional Vermont counties that meet the unemployment and poverty guidelines to be eligible for grants. NBRC is in the Farm Bill, and will be up for reauthorization next summer. Based on existing criteria, Rutland and Windsor counties would also qualify in addition to the existing counties of Essex, Caledonia, Orleans, Lamoille and Franklin.

Another topic of discussion that I shared with them is the problem of diminishing CDBG admin funds. Without additional general fund for staffing the program, we will need to do significant restructuring in FY 2019 and beyond which could put the program at risk. I spoke with Commissioner Pallito and others about this in our budget meeting and included it in my transition document. I wanted to also make Welch’s staff aware.

## DEPARTMENT OF ECONOMIC DEVELOPMENT

### Joan Goldstein, Commissioner

- **CONFIDENTIAL:** Continued discussion with Bob Giroux of the Vermont Municipal Bond Bank to work on a scenario whereby ACCD can be the entity to borrow funds from the state clean water fund to further lend to Redstone for the incremental costs affiliated with the 453 Pine Street redevelopment. We are reaching out to Redstone to see the types of collateral they could offer up that would pass VEDA underwriting and also the bond bank's counsel. Will meet again in 2 weeks.
- **CONFIDENTIAL:** No word from Stowe Aviation on our letter to cancel the MOU between Stowe Aviation and the Vermont EB-5 Regional Center. They have 30 days to respond.
- Attended the White and Burke Development Conference on Wednesday and participated in the breakout session on brownfields.
  - Good discussions around the difficulty on developing brownfields from the financial feasibility, timeline, and regulatory framework around them.
  - Several years ago, a safe harbor provision was put into the legislation so that RDCs and RPCs can own a contaminated property for the purpose of cleaning it up and then leasing or selling it to another party. This was brought about as a result of a multidisciplinary task force to review our then current policy and procedures. It may be time again to form a new committee of developers, DEC, DED, legal, and engineering to see if there is more progress we can make in closing gaps for redevelopment of these properties. The group seemed predisposed towards this idea. One way to improve, as suggested by Gravel and Shea, was to include the protection of commercial tenants more explicitly within the current BRELLA eligibility criteria. Another challenge is the timelines that at times do not intersect and can wreak havoc on already complex redevelopment budgets and timelines, e.g. redeveloping property while also executing a 1031 IRS exchange.
- Attended the Council of School State Officers gathering in DC last week with Lisa Ventriss of the Vermont Business Roundtable, Patrick Leduc of VSAC, Heather Bouchey of Agency of ED, and Jay Ramsey of CTE, and Michele Kupersmith of Labor. We were there to pitch for funds from JPMorgan Chase: New Skills for Youth Initiative. We learned about other states' preparedness and also of templates to provide AND MEASURE work based learning activities AND GENERAL college and career readiness. Upon return, we decided to form a steering committee made up of AOE, RDC, DED, VSAC, VBR, and a Superintendent of South BTV schools and school board chair so that we can move forward on college and career readiness to move the needle on the 50% of kids that do not go on to further post-secondary training or school. We will have our first meeting next week.
- We just hired Pam Mackenzie to drive the implementation of the Economic Development marketing plan. She possesses a diverse skill set, great network, and a background in strategic planning and implementation. We need the progress made to date to continue into the next administration.

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

#### **Wood Products Manufacture Tax Incentive**

- Sent email to the Tax Department and Finance and Management to attempt to coordinate a process for receiving and processing claims. There is a \$150,000 appropriation that was made in FY 15 to cover incentive claims. However, multiple businesses may submit claims and those claims may exceed the available appropriation, so a process for identifying claims and seeing if pro-rata is necessary should be adopted.

## **BUSINESS SUPPORT - Economic Development Policy Specialist ♦ Ian D. Davis, MPA**

- **Dynapower:** Ian, Brett, Joan and Robin met with Dynapower's executive team to discuss Burlington International Airport's energy storage and conversion system upgrade. Dynapower—a Vermont company and world leader in developing these technologies—is looking to be introduced to airport management ahead of a November 14<sup>th</sup> RFP deadline.
- **Revision Military:** Ian, Brett and Joan met with Greg Maguire and Revision's new CFO, Michael Garvey to discuss their workforce challenges, OEA grant proposal, and recent expansion in New Hampshire. Proximity to major metropolitan areas, international and domestic markets, as well as research and development laboratories were cited as reasons for the NH expansion. Ian will be working with them to help refine their OEA grant proposal.

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

- Actively began recruiting with Chris Carrigan from the Vermont Chamber for the AeroMart 2017 show that will take place in Montreal in April. To date Stephens Precision, LMS and North Harland Tools have confirmed attendance for the show.
- Planning for SPI (Solar Power International) has also begun. Vermont is trying to do a Pavilion with our companies. This show has a large chance to sell out so even though the show is September 2017 Vermont needs 9 booths and so planning has begun.

## **VT PROCUREMENT TECHNICAL ASSISTANCE CENTER ♦ Robin Miller, Director**

### **Other PTAC News**

- *\*\*Important Update – The SBA released a significant change to the HubZone program that affects several counties in Vermont. On October 3, 2016 SBA updated the areas affected by a BRAC (Base Area and Realignment Closures). This means Rutland, Bennington, Windham, Windsor and Orange counties are considered HubZone areas to 2020. For more on the SBA Direct Final Rule, please see: <https://www.federalregister.gov/documents/2016/08/04/2016-18251/hubzone-and-national-defense-authorization-act-for-fiscal-year-2016-amendments>. Robin Miller is working with the Vermont SBA Director on a press release explaining the change in the rules and will be setting up workshops in the affected counties to assist businesses with getting certified.*

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

- Along with Kristie Farnham, I met with Panurgy and Invecas to talk about VTP application process. Panurgy has a number of trainings that may qualify for VTP and Invecas is a semiconductor design company that does a lot of contract work with GlobalFoundries and is having challenges finding qualified workers.
- Met with Pro Fleet who is thinking about branching out into CDL training as well as a diesel mechanic training. They are currently looking for potential funding for students and may look into a training provider VTP application in the future.

## DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

### Deputy Commissioner Hanford

- **Rutland - Neighborhood Revitalization:** Attended the Tour & Open House of 59 Baxter Street in Rutland. This is second vacant & abandoned home purchased by the City, turned over to NeighborWorks of Western VT and totally rehabilitated to the highest standards. This home, along with 6 others in the neighborhood, will be sold to lucky families and will be affordable to households at or below 80% of AMI. This highly successful Neighborhood Revitalization effort has been supported by DHCD and a \$1.25Million VCDP/CDBG grant. The coordinated neighborhood revitalization effort, also known as Project Vision, includes: up-graded city sidewalks & streets, the demolition of 4 abandoned properties beyond repair into neighborhood parks, the rehabilitation and conversion of 7 vacant properties and coordination with the US Marshals Service to acquire properties in the neighborhood used by illegal drug dealers.
- **Regional Planning & Regional Development Directors:** Along with Commissioner Goldstein, attended a joint meeting of the RDC & RPC Executive Directors to discuss better coordination on issues and policies that overlap. They discussed how to better share & coordinate services, ED planning, Act 250 Participation & Coordination and up-coming Legislative Priorities.

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

#### **Regular CDBG**

##### **Existing Grants**

- **Town of Richmond:** The grant agreement for the Richmond Creamery Redevelopment Project was offered. The \$550,000 grant award includes a \$50,000 enhancement to cover ammonia decommissioning as well as administrative and program management costs. VCDP funds will be used for slum and blight remediation of the former Richmond Creamery property. The redevelopment plan for the site includes demolition of all on-site buildings, remediation of all hazardous contamination, and future construction of mixed residential and commercial spaces. The sources of contamination that result in potential risk to human health include asbestos, ammonia, lead paint, ACM, and PAHs.

##### **Technical Assistance to Potential Projects**

- **City of Montpelier:** A pre-application for a Planning grant was submitted seeking \$30,000 to assist Downstreet Housing and Community Development with a potential redevelopment of the Christ Church building that houses its offices and function rooms at 64 State Street. The planning will involve feasibility work for constructing a new 6 story building with the top five floors having housing and the street level floor having a business. Staff are seeking grants management staff to accompany them on a site visit later in November to learn more about the project and to specifically provide guidance on flood plain and historic preservation issues. The project is targeting the February 9, 2017 CD Board meeting.

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

#### **Programs and Projects Report**

- **Act 157 - Legislative Study on Housing and Infrastructure:** Chris and Shaun presented the results of data gathered from developers and municipalities on housing and infrastructure needs in Vermont. While municipalities and developers took divergent views on local permit appeals, there was agreement that modernized and simplified zoning bylaws could make the local permitting process more timely and predictable. Many noted that better integration – or separation depending on your perspective – of state and local permit jurisdictions could speed housing projects to construction. For example, qualified housing projects in state designated areas (e.g. a downtown, village, etc.), that skipped Act 250 review, saved on average \$50,000 in fees and went to construction 6 months sooner.

Municipalities and developers alike would like more tools to finance infrastructure. Many believed that allowing more Tax Increment Financing districts would not only help reduce the cost of housing, it would support a wide range of economic development activity.

- **Municipal Planning Grants:** Applications are up a bit over average with 69 grant requests totaling over \$781,000 for an available \$457,000 in funding (the 5-year average is 63 applications). The Regional Planning Commissions had raised concerns that new state procurement requirements would stifle applications. We are relieved to learn that this was not the case. The team will review applications in the coming weeks with the final decisions announced at the beginning of December.

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

### **State Archaeologist**

- On Wednesday, Jess and Scott met with Eric Tichonuck, Chris Sabick, and Eloise Beil at the Lake Champlain Maritime Museum to talk about integrating their underwater archaeological site files into our state VAI system, and to talk about their archaeological collections and ways in which we may assist each other in curation standards, research, and the unification of procedures. It was a long but very positive meeting that provides several actionable items for each of us to work on in the near-term.

### **The Heritage Center**

- On Wednesday, Jess met with Amy (regional cultural resources director for the U.S. Fish and Wildlife Service) to talk about finalizing a curation agreement with the Heritage Center and leveraging internal Fish and Wildlife Department of Interior grants for an exhibition based on the route 78 excavations and a paid temporary employee that will work to bring the Legacy collections from U.S. Fish and Wildlife properties up to current curatorial standards.

### **State Architectural Historian**

- **Historic American Landscape Survey Projects:** Earlier this year, a team consisting of Devin, Richard Amore (CP&R), and landscape architects Gail Henderson-King and Kathleen Ryan, prepared three Historic American Landscape Short-Form Survey Reports for submission to the National Park Service (NPS). Documentation of the Greatwood Gardens at Goddard College, Taylor Park in St. Albans, and the Justin Smith Morrill Homestead is now on file at the Library of Congress. The documentation for the Morrill Homestead received an **Honorable Mention** from the NPS, and will be featured on the Historic American Landscape Survey website as a good example of how to complete a Short Form Survey. Well done team!

### **Grants**

- Caitlin met with the new owners of Gilbert's Hill Farm in Woodstock. The property consists of 112 acres, a historic farm complex, and was the site of the first ski rope tow in the United States, begun in 1934. Conservation and Preservation Easements held by the Vermont Land Trust and the Preservation Trust of Vermont were recently signed and the owners plan to apply for a barn grant to help restore the farm's main dairy barn.

### **Project Review**

- **BGS:** Jamie joined BGS Project Architect John Ostrum at the recent Vermont Access Board meeting to discuss BGS's interpretation of the Access code for the Hanks Building rehabilitation project. Due to constraints with the buildings layout and circulation, BGS is unable to provide an accessible route to the second floor without compromising the historic architectural integrity and character of this significant building within the WSOC campus. However, the second floor of Hanks comprises less than 3000 sq.ft., and therefore this requirement is exempt from the code. This will be the only portion of the WSOC that is



not accessible as BGS has worked hard to provide equal access to 99.94% of the complex.

- **Middlebury:** Jamie provided technical assistance to Middlebury Congregational Church regarding notification that due to a current expansion and addition to the historic church, the Div. of Fire Safety is revoking a variance allowing the front doors to swing in that has been in place for decades.

#### **Historic Sites Section Chief & State Owned Historic Sites:**

- **Bennington Battle Monument:** The 2016 season ended on October 31<sup>st</sup> with the third annual haunting of the Monument. A total of 61 visitors, 29 adults (12 in costume) and 32 children in costume enjoyed the 'scary' climb after 6 PM. Although the props are done simply and on the 'campy' side, the visitors all thoroughly enjoyed the adventure. The seasonal employees at the Monument worked very hard and did a terrific job. The after-event clean-up and season closing tasks took place the two days after closing. We are almost ready to face the change of season.



#### **CHIEF MARKETING OFFICE ♦ HEATHER PELHAM, CHIEF MARKETING OFFICER**

- **Creative Services:** The diversity of design work completed this week is a good snap shot of the range of projects that come through the CMO, and included: development of a new brand identity for the VSNIP program administered by the Dept. for Children and Families, which provides financial assistance for low-income Vermonters to have their pets spayed or neutered; development of new vehicle graphics for the hybrid electric cars in the BGS fleet, currently 20+ and increasing, that identifies these cars as 'Go Green Fleet Cars' with an average 95 MPG; design of a new print ad for the Dept. of Economic Development for the program guide at the World Cup event to be held at Killington Resort over Thanksgiving weekend; and final design edits to the F+W Fishing Regulations guide headed to press next week.

#### **VT CENTER FOR GEOGRAPHIC INFORMATION (VCGI) ♦ JOHN E. ADAMS, DIRECTOR**

- **Open GeoData Portal Beta Release:** VCGI, in collaboration with Agency partners, has released the much-anticipated BETA version of Vermont's new Open Geodata Portal (<http://geodata.vermont.gov>), a website that helps people explore, contribute, and use geospatial information and resources from various sources. The site has over 500 datasets with more being added every day. Much of the data will now be available in spreadsheets and as KML (google earth) files (in addition to shp files) and users can preview mapped data directly in the portal. This beta release is a big step in an ongoing effort to make data more readily available and user friendly. Please take a few minutes to explore the [site](#), kick the tires, and let us



know what you think ([http://geodata.vermont.gov/beta\\_survey](http://geodata.vermont.gov/beta_survey)). Your input will help us improve the website. We plan to release a final version by the end of the year.

- **Act 174 Renewable Energy Planning Standards:** John met with staff from ANR and the PSD to finalize details related to mapping in the now released Act 174 standards:  
<http://publicservice.vermont.gov/content/act-174-recommendations-and-determination-standards> . VCGI staff is working to feature the data cohesively in the new data portal, in addition to creating a landing page that consolidates the data that municipalities and RPCs will need to meet the standard. The VCGI energy planning mapping data page will be available Monday.
- **Tax Department & TMDL/Clean Water Funding Options:** Ivan conducted spatial analysis to compute approximate percent of total parcel impervious surface for approximately 160,000 parcels within the Lake Champlain basin. This analysis was requested by the Department of Taxes to help analyze Lake Champlain clean water funding options.
- **Public Safety Assistance:** Ivan and John responded to requests for assistance from the Department of Public Safety to help resolve database connection issues and a FOIA request related to geospatial data.

## **DEPARTMENT OF TOURISM & MARKETING**

### **Megan Smith, Commissioner**

- **Business View Magazine:** Steve and Megan did an interview for Business View Magazine. They are doing an in-depth story on VDTM and how we operate. They are also interviewing towns and resorts.

### **Steven Cook, Deputy Commissioner**

- **Winter Advertising:** Steve and David Burnell will meet with Cabot this week to discuss this winter's advertising campaign. VDTM is proud to welcome Cabot back into the marketing partnership for the upcoming year. Cabot and VDTM will collaborate on outdoor advertising in the Boston market.

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

- **Vermont Attractions Association:** Last week, Kathleen spoke to the VAA members about opportunities to partner with her at consumer-based tradeshows. This presentation has already sparked new collaborations with The Vermont Country Store and Maple Landmark Woodcraft.

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

- **Advertising:** Last week Chris closed renewal for a Full Page with Nelson Ace Hardware for \$7,000. Also, worked on over 30 other contract renewals due with our Spring 2017 issue. Met with several new prospects and past clients in the Burlington area, building the foundation for Spring 2017 and the year as a whole. Laid out travel schedule for next few weeks that includes the Northeast Kingdom, Rutland-Killington-Middlebury areas, Manchester and Bennington, Waterbury-Stowe-Montpelier areas, and southern Vermont including Brattleboro-Windsor-Woodstock areas.
- **Business:** Sales are picking up and remain very encouraging: our year-to-date is up 4.64 percent, and Oct.'15 vs. Oct. '16 up 10.69 percent. Tom has been working on advertising processing for the Spring 2017 issue, assisting with new customer setup, and assisting with tasks related to billing for the Winter '16-'17 issue. He also continues to devote more time to customer service as we approach the holidays.



**State of Vermont**  
**Department of Financial Regulation**  
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[Banking] 888-568-4547

**CONFIDENTIAL and PRIVILEGED**

**To: The Honorable Peter Shumlin, Governor**  
**From: Michael S. Pieciak, Commissioner, Department of Financial Regulation**  
**Date: November 4, 2016**  
**Re: Weekly Report**

**Securities Division:**

**Jay and Burke:** Goldberg reports that the Burke hotel is operating ahead of budget for the months of September and October and the Jay is also operating favorable to budget.

**Stowe Man Faces Federal Charges:** On Monday, Daniel Burgess was arrested by the FBI and arraigned in U.S. District Court in Burlington on securities fraud charges. Burgess, owner of Tucker Financial Services in Stowe, allegedly brokered a stock sale, but then failed to provide his client with the proceeds. The FBI's investigation stemmed from an investigation last fall by the Department which culminated in a settlement ordering Burgess to repay \$373,000 to his victim and an administrative penalty of \$25,000 owed to the Department. If convicted on the federal charges, Burgess faces up to 20 years in prison and a fine of up to \$500,000.

**Commissioner Speaks:** Commissioner Michael Pieciak has been invited to take part in a panel discussion at the Securities and Exchange Commission's Fintech Forum on November 14 in Washington, D.C. He will talk about the ways financial technology is disrupting traditional financial services and recent changes in Vermont laws allowing small businesses to more readily access local capital.

**Captive Insurance:**

**European Captive Forum:** Deputy Dave Provost will represent Vermont at next week's European Captive Forum in Luxembourg where Vermont is a finalist for "Non-European Union Domicile of the Year." The European Captive Forum is the major captive gathering in Europe and Dave's participation, both speaking at the conference and attending, will showcase Vermont as the premier U.S. domicile on the European stage. Further, Vermont already has approximately 60 captives with European parents, which gives Dave the opportunity to reconnect with the leadership of these Vermont-based captives in their own backyard – a very appreciated gesture.





**Privileged and Confidential**

**MEMORANDUM**

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

From: Christopher Recchia, Commissioner

Date: November 4, 2016

Subject: Weekly Report

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**Governor Level Issues:**

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

GMP Innovative Programs -We will be meeting with GMP next week to work through IP issues. As said last week, we agreed to a schedule which completes technical hearings before Thanksgiving and has final briefs due to the Board in early December. We are getting pushback from Saudek on the schedule, but hopefully conversations between GMP and the Fuel Dealers will put that back in the box.

VGS Rate and Alt Reg Filings – Docket Nos. 8710 & 8698

We are also scheduling a meeting with VGS principals for early next week, to be followed up by staff. We expect VGS will be presenting a proposed path forward, but these are not Settlement Negotiations at this stage. filed rebuttal testimony opposing many of the Department's recommendations.

GMP-St. Albans Community Digester-Docket 8673 - 800 kW methane biodigester generation facility to be constructed in St. Albans. After our meeting of Tuesday, we presented GMP with proposed language about reporting. After GMP consideration of that, they are now proposing a report at year 5, and a true-up at year 10, and every 5 years thereafter. We will be ok with that in

lieu of the annual reports tentatively discussed on Tuesday. GMP is trying to sell that internally right now, and I expect to hear from them shortly, and was planning wait to send this report until I hear from them, or follow up later if their decision is delayed. I will still need to get staff on board with this, which Jon and I plan to do early next week, GMP understands they will need to revise their filing to reflect the issues we are agreeing to, and we will file concurrence at that point. HOT OFF THE PRESSES: GMP has committed to the proposal above, so we should be in good shape for next week.

Health in all Policies – Energy engagement – We met with DOH this week to discuss how to introduce their framework for health evaluations into the Board process. They are considering participation in an initial case to roll this out, which after discussion may be the Anbaric New Haven Converter Station, the GMP Methane Digester, or less desirable, the possibility of raising the issues in Swanton Wind. If a case is selected, we will “contract” with DOH and allow them to bill-back through us as a means to get them engaged with the developers directly.

#### **Meetings This Week:**

Oct 31 – VGS/NOPV meeting, Darren Springer meeting

Nov 01 – FairPoint meeting, Internal meeting with Governor on VY, Telcom Briefing with Trey Martin

Nov 02 – Bill Reynolds & Bill Duchac Meeting on Personnel Issue, VLCT Fall Planning & Zoning Forum presentation on Act 174, Digester Project Update with Governor’s Office

Nov 03 – Act 174 Working Group, NECPUC Meeting

Nov 04 – NEPOOL Sectors Meeting

#### **Meetings Next Week:**

Nov 07 –

Nov 08 – Meeting with FairPoint, GMP Innovative Tariffs proposal meeting, GMP Panton/E Home meeting

Nov 09 – CEFC meeting, EAN Check-in,

Nov 10 – Alternative Regulation Discussion with AARP,

Nov 11 –

**Media:** Mike Faher on NDCAP and VY, Press Release on Siting Standards

**Public Official Contacts:** Senator Bray.

#### **Everything Else:**

##### ***PERD***

##### **Act 174 / RPC Planning**

- Act 174
  - Determination Standards published on Nov. 1, as required!
    - Analysis guidance soft launch later in the week
  - Revised Analysis section of the Determination Standards to include only the statutory language. Explanation of how that statutory language should be read as

well as instructions on how to meet the standards are being left to the guidance document, which is being reorganized to reflect these revisions.

- Reviewed revised aesthetics maintenance standard conditions for proposal to the Board pursuant to Act 174.

#### Residential and Commercial Building Energy Standards (RBES & CBES)

- Commercial Code:
  - Received 2 planning letters from the Division of Fire Safety for follow up in the past week.

#### Energy Efficiency Utility Activities

- EVT has expended 57.0% of its allocated EEC 2016 budget as of the end of September 2016
- BED has expended 49.7% of its allocated EEC 2016 budget as of the end of September 2016
- Met with VGS staff at the VGS offices to review data requests for Potential Study and plan for upcoming C&I Savings Verification. RFP for C&I Savings Verification is being drafted. Also discussed Annual Plan, due Nov. 1.
- Met with EVT staff to review preliminary results of baseline scenario model for DRP Proceeding
- Demand Resource Plan Proceeding
  - Staff reviewed the Board's DRP modeling assumptions, scenario, and QPI framework order. DPS and EEU proposals were accepted with one follow up item for DPS and VEIC to comment on a unified definition of the Peak Demand Reduction modeling output metric.
  - Staff set up a series of meetings with VEIC to review VEIC 's Development and Support Services budget proposals as well other topics for the DRP.
- EVT Annual Plan Review and Comments
  - Staff have been in conversations with EVT regarding their draft annual plan, which included potential "total energy" measures/spending that DPS staff didn't think were allowable by statute (particularly potential transportation measures/technical assistance to be funded through TEPF). After much discussion EVT has decided to take these items out of their annual plan and are deciding the best process to address the disagreement on whether they can be funded with TEPF and/or EEC funds.

#### Evaluation

- Residential Market Assessment
  - SF existing homeowner telephone survey: internal draft report under final revision
  - SF new construction homeowner telephone survey: internal draft report under review
  - Analysis mostly completed for SFNC & code compliance assessment
  - Analysis begun for SF existing homes
  - Completed all 10 HVAC contractor interviews – draft memo under internal review
  - EFG completed 3 of 4 HVAC distributor interviews
  - Retailer interviews – revise draft guide, await contact info from VEIC

- Heating usage analysis: Refining analysis; begin reporting
- IEPEC paper abstract – under review by PSD

#### Heat Saver Loan/Thermal Energy Finance Pilot

- Finalized and submitted the quarterly report to VLITE
- Below is a summary of the status of the Heat Saver Loan activities as of September 30<sup>th</sup>:

<b>Metric</b>	<b>Total</b>
# HSLs by Income Tier	
<i>A (&gt;120% Median Family)</i>	48
<i>B (80 to 120% MFI)</i>	88
<i>C (&lt;80% MFI)</i>	113
<b>Total # Loans</b>	<b>249</b>
Amount of Loans (\$)	
<i>A (&gt;120% MFI)</i>	\$619,215
<i>B (80 to 120% MFI)</i>	\$1,029,644
<i>C (&lt;80% MFI)</i>	\$1,199,693
<b>Total \$ Value of Loans Closed</b>	<b>\$2,848,552</b>
IRB (\$) – All Sources	
<i>A (&gt;120% MFI)</i>	\$44,399
<i>B (80 to 120% MFI)</i>	\$185,490
<i>C (&lt;80% MFI)</i>	\$251,182
<b>Total \$ Interest Rate Buy Down</b>	<b>\$481,072</b>

#### Finance/Collaborative

- The department convened an organizing meeting of the collaborative on October 26<sup>th</sup> that included 30 individuals representing a range of public and private financial institutions and clean energy providers including DPS, VEDA, the Office of the Treasurer, Finance & Management, and ACCD on the public side. The meeting focused on finalizing the operating agreement for signature at the next meeting, and a presentation on the forthcoming Energy Loan Program by VEIC. The latter generated rich discussion on the program among finance providers, which was the kind of coordination envisioned for the collaborative. Staff have assignments to set a next meeting date in late January 2017 and identify topic areas of interest for that meeting.

#### Regional

##### TransCanada Purchase

- On November 2, ArcLight Capital Partners announced that it is acquiring the TransCanada hydro facilities. ArcLight is a large, diverse company with a number of energy interests around the world, including generation, gas pipelines, and petroleum storage. ArcLight is retaining the existing staff at the facilities. We have been in communication with ArcLight and will likely meet with them shortly along with Utilities that have expressed interest (i.e. GMP and BED).

Gov



### Integrating Markets and Public Policies

- On October 28, States met to discuss positions on the IMAPP process. Connecticut and Massachusetts appear to be interested in a relatively new proposal – a carbon integrated Forward Capacity Market (FCM-C). Under this proposal, zero carbon resources (which would include nuclear) would bid in capacity and zero energy credits in the same auction; ISO-NE would clear the auction for both products using two different demand curves but one clearing mechanism. Vermont staff and New Hampshire indicated that it would be very difficult for either state to support a filing at FERC that has the potential to give authority over the amount of renewables procured and the allocation of costs for such a procurement.
- Vermont staff suggested that states consider doing a coordinated state auction for renewable energy credits with long-term contracts for RECs from new resources to enable financing of such projects. Since FERC precedent is clear that RECs unbundled from energy and capacity are solely state jurisdictional, this approach would minimize the ability of FERC to make decisions regarding procurement amounts and cost allocation.

### Three-State Clean RFP

- Connecticut, Massachusetts, and Rhode Island shared their preliminary takeaways from the coordinated three-state RFP. Despite a significant amount of work to procure transmission and generation, the RFP resulted in eleven projects that did not require transmission. Some projects with transmission bid into the RFP (including the Anbaric/National Grid Green Line project), but were too expensive (although they were relatively close to being cost effective).
- The three states decided that coordinated procurement was difficult and inefficient, particularly as it only resulted in projects that could have been selected through individual RFPs. Additionally, the states found that dealing with transmission in the RFP process was very difficult due to data gaps and uncertainty regarding interconnection costs. Finally, the Massachusetts utilities apparently raised the issue of whether voluntary allocation of transmission costs could run afoul of the state's restructuring law that generally prohibits long-term contracts.

### Order 1000 Public Policy Projects

- Under the existing ISO-NE transmission tariff, ISO-NE must initiate by January 15 the process for determining if there are public policies that necessitate the construction of transmission. By that date, ISO-NE will send notice the Planning Advisory Committee asking for feedback on identifying such state public policies.
- In April, NESCOE will provide a communication back to ISO-NE; this NESCOE action is purely ministerial and will be a compilation of individual state determinations. The state determinations need to be well reasoned and have undergone a transparent process. At an October 28 meeting, most states indicated that it would preferable to only use the

ISO-NE Planning Advisory Committee process to receive feedback and meet transparency requirements; it was noted that having an in-state process simply creates one more avenue for appeals (through state courts rather than at FERC). States want to express in their transmittals that there is a pending appeal of the process at the D.C. Circuit Court of Appeals. Finally, some states expressed an interest in getting specific legislation that would make clear that they do not have public policies that necessitate transmission.

- New Hampshire, Maine, and Vermont staff made clear that any transmission project must also receive state siting approval, which would likely be very difficult to obtain if the host state had to pay for the project through the Order 1000 default cost allocation.

### ***Public Advocacy***

#### **VGS Rate and Alt Reg Filings – Docket Nos. 8710 & 8698**

On October 31, the Department filed surrebuttal testimony from our three direct witnesses – Schultz, White, and Baudino, and a new witness Brian Winn. The testimony focused on the prudence issue, and largely maintained the status quo. Discovery on the Department's testimony is due on November 8.

#### **VGS Addison Expansion – Notice of Probable Violations-Docket 8814**

A NOPV regarding Vermont Gas's construction practices where electric transmission lines are present was transmitted to VGS on August 8. The NOPV alleges that Vermont Gas failed to follow its own Specifications in this regard. The NOPV requests, among other things, a civil penalty in the amount of \$150,000. Vermont Gas has submitted a preliminary response to the Board and a final response is currently due November 9. In the interim, Vermont Gas and the Department have been meeting to review our supporting evidence and on October 24, VGS outlined in a letter what it would be willing to agree to in an MOU. It contains a very general admission of liability and agrees to a substantially lower penalty of \$35,000. The Department has modified some of VGS's language and increased the penalty to \$100,000 in a counter-proposal we will be providing to them on November 3.

In connection with the NOPV, 350.org and some of the other opposition groups filed a voluminous petition with PHMSA on October 17<sup>th</sup> requesting emergency intervention by PHMSA due to the inaction and ineffective supervision of the Department with respect to pipeline construction. PHMSA requested a response to the petition from the Department and Engineering, together with the PA division and the Commissioner, prepared and transmitted a response on October 28.

#### **VGS-Act 250 jurisdictional inquiry re: Vermont Gas's Addison Facilities-no docket**

On August 15, Jim Dumont presented to the Rutland office of the Natural Resources Board a Request for a Jurisdictional Opinion regarding the necessity of a Land Use Permit for the Addison Natural Gas Project and/or portions thereof. The District Coordinator directed the Request to Vermont Gas, the Department, the Board, and ANR. On September 20, the Department and VGS filed comments supporting the Board's jurisdiction; ANR and the Board did not submit comments. On October 3, Mr. Dumont submitted a Reply to VGS's comments. His Reply asked the District Coordinator to issue a ruling on some of the facilities and indicated that he was going to file a petition with the Board asking it to reconsider the issue of its own jurisdiction with respect to the transmission portion of the Project. On October 7, the District

Coordinator advised Mr. Dumont and the parties that, based upon Mr. Dumont's October 3 filing, he was disinclined to issue the partial ruling that was now being requested. In response, on October 27, Mr. Dumont advised the District Coordinator that he agreed with the proposal to defer a Jurisdictional Opinion until after the Board has ruled. Mr. Dumont further advised that he would be submitting a petition to the Board on this matter within 10 days.

#### VGS-Town of Hinesburg condemnation-Docket 8643

This parcel is in a park owned by the Town. The Board issued an order on September 13 granting the condemnation petition, but significantly revising the requested Easement Deed based upon the Revised Stipulation with the Town and the live testimony at the technical hearing. The Resident Intervenor filed a Motion to Reconsider with the Board on September 27, together with a Notice of Appeal to the Supreme Court. VGS submitted its Response in opposition to the Motion on October 3 and the Town advised that it would not be filing a Response to the Motion. On October 11, the Department recommended that the Intervenor's Motion to Reconsider be denied and the Board's order affirmed. On October 17, the Intervenor filed a Response to Opposition to their Motion for Reconsideration alleging that neither VGS nor the Department had addressed their claims adequately. This is the last parcel in the Addison Expansion Project and construction is 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 17, the Department and ANR jointly submitted a request to the Board to open an investigation into alleged pre-CPG activity at the Project site. The Board took no action on this request, but on September 28, the hearing officer requested that the parties submit a status update and advise if ANR still thinks an investigation is warranted. On October 19, the Department, together with ANR, submitted a Motion for an Order to Show Cause why this conduct is not in violation of Section 248; a supporting legal memorandum was submitted with the Motion. Triland filed a status report on October 19, together with supplemental testimony, which staff is reviewing. On October 20, Triland filed a Response to the Motion to Show Cause, requesting that it be denied and a status conference convened. ANR is in the process of drafting a reply to Triland's October 20 Response, which will be shared with the Department and filed with the Board on November 4.

#### GMP Hydro Declaratory Order – Docket No. 8826

As part of GMP's proposed acquisition of Vermont and non-Vermont dams (8827), it has filed a companion request for declaratory order related to certain conditions in two of the Vermont dams' CPGs. The CPGs, issued decades ago, contain requirements pertaining to 401 certifications and minimum stream flows. GMP wants these provisions either declared preempted or the CPGs transferred to GMP. DPS agrees with the preemption analysis and has recommended to the Board that the hydro CPGs be revoked – relief that the parties and ANR all support.

#### Coolidge Solar 20 MW facility in Ludlow - Docket 8685

John Woodward has reviewed the filings with reference to the need, economic benefit and compliance with the CEP criteria and has found no issues. The deadline for non-petitioner surrebuttal testimony is November 18<sup>th</sup>.

#### Otter Valley Solar in Pittsford – Docket 8770

Petitioner responded to the discovery requests of the PSD and the ANR. The PSD began discussions with the petitioner regarding a planting and maintenance plan.

#### SunE Solar Rutland – Docket 7957

The CPG holder was ordered to show compliance with testimony (incorporated into the CPG) that it would preserve a 20-foot fire lane. The compliance affidavit did not demonstrate compliance and the fire chief is particularly concerned for the safety of the occupants of the onsite building. From speaking with the fire chief, the PSD understands the town's counsel has reviewed and approved of the stipulation. The fire chief is going to write a letter stating that the supplemental fire equipment required by the stipulation will provide adequate fire protection service in lieu of the 20' fire lane.

#### GMP Innovative Products Tariff Filing – Docket No. 8794

GMP filed a proposed schedule on October 28. The Department filed a letter indicating no objection to that schedule. The Vermont Fuel Dealers Association (VFDA) indicated that it needed more time to file a schedule. On November 2, GMP filed a letter indicating that it did not object to VFDA's request to file a schedule by November 4. The Department will file another round of discovery requests to GMP this week, likely with a more substantial filing on November 2 and a supplemental filing on November 4.

#### Demand Resource Plan for 2015-2017 – EEU 2013-01

The Department and VEIC filed comments in response to a PSB request for more information about the statutory authorization that governed the use of Thermal Efficiency Process Fuel funds, as related to their proposed use for the Department's Heat Saver Loan Program. Strict construction of the relevant statute could prohibit the Department from directly using these funds. VEIC has agreed to work with the Department to determine whether a cooperative venture between the Department and Efficiency Vermont would remove any legal impediments to use of the funds for this purpose.

#### Chelsea Hill Solar and Apple Hill Solar -Dockets 8302 and 8454

On 10/28 the Department and the Agency of Natural Resources submitted a joint response to the Motion to Intervene and Request for a Ruling on Site Preparation filed by the Host Landowner for these two 2MW standard offer solar projects. The response urged the Public Service Board to rule that such an action by the Host Landowner would violate the statutory prohibition to begin site preparation prior to the issuance of a certificate of public good. On 11/1 the Host Landowner and the Petitioners filed a Reply asserting that their position was supported by law and, on that basis, they were entitled to the relief they sought. The Department will review the response to determine if further filings are warranted.

#### Basin Harbor Club and BHC Solar LLC Enforcement matter – Docket 8692

This docket was opened in response to inaccurate statements made in the initial application for this 150 kW solar project, pertaining to the existence of nearby historic sites at the Basin Harbor Club. On 10/21 the Department filed discovery in the form of Requests for Admissions to three parties in this PSB penalty investigation: the Basin Harbor Club (the initial applicant), the

current CPG Holder BHC Solar, and the Division for Historic Preservation. Responses are expected by 11/14.

Petition of Robert Garthwaite to Revoke CPG #NM-1771 – Docket 8774

This case involves a complaint that the holder of the CPG, David Blittersdorf, did not construct the turbines in accordance with the CPG application. The Board issued a scheduling order on October 24<sup>th</sup> requiring Mr. Blittersdorf to file a supplemental affidavit by November 1<sup>st</sup> that is fully responsive to the Hearing Officer's initial order requiring the Respondent to respond to a number of questions in his affidavit. On November 1<sup>st</sup>, in response to Mr. Blittersdorf's request, the Board issued a second procedural order extending the deadline for a supplemental affidavit until November 23<sup>rd</sup>, and requiring parties to submit procedural recommendations by November 14<sup>th</sup>.

GMP 248(j) Petition for Upgrades to the Barre North End Substation – no docket – GMP filed a petition on October 21<sup>st</sup> requesting approval for a number of upgrades to its Barre North End Substation. The Board has not yet set a deadline for comments.

GMP Alt Reg – No Docket – Staff has scheduled a meeting with AARP for November 8 to discuss GMP's alternative regulation plan in advance of GMP's request to extend it by a year. This meeting was agreed to at the end of this year's base rates proceeding.

Boltonville Rule 4.100 Contract – Docket No. 8841

The Board has asked for comments on a 1-year PPA at Docket No. 8010 rates for the 1.3MW Boltonville hydro facility. Staff understands that GMP will file a motion to dismiss the request due to the new Rule 4.100 being in place. Staff has requested a copy of the motion, as it is likely that the Department will be able to sign on. A response is due November 7.

Overall Performance Assessment of Burlington Electric Department's Energy Efficiency Utility – Docket 8606

A Board workshop on the changes proposed for the Order of Appointment document, scheduled for 10/24, was cancelled. The Department with the support of BED had suggested that since the changes to the document were minor, a workshop might not be necessary.

Appointment of Vermont Gas Systems, Inc. as the Natural Gas EEU – Docket 7676

A condition in Docket 7970, which granted a certificate of public good approving the Addison Natural Gas Pipeline, required Vermont Gas Systems to institute an aggressive program to get a higher than usual proportion of new Addison County VGS customers to implement energy efficiency measures. The review and approval of that plan is being conducted under the auspices of the original natural gas EEU docket. VGS submitted details of the plan to the Board in April and the Department commented in May. The Board recently requested additional information on the plan, which was then provided by VGS. The Department filed responsive comments indicating support for the plan. During the Department's review of the plan, we discovered some inconsistent statements in the PSB Order in Docket 7970 with respect to the origins, nature and amount of savings that the Board cited as the basis for requiring the aggressive energy efficiency program. If the Board convenes a workshop on the plan, we may point out some of these inconsistencies. Essentially, the Board Order infers that the savings can be used by VGS, when

in fact the projected savings were expected to accrue, both directly and indirect, only to customers. In addition, the amount of the savings was based on prices for heating fuels in 2012, which have since changed dramatically.

McMullen Solar Project 500 kW Solar Group Net-Metered Facility in Milton – Docket NMP-XXXX

In response to the Petitioner's supplemental noise study data, the Department filed a comment letter on October 27, 2016 indicating that the supplemental filings satisfied the Department's earlier noise concerns.

Solar Sense, LLC – Request to Merge Net Metering Groups - CPG #16-0031-NMP & #NMP-7401

This request is one of a proliferation of requests in anticipation of the Rule change to merge net-metering projects into a "super group" with a capacity greater than 500 kW. The Department has historically not objected to these mergers, and we filed a comment letter indicated such, but deferring to the Board to determine how to handle these requests in light of the proposed Rule. These merger requests are being granted by the Board.

Swanton 2015-2034 IRP – Docket 8631

Swanton's attorney and the PSD are negotiating the language for an MOU resolving all issues.

BED's IRP – Docket 7979

The PSB requested the PSD file comments by November 14<sup>th</sup> regarding BED's non-compliance with the outage management condition and the fact that BED has not filed its next IRP.

Barton Village 2015-2034 IRP – Docket No 8620

Barton filed its T&D section. Since its planning section was previously filed, its IRP filing is now complete. The PSD will begin to review the T&D section. Barton will notify its customers by means of a bill insert or on-bill notification that motions to intervene are due by December 26<sup>th</sup>.

DigSafe violation-Eustis Cable and Comcast-no docket

In response to a June 2016 NOPV issued by the Department to Eustis regarding damage to Comcast's facilities, Eustis has denied wrongdoing and requested a hearing. The Board has advised that a technical hearing will be held on November 21. The Department is discussing how best to put forward its case.

***Telecommunications***

Cell Tower Database

The PSD has a database of cell tower locations from petitions for 248a permits. The database includes not only the address and docket number for all cell towers permits, it also includes the coordinates so the towers can be plotted on a map. PSD staff is updating the database to add information for permits issued since the database was last complete in 2013. PSD staff are coordinating this database with the un-related database of state-owned potential cell tower facilities.



#### Waitsfield-Champlain Valley Broadband Grant

The Department recently awarded grants to several broadband providers to bring broadband to underserved locations. The Department awarded a grant to Waitsfield-Champlain Valley Telecom to serve a neighborhood in Charlotte with fiber to the home. A Chittenden County state senator requested the list of addresses covered by this grant. The senator sent letters to each resident asking them to contact the senator if they did not receive the upgraded service by January 1. Division staff are putting together the grant agreements which will be executed soon. However, the Department allows the provider up to one year to provide the service. Service will likely be available at the end of 2017.

#### AT&T Williston Rest Stop

Last year AoT and AT&T negotiated an amendment to the AT&T's lease to the Williston rest stop. The amendment changed equipment and allowed AT&T to make 4G LTE upgrades. The lease expired and needs to be renewed. AoT wants to take the lead on the lease negotiation. Given that much of the lease was renegotiated last year, the process should be short. Division staff will assist with the license renewal as necessary.

#### VELCO Interconnection

The Department will license fiber from VELCO to help complete the Central Greens project. VELCO's fiber will connect with the Department's fiber in Stockbridge Commons, Rochester, and the Royalton substation. The interconnection in Royalton involves some trenching, which the staff is hoping to schedule before the ground freezes.

#### Comcast CPG Renewal (Docket 8301)

Comcast's CPG renewal docket has already proceeded through technical hearings and briefing. However, the Board issued an order requiring that Comcast comment on Dig Safe violations that occurred over the past two years. Comcast filed their response to the Board on October 28, which, in part, indicated that some information in Dig Safe NOPVs issued by the Department was inaccurate. The Department must file a response to Comcast's comments by November 8.

#### FairPoint Petition to Investigate 5903 Service Metrics (Docket 8701)

FairPoint has petitioned the Board to allow it to modify its existing service quality metrics and reporting requirements. As reported last week, FairPoint is requesting that it be permitted to report on service quality only for addresses where its customers do not have access to an alternate landline provider. FairPoint is also requesting that the Board modify the troubles cleared metric so that it is measured at 48 hours instead of 24 hours. The Department submitted its prefiled testimony on October 20 and FairPoint served discovery requests on the Department on October 28. The Department's discovery responses are due by November 8. Department staff also met with FairPoint to discuss the Department's recommendations. FairPoint is strongly opposed to the Department's recommendation that the Board require FairPoint to provide automatic \$5 bill credits for all outages that exceed 72 hours. FairPoint believes that the Board does not have authority to require such bill credits. FairPoint also strongly opposes the Department's recommendation that FairPoint be required to report "a new metric" that would measure troubles cleared for customers with medical conditions within 24 hours. FairPoint indicated that it would like to resolve some of these issues with an MOU rather than proceed to litigation, but the Department believes that it is unlikely that a settlement will be reached.

#### Verizon § 248a Petition for new tower in Waterbury Center (Docket 8601)

Verizon has had an application pending since last October for the installation of a new tower on a parcel of land located adjacent to the Stowe-Waterbury town line. The application is opposed by several groups of neighbors. The Town of Waterbury and ANR have also both intervened in the docket, and are seeking to have Verizon move the facility location. Attempts at a settlement for a change of the facility location have thus far failed. The intervening parties filed testimony on October 31. ANR has requested that Verizon relocate the proposed tower to a different location on the same parcel. The Department has agreed that it will submit a revised report from its RF expert detailing the signal propagation from ANR's proposed alternate location.

#### Charter Line Extension Tariff Investigation (Docket 8715)

In response to two consumer complaints, the Board initiated a proceeding to determine whether Charter is complying with its line extension tariff. Two consumers complained that Charter is imposing costs on consumers that should be borne by the company when it completes line extensions (such as overbuilding existing cable lines and installing new nodes). Charter reached a settlement with one of the consumer, but still has a dispute with the second consumer over the cost of the line extension. Charter, however, has requested that the Board close the docket because it has offered to pay for the line extension at costs below what it believes it is required to cover under its line extension tariff. The Department filed comments with the Board that noted that it appears that Charter's most recent offer complies with the line extension tariff, but the Department recommended that the Board allow the consumer to file additional comments regarding the line extension. The Board agreed with the Department, and is allowing the consumer additional time to file comments in response to Charter's motion.

#### Equipment Distribution Program

Telecom staff has been working with the Vermont Center for Independent Living (VCIL) to determine next steps in a potential situation of program abuse. It has come to the attention of staff that a person who had met the state qualifications required to receive a computer unit, under the Equipment Distribution Program (EDP), may have sold the apparatus. The EDP is a loan program, and all technology purchased for the consumers remain the property of the state. Program guidelines require the recipient of EDP equipment to sign an agreement acknowledging the loaner status of the technology. The sale of EDP equipment would potentially constitute theft. Staff is working with VCIL and legal staff to determine next steps.

#### Connectivity Initiative Grant Proposals

Telecom staff is in the process of updating and preparing the data and maps for the next round of request for proposals to go out. The data and maps aid in informing potential bidders as to where and how many eligible census blocks there are along with the unserved addresses within those blocks.

#### 2016 Broadband Data Collection Initiative

As part of the statutory mandate 30 V.S.A. § 202e (e) which requires the Public Service Department to submit an annual report of the state of broadband availability in Vermont to the legislature. A formal request for broadband availability data went out to over 40 providers on August 8<sup>th</sup>. Staff has followed up with all of the providers on an individual basis, if data existed, by sending most the providers maps of their territories and a list of addresses that PSD considers

served along with offering any assistance needed to compile this information which is due September 30<sup>th</sup>. 24 providers have responded; 14 have provided updated service area information, two providers have had no changes in the past year and the remainder were requests for further information on how to submit or requested extensions. Staff is continuing to work with the wireless providers and the FCC to determine whether the annual data submittal to the FCC can be utilized in this endeavor as it is considered confidential.

### CoverageCo Project

Project Activities: CoverageCo activated six new sites in the Roxbury area last week. The department spent time to validate the sites however due to a power outage on Friday in Roxbury testing could not be completed. It was however a good opportunity to see how the resiliency site with solar back-up energy worked with the power outage. The department could make calls on the site even with no power to the area meaning it remained in operation. Although this was a positive finding the operation was different from what the contractor of the solar equipment documented so an investigation is required.

### ***CAPI***

Report period for October 23 to 29, 2016

VTel -- made a public records request for complaint data which was fulfilled and logged with Admin.

Stowe Cable -- during the process of investigating a consumer complaint, Stowe Cable sent CAPI a disconnection notice with dates of disconnect that fell on a Saturday and Sunday. CAPI brought this to Stowe's attention and the company provided assurances that the dates were printed on the notice in error and future notices would only include dates which comply with Board rules.

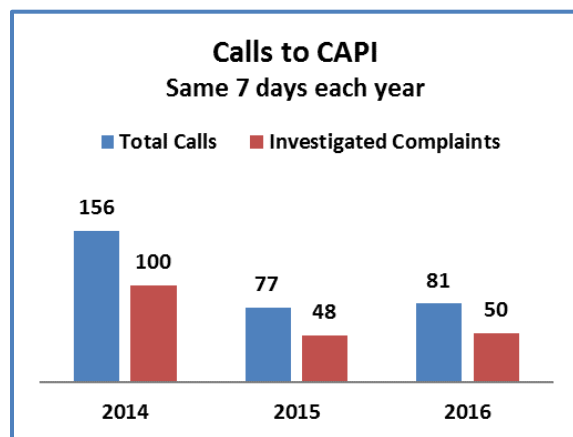
eCourt/ePSD -- CAPI participated in the weekly conference call with the PSD, PSB and JTI. Staff received a URL from JTI to begin practicing data entry and that testing began.

TOU rates -- CAPI met with PERD to discuss ways that the Department can support GMP and VEC in the implementation of TOU rates and how the Department can educate consumers about these rates.

Lifeline -- CAPI drafted a petition to the FCC requesting a waiver to delay implementation of certain parts of the Modernization Order due to Vermont's expanded eligibility.

Telephone system -- CAPI met with a vendor representative and Admin to discuss potential options for setting up the system to best meet our needs.

Telrite -- CAPI and Telecom met with representatives from Telrite about the MOU and their interest in providing services in Vermont.



### SELECTED CONSUMER COMPLAINTS

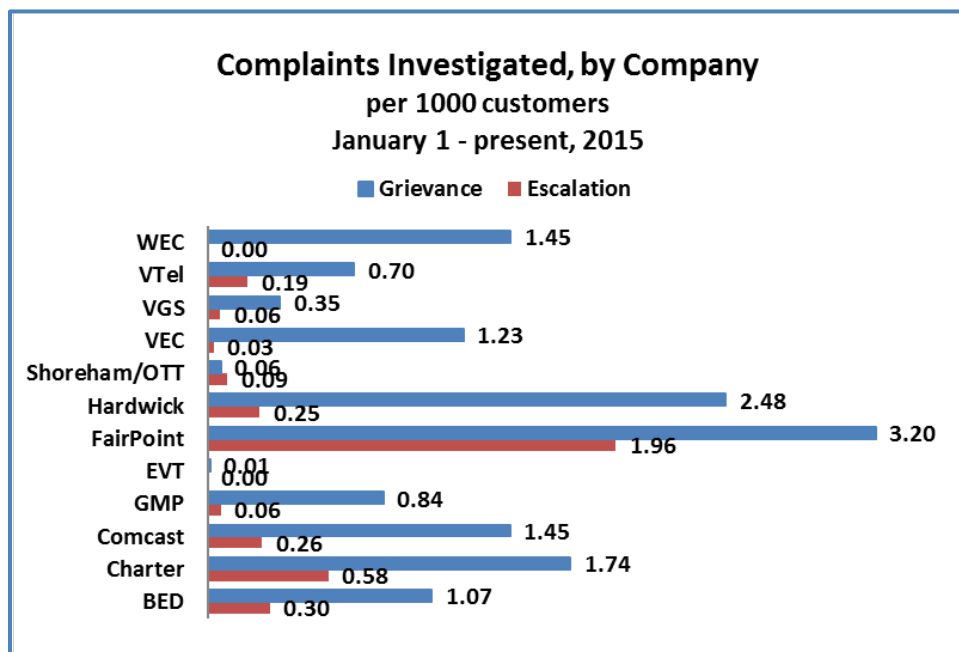
Broadband complaints included 1 about HughesNet and 1 about WildBlue.

FairPoint (32) complaints included DSL, line extension, no access to the “my FairPoint” email system for one week, a customer with a good payment history received a disconnection notice mailed a day after the bill was due.

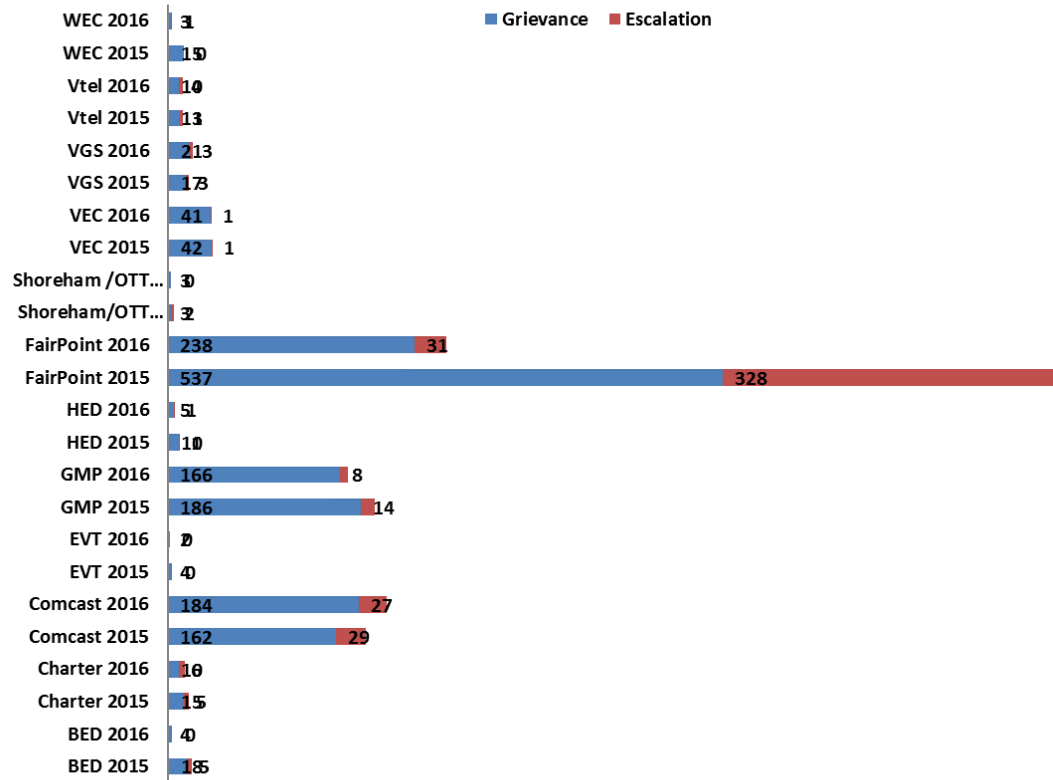
Vermont Gas (4) included billing complaints and assistance with a payment arrangement.

Comcast (10) complaints about delivery of service, billing, new charges for equipment the consumer doesn’t have and misleading rate information.

Green Mountain Power (15) complaints about billing complaints, disconnections, reliability in Roxbury, failure to relocate underground lines and remove overhead lines and poles, and a caller with questions about electricity costs in New England as well as GMP Time-of-Use rates, billing and efficiency issues.



### Number of Complaints Investigated, by Company YTD 2015 and 2016



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

**To:** Peter E. Shumlin, Governor  
**From:** Hal Cohen, Secretary, Agency of Human Services  
**Re:** AHS Weekly Report  
**Date:** November 4, 2016

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**Secretary Update:**

On Wednesday, I met with Paul Dragon, Steven Costantino, Aaron French, Ken Schatz, Frank Reed, and Monica Hutt to discuss the adolescent unit at the Brattleboro Retreat in regards to suspended claims, clinical criteria/documentation, Acute Rate vs. Sub-Acute Rate and Children Placement challenges.

We are all on the same page and actions that have been occurring and will continue to be worked on with the Retreat are as follows:

1. Internal Billing issues at the Retreat are being addressed with HPE, DVHA and the Retreat. These have improved exponentially and DVHA has supported the Retreat and will continue to do so until resolved.
2. DVHA's clinical staff work closely with the Retreat on expectations of required documentation and required criteria that must be met to authorize an inpatient admission. DVHA & DMH use the same criteria for admissions and the Retreat states they have no difficulty with Adult Admissions. Therefore, DVHA and DMH will collaborate on this to better understand any nuances. DVHA and DMH are working with the Retreat to assist them in necessary documentation that meets clinical criteria, the Retreat acknowledges their challenges with clinical documentation, however, we are confident that we can improve this with the collaborative work with the Retreat.
3. DVHA Commissioner, Deputy and clinical staff meeting next Monday to better understand the admission days, the variance days, the rate paid and reason and what needs to be communicated to Retreat to improve this process. 98.2% of Admissions to the Retreat are approved by DVHA at varying rates.
4. DCF/DMH/DVHA have established a work group that will meet weekly to assess those children that are having difficulty being discharged due to placement issues, look at the issues and problem solve to move these children to an appropriate setting. Those children that remain at the Retreat due to this are being paid at an Acute rate still. These discharge disposition issues will be elevated to the Deputy Commissioners.



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

### **Vermont Smoking Rates**

The smoking rate in Vermont has seen a significant decrease over the past five years. According to the Health Department's [2015 BRFSS Report](#), the smoking rate among Vermont adults was similar in 2014 and 2015, but has decreased significantly since 2011 (20% vs. 17%). Smoking prevalence is highest among adults 25-44 and lowest among those 65 and older.

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

### **Vermont Psychiatric Care Hospital**

VPCH census is 25. The hospital received final notification that all follow up action plans from the re-survey activity has been accepted. VPCH has been granted a 3-year accreditation by The Joint Commission (TJC). This accreditation maintains "deemed" status for VPCH and uninterrupted CMS certification. The hospital had its monthly VPCH advisory meeting this past week and received positive feedback from members of the public on reports made available to this body. Hospital leadership met with all staff shifts this week to provide operational updates, stress the hospital's commitment to safety and SAMHSA's Six Core Strategies for Seclusion and Restraint Reduction, the TJC status, EHR rollout and, and low emergency involuntary procedure (EIP) rates compared to state and national averages.

### **Emergency Departments**

This week saw 36 people in need of inpatient admission and 31 dispositions made with care management coordination. There are currently 3 involuntary adults waiting for placement, the longest wait being nearly four days (planned admission later this afternoon). 2 court ordered adult inpatient evaluations have also been admitted this week. Each of the twelve voluntary patients were all admitted within approximately 24 hours of presenting this week as well. Two of the children on involuntary status were placed this week, one after a prolonged wait due to bed availability at Brattleboro Retreat. There remain 2 voluntary children who have been waiting less than 12 hours since presenting overnight.

The adolescent unit is at 100% occupancy (the Brattleboro Retreat's adolescent unit recently decreased from 21 to 18 beds and further reduced this week temporarily by 3 beds due to high acuity, allowing only 15 adolescent beds to be available this week. The overall occupancy rate in the adult inpatient system of care has been averaging 99% occupancy, while the child and adolescent inpatient system of care has had an average occupancy of 85%.

### **Competency Evaluation and a challenging Court Decision**

The competency evaluation originally scheduled for today for the high profile "I-89 wrong-way driver" accident, that claimed the lives of five teens, is now scheduled for December 1<sup>st</sup>. The current delay is not due to lack of psychiatry capacity as may be speculated, but rather the request of the defense attorney to be present and coordination of psychiatry and attorney scheduling conflicts to meet this request.

Additionally, this week, the Washington Superior Court issued a concerning order on an Application for Continued Treatment and for Involuntary Medication. The court granted DMH's Application for Continued Treatment, but denied the Application for Involuntary Medications. The court found that the patient is presently competent to refuse medication because he realistically understands some of the

— Scott

consequences, even if his decision is partially based on underlying delusional thought processes and consequences. Because he is presently competent, the law required the judge to deny the med app even if his medication preference (refusal of any meds) has not led to any clinical improvements. Thus, the court found that the patient is too mentally ill to leave VPCH but competent enough to deny treatment and therefore we are left with a patient in our hospital that we cannot actively treat. This decision jeopardizes federal financial participation for the cost of hospitalization, as well as, serves as a concerning step backward to an era of state institutions serving the primary function of “warehousing” untreated, mentally ill individuals for extended periods of time rather than restoration of capacity.

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

#### **Population**

The Department’s incarcerated population averaged **1784** for the previous week. Last year at this time, the average was **-9** under the current number.

The Department’s incarcerated male population averaged **1631** for the previous week. Last year at this time, the average was **+4** over the current number.

The Department’s incarcerated female population averaged **153** for the previous week. Last year at this time, the average was **-12** under the current number.

The Department’s overall detainer population averaged **443** for the previous week. Last year at this time, the average was **-41** under the current number.

The out of state population is currently at **267**. Last year at this time, the out of state population was **+3** over the current number.

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

#### **Family Supportive Housing Program**

In October 2016, the Office of Economic Opportunity announced the expansion of the Family Supportive Housing program (FSH) to the Barre District. Family Supportive Housing provides intensive, home-based service coordination and support to formerly homeless families with complex needs. The community-based program currently exists in five other sites, and is expanding this year through Medicaid funding. The Barre District expansion is expected to launch in December. This was possible through a partnership between the Family Center of Washington County, Good Samaritan Haven, and Downstreet Housing. These community partners also secured housing support through the generosity of Mary Heney, of Heney Real Estate. The FSH award was made after a competitive RFP process in the district.

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

#### **Vermont Health Connect**

#### **VHC Operational Metrics**

Vermont Health Connect entered 2017 open enrollment with its best-ever operational metrics across the board. More than 95% of change requests made during the month ending 10/15 met the target of being completed before the next invoice. This metric has steadily increased since the spring but had never before surpassed 90%. Also, for the most recent week (10/10), nearly nine out of ten (88%) of all

customer requests were completed within ten business days. Inventories of integration errors and escalated cases also stand near record low levels.

#### Plan Comparison Tool

On Wednesday 10/26, VHC unveiled its 2017 online Plan Comparison Tool. In the last week approximately 3,000 people have used the tool to compare the total costs (premium minus subsidies plus likely out of pocket costs) for each of VHC's 20 health plans. The tool estimates total costs of coverage based on family members' age, health, and income, and is a valuable tool in increasing health insurance literacy and informed decision-making for individuals and small business employees alike. Vermonters can find this tool by clicking on "Decision Tools" at <http://VermontHealthConnect.gov>.

#### Customer Support Center

Open Enrollment began with tremendous success - more than 90% of calls answered in under 24 seconds in each of the first two days (93% and 96% respectively)!

Tier 1 (Maximus) call center continues to maintain service levels with a 10/27 month-to-date rate answering 81% of calls within 24 seconds. While there are still some days and time intervals where the service level dips lower, 81/24 is a very aggressive service level in the call center industry. We should feel very good about the service experience this number represents to Vermonters who are calling Vermont Health Connect or Green Mountain Care.

The last new-hire class completed training on 11/1; we will continue to closely monitor staffing and service levels throughout Open Enrollment, and assertively work with Maximus should we see a trending decline in service.

#### **Other items for consideration:**

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

##### Enhancing connection with Brattleboro Retreat

The Brattleboro AHS Field Services Director met with the social work supervisors at the Brattleboro Retreat. The goal was to inform them of local resources, including Field Services Directors, when they are creating discharge plans. The group was very appreciative to learn of existing resources and teams. They also shared some feedback about the process of discharge planning, especially in the context of short hospital stays.

##### Burlington District Office

I attended the monthly empaneled group work session yesterday with the Burlington Police Department, Family Services, Economic Services and STEPS to end Domestic Violence. The time is used to review family cases that involve all of our organizations and to plan together for possible next steps to move each of the families to a more stable position by addressing health, safety and service intervention and possible referral and follow up. The group began a couple of months ago and has already established some important relationships among the providers and the police. We are looking to expand the group to include the state's attorney office as we seek more creative solutions to some very complex family situations. My relationship with BPD has shifted significantly with the arrival of the new Chief Brandon delPozo this year - with this work with DCF as well as the Opioid Alliance. It is a welcome and productive change.

Sue

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

The Vermont Department of Health is featured in a new [report](#) commissioned by the Robert Wood Johnson Foundation for its contributions toward developing a novel budget analysis that widens the lens on health reform. The report, *Measuring Total Investments in Health: Promoting Dialogue and Carving a Path Forward*, provides a landscape assessment of current research on aggregating and reporting health expenditures that extend beyond traditional health care goods and services to include costs related to the social determinants of health. Emerging research shows a positive relationship between spending on social services and improved health, yet we know very little about spending in investments such as bike paths, job readiness training, and recreational parks, as they pertain to health.

### **Narcan Update**

The Division of Emergency Preparedness and Injury Prevention is working to train and supply partners across the state to ensure the availability of supplies of Narcan. Training is scheduled to take place at the Essex and Hardwick Police Departments within the next week.

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

#### **High Risk Law Enforcement Notification**

Justin Foster (DOB 1/22/1985) will be maxing out his sentence on 11/27/2016 and will no longer be under the supervision of the VT DOC. Foster's case was staffed on 8/24/2016 to discuss release planning. Foster plans on residing at 112 Main St, Apt 1, Springfield, VT 05156. There are no children residing at this residence. Foster will be released non-compliant with treatment as he failed to complete programming in the facility. CSS Holmes has contacted Springfield PD and will be meeting with them by the end of the week. Please let me know if you have any questions.

#### **High Risk Law Enforcement Notification**

Marvin Bluto (DOB 7/30/1974) will be maxing out his sentence on 11/2/2016 and will no longer be under the supervision of the VT DOC. Bluto took his case back to court and won his PCR hearing, resulting in a new sentence and his release from the facility. Bluto plans on residing at 73 Corliss Rd, St. Albans VT with family. Bluto will be released compliant with treatment as he is currently in treatment in the facility. Bluto will need to remain in treatment in the community to remain compliant with the sex offender registry. Victim services has contacted the victims and they are aware of the release. CSS Talcott and DM Caforia have delivered the notification to law enforcement and they are aware of the release.

### **Incident in Barre**

On 10/31/16 Barre City Police responded to a report of drinking in a parking lot. Jamie Renfrew attempted to back over the officer with her vehicle. Jamie Renfrew 9/24/90 is on probation at the Barre Office for the following charges: Attempting to Elude; DUI; Grossly Negligent Operation; Retail Theft x 2; DLS and Unlawful Mischief. She has been unable to be located and will be cited by the police for Attempted Aggravated Assault on Law Enforcement.

### **Drug Introduction**

Eric Bartemy was returned from furlough to the Northwest State Correctional Facility on 11/2/16. Bartemy removed 9 bags of heroin from his body however, there were several others that could not be removed due to the packaging. There was concern for a potential overdose and Bartemy was brought to the hospital. VSP was notified. Eric Bartemy 2/24/80 was on furlough at the St Albans Office serving a sentence for the following charges: DLs; DUI; Careless and Negligent Operation; Leaving

*Scott*

the Scene of an Accident; Counterfeit; Attempted Burglary; Unlawful Mischief; Burglary x 3 and VCR.

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

#### **New SCSEP National Grant**

The US Department of Labor recently announced the awarding of \$140 million in Senior Community Service Employment Program (SCSEP) national grant funds through the end of Program Year 2016 to 19 organizations across the country. Over the course of three years this total will swell to \$337 million. The Vermont Associates for Training and Development (VATD) is one of the 19 organizations selected to receive a portion of these funds. VATD will receive approximately \$10.2 million annually for three years, or a total of over \$30 million. Having been a national SCSEP grant recipient in the past, VATD's new grant is significantly larger than previous awards. Currently, in addition to receiving a Vermont SCSEP grant of a little over \$460,000, VATD's national grant has allowed them to serve all of Vermont and a portion of Connecticut. This new grant, however, will allow them to continue serving all of Vermont, all of Maine, a large portion of New York and a large portion of Pennsylvania. Though it may not mean an increase in the number of Vermonters served through this program it will certainly provide Vermont with access to new resources through the 4-state partnership. DAIL/VR will continue working with VATD through its smaller state SCSEP program which is aligned with the larger national grant.

#### **Meeting with the Vermont Health Care Association Representative**

DAIL met with Laura Pelosi, the lead for VHCA representing Vermont's Nursing Homes, Skilled Nursing Facilities and Enhanced Residential Care Homes to discuss the increasing trends we have been seeing of high needs individuals being sent to out of state nursing facilities. Ms. Pelosi agreed to address some of our specific concerns with the Genesis Group and informed us of discussions the Association has been having with One Care and The GMCB in relation to funding MindCare, a clinical tele-psychiatric services that would connect Vermont nursing homes with psychiatric consultation to address behavioral concerns. The hope is that this level of support will enable Vermont nursing home to better address the care needs of current residents and make them more willing to take on more challenging individuals often stuck in hospitals without appropriate options for step down care. DAIL has offered to support this initiative in whatever way we can.

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

#### **Trauma-Informed Shelter Initiative**

This fall, the Office of Economic Opportunity launched a 6-month homeless shelter initiative to more deeply root trauma-informed practices into our homeless shelter/service system. Through a partnership with the Upper Valley Haven and consultant Joelle Van Lent, OEO is offering a 4-part learning series for shelter directors to understand trauma, self-assess their programs, develop and implement action plans, and be trained to deliver trauma-informed training to staff. Two separate one-day "Trauma-informed Care for Shelters" trainings were held in October with more than 90 staff from homeless shelter/service providers in attendance.

Many people who are homeless have been exposed to multiple, ongoing, traumatic events including community and domestic violence; and physical, emotional and sexual abuse. In addition to high rates

of trauma exposure, being homeless itself is an enormous stressor and can lead to re-traumatization, particularly for children who lose their homes and belongings; change schools frequently; don't have enough to eat; and who cope with frequent illnesses. Homeless shelters provide acute, crisis-focused assistance for families and individuals in a short amount of time.

Shelter staff work in high-stress, often low-paying, jobs and are at high-risk for vicarious trauma. They need the know-how to respond to clients' needs; ensure client safety; and avoid re-traumatization. They also need the skills and support to remain resilient at work. This training is a part of the AHS strategic plan initiative to End Family Homelessness.

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

**APM/ACO**

Contract work is ongoing. Planning Readiness Review activities for December.

**Audits currently in process, going public or up and coming – week of 10/31/16**

KPMG 2016 A133 Single Audit - Medicaid Audit ongoing

KPMG 2016 SIM - audit fieldwork complete exit meeting to be scheduled for 11/14

KPMG 2016 CAFR audit in progress

SSG Legislative VHC Assessment Review- requests for information and interviews with staff ongoing


State Auditor's Office requested status update on two VHC audit reports (Future Improvement

Contingent on Successful System Development Project 4/14/2015, Status of Planned Enhancements 11/18/2015)



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

TO: Governor Peter Shumlin   
FROM: Rebecca Holcombe, Secretary, Agency of Education  
SUBJECT: AOE Weekly Report  
DATE: November 4, 2016

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**Good News**

Vermont will be one of a handful of nations and states invited to represent the Atlantic Rim Collaboratory and present our Education Quality Reviews at the 2017 Annual Meeting of the American Education Research Association (AERA). This is the largest Academic Education Conference in the world. AERA received almost 13,000 submissions this year, and our proposal was reviewed and selected by highly qualified reviewers serving on a review panel constituted by the International Relations Committee.

**Emerging news:**

**PK**

A handwritten signature in black ink, consisting of a single slanted stroke followed by the word "pepper" in a cursive script.

1. Because of the delay in fingerprinting and unsystematic way in which results are being reported to SUs, extreme time demands are being placed on Superintendents and Agency staff and we also are at a point at which we think we need to extend the deadline for the PK region applications. Superintendents have been too busy coping with fingerprinting to drive the region application. We recommend incorporating this into the memo discussed in #2 below. Reminder: regions are potentially a tool to control costs, manage relationships and support expansion in capacity.
2. We are still waiting on feedback on a proposed joint memo from Reeva. It is absolutely critical in this memo that CDD/we not conflate enrollment for the purposes of the ADM count with enrollment for the purposes of contracting for PK. One has to be technically consistent and transparent (the ADM count) for the purposes of fairness and transparency. How districts pay for PK is going to vary a little program by program and district by district, with the goal being full and paid access. If we conflate the two, we may screw up the ADM count.
3. We decided after the phone call in which James Pepper was involved that it makes no sense to wait for an update from CDD on progress; they are not going to be able to say how many and when programs are cleared. Instead, we have moved ahead to develop a strategy for getting an alternative count of students for the purposes of the tax rate.
4. Below is a first draft of our proposed, revised process to collect – and confirm – preK ADM from private preK programs that pass all appropriate background checks by January 15. This is the ABSOLUTE last day for the adjustment of any count for the purposes of finalizing a tax rate, and

will be an adjustment based on a second count. This would obviously need to be approved by the legislature.

*Again, the following is the AOE data collection proposal to collect preK ADM data for those preK students attending preK programs that had not fully completed background checks as of the 20-day census period.*

- 1. Continue with the actual fall SY2017 census as usual (the 20-day census). This will capture data from the public school census and the business manager tuition census. Data are due to AOE from the school districts and business managers on November 7.*
- 2. Create secondary data collection (SDC) that will be sent out for input of preK students not included in the fall SY2017 census.*
- 3. The SDC will be pre-populated with those preK and essential early education (EEE) students submitted through the fall SY2017 census. EEE students are preK students with IEPs and will have already been counted in the census.*
- 4. The SDC will allow business managers to report any preK students attending preK programs business managers expect to have passed background checks prior to or on January 13, 2017. These will be the preK students business manager did not report in the fall SY2017 census.*
- 5. The SDC will include fields relevant to the census that will be used to provide preK students with permanent IDs by AOE IT. This will allow the AOE IT team to check for duplicate preK students.*
- 6. The SDC will also include a field for place-of-service for each preK student. Business managers will ensure that field is populated prior to submitting the SDC.*
- 7. SDC will be deployed either via an electronic file transfer server (EFT) or secure email. That decision will need to be made and will require AOE IT specialist support for implementation.*
- 8. The SDC will be deployed to business managers on November 9.*
- 9. The SDC will be due no later than the close of business, November 16, 2016. Both AOE leadership and staff will advise superintendents and business managers of the SDC and the deadline of November 16, 2016.*
- 10. Once the SDC is complete, AOE IT will check the data for duplicate students between the SDC and fall SY2017 census to ensure that double-counting has not happened.*
- 11. New preK student data will be considered as a part of the business manager tuition census.*
- 12. AOE IT will also obtain a list of pre-qualified providers from AOE program staff's pre-qualified provider database (or the DCF database).*



13. *PreK students can be enrolled in more than one program, but will be counted in only one. AOE needs to be able to determine which place-of-service students should be counted, which is the purpose of the additional field, discussed in point 6.*

- a. *AOE IT may need to compare the place of service data reported in the SDC with student records reported in the Fall SY2017 TSGOLD collection to determine if there are discrepancies in place of service reported for preK students.*
- b. *This is an important step for determining the accurate record of place-of-service where students are receiving their publicly funded preK education. This is to ensure that ADM and participation are counted accurately.*
- c. *NOTE - The cleanliness and accuracy of the TSGOLD data AOE IT plans to use as part of this step of the process is not currently known.*
  - i. *The TSGOLD collection will be new for many PreK providers this year, and*
  - ii. *As reviewed by AOE IT, data in the existing TSGOLD collection appear to be incomplete.*

*A November 9 through November 16 deployment window should allow AOE IT enough time to clean the data and remain on track to meet its statutory obligation to report ADM on December 1, 2016 – 16 V.S.A. § 4010(a). This will also allow AOE Finance to meet its further obligation to calculate equalized pupils by December 15, 2016 – 16 V.S.A. § 4010(h).*

*AOE will now have two sets of ADM data – all grades from the fall SY2017 census and the SDC preK specific data. AOE Finance will run two sets of equalized pupils on December 15 – a calculation without the SDC preK count as a worst case scenario (i.e., no SDC preK ADM are included, so equalized pupil counts will be at a minimum) and a calculation with the SDC preK count as a best case scenario (where equalized pupils will be at a maximum, based on all ADM data).*

*A third Confirmation Collection will be sent to business managers on January 16, 2017. This Confirmation Collection will allow business managers to report to AOE which preK students in the SDC are in private preK programs that have passed all appropriate background checks as of January 13, 2017. The following steps outline the Confirmation Collection process.*

- 14. *The Confirmation Collection will be populated with the unduplicated SDC preK student data AOE IT has reviewed.*
- 15. *The Confirmation Collection will be sent out to business managers on January 16, 2017 by either an EFT server or secure e-mail. This will require AOE IT specialist support for implementation.*
- 16. *Business managers will identify those preK students attending private preK programs that have passed all appropriate background checks as of January 13, 2017.*
- 17. *The Confirmation Collection will be due back to AOE no later than the close of business, January 20, 2017. Data will be returned via an EFT server or secure e-mail.*
- 18. *AOE IT will process and review data from the Confirmation Collection and provide AOE Finance with final preK ADM counts to be used in conjunction with preK counts from the fall SY2017 census.*
- 19. *AOE Finance will calculate and release final equalized pupil counts no later than February 3, 2017.*

We will walk through this one more time as a team to make sure it is as bullet proof as we can make it. **I am assuming this will be audited heavily. We will need the Administration to endorse this strategy in writing to move forward, since it is obviously not consistent with statute, although it is consistent with the intent of the current statute.**



### More Child Care travails

We have 2 child care settings that are no longer eligible to receive child nutrition reimbursements because of failure to correct serious deficiencies over time. This means that they will not be able to re-apply to receive child nutrition reimbursements for 7 years. The federal management evaluation pointed them out and is requiring us to act. I am working to get more details, but you may hear from them when we cut them off, as we are obligated to do by our federal review team.

### Meetings

- Joined Hal Cohen to speak to the meeting of Local Interagency Teams at their statewide training.
- Spoke at the Vermont Farm-to-School conference, and was able to give a shout out to Senator Patrick Leahy for his work on Child Nutrition. I am very grateful to Department of Agriculture and their team for all their work on this.

### Media Contacts:

**Lisa Rathke, AP:** Haley contacted Lisa for a correction. She referred to the AOE as the Department of Education. Lisa ran a correction.

**Angela Evancie, VPR:** Angela asked if there are any requirements that schools teach Abenaki history/culture. There is no requirement since social studies content is determined locally, but many schools do teach Abenaki history/culture. Haley suggested Angela contact various schools to see how and what they teach.

**April McCullum (Burbank), Burlington Free Press:** April asked for a copy of the proposed independent school rules and to speak to someone for comment regarding Phil Scott's press release and Oliver Olsen's letter regarding school choice. Haley sent April the draft rules and provided contact information for Stephan Morse and Sean-Marie Oller. April later called to see if the AOE has a person who works with schools on their heating and cooling systems. Huntington has a bond vote to move to geothermal heating. Haley referred her to VSBIT and the VSBA.

**Tiffany Pache, VTDigger:** Tiffany asked for the FRL data for Mt. Mansfield, Stowe, Middlebury and Essex High Schools for 2015-16. Haley referred her to the school reports. She later asked for the NECAP/NAEP data in an excel spreadsheet. Haley gave directions to where she can find it on the website.

**Colin Flanders, Essex Reporter:** Colin asked when the NECAP/NAEP scores would be released.

**Katie Jickling, Seven Days:** Katie asked for information about the Burlington College records, the cost associated with keeping them, etc. Haley got an update from Clare O'Shaughnessy and Cassandra Ryan.

OFFICE OF THE SECRETARY

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**Executive Privilege**

**TO: Governor Peter Shumlin**  
**FROM: Secretary Chris Cole**  
**DATE: Friday, November 4, 2016**  
**SUBJECT: VTrans - Confidential Report to the Governor**

**NOTES FOR GOVERNOR**

*Sarah*

**Middlebury Tunnel Project**

I received a letter with attachments from Bristol Attorney James Dumont, representing Middlebury residents (2), alleging that the Agency of Transportation did not correctly follow the federal NEPA process and various other federal or state regulatory processes when planning and designing the Middlebury Tunnel project. Vermont ANR and federal officials were copied on the letter. We are currently analyzing the allegations made in the letter and conferring with FHWA, ANR, the Middlebury selectboard and other project stakeholders to evaluate the risks to the project from a legal challenge. If we find the risk unacceptable, I will meet with Attorney Dumont's clients and see if there is a pathway forward that meets our respective interests. If not successful, we will try mediation and, failing that, we will either adjust our project, push forward as is or acquiesce to his demand to go through a more thorough federal environmental review. We will make these decisions in conjunction with the Town of Middlebury and the FHWA who would have to defend the lawsuit with the US Attorney's Office acting as their counsel, as they own the federal environmental review under NEPA.

We would like to avoid the costs of a thorough environmental review but it may be necessary to get to the result we want to achieve, which is limiting the legal risks to the project. The good news for you is in a couple of months this will no longer be your responsibility.

**PROVIDENCE, R.I.**

On Tuesday, the state of Rhode Island sued Hewlett Packard Enterprises, the contractor working on a new Division of Motor Vehicles computer system, for breach of contract and allegedly demanding an additional \$12 million to complete the long-delayed project.

GPS, we did a great job because VT got paid to go away. (Rob Ide)

### **Water Quality Revenue Meeting with the Treasurer**

DEC and VTrans leadership and technical staff met with the Treasurer to discuss VTrans revenue recommendations regarding funding stormwater mitigation activities resulting from state and local highway run-off. The local municipal need has been estimated at \$8.8 million annually and the State highway need has been estimated at \$5.1 million. I assumed that the State would be willing to cover 50% of the municipal costs from traditional transportation user fees to reduce the burden on the property tax as the main source for mitigation revenues. So the combined capital need for state and municipal projects is \$9.5 million, \$5.1 million to the State and \$4.4 million to municipalities.

We recommended a \$2 fee at the time people register their cars, similar to the \$2 Air Quality Fee. This seemed logical to follow previous policy that drew a nexus between automobile use and funding air quality improvements; we just extended that policy nexus to water quality. That would generate approximately \$1.2 million. We proposed covering the rest of the new revenue need with an increase of the gas tax, approximately \$0.0275 cents.

### **NOTES FOR STAFF**

#### **Duxbury Ledge Removal**

A report from the field this week regarding the emergency ledge removal in Duxbury confirmed we made a good decision to accelerate the work. My staff report that it took only one small air bag with nominal force to dislodge the hazard. Video attached. Examining our rock cuts and ledges on a regular basis is critical work to ensure the safety of the traveling public.

<Z:\Highways\CMB\GeotechEngineering\Projects\OPERATIONS\DISTRICT 5\Duxbury Ledge VT-100 MM 1.78 NB\2016 Remediation\Scaling\DSCN2910.MOV>

#### **J.A. MacDonald – Anchor Bolts**

VTrans provided the AAG's office with a summary of direct costs associated with the anchor bolt fraud with the Bristol project. To date we have spent just shy of \$40,000 on testing, inspection and administration of this matter. The topic of assessing a value to the inferior product associated with the repairs was also raised. It is difficult to say with any certainty what the loss of service life will be and the corresponding value of that loss. We are hoping that an "order of magnitude" argument will suffice. We know the impact is not zero and not likely more than 5%. VTrans has signed the notice to proceed for further testing of JAM bridges constructed in the last ten years. We should have the results by mid-December.

*Law*

#### **FHWA Electric Vehicle Corridor Nomination**

VTrans was notified by FHWA that there would be an official announcement this Thursday regarding the federal alternative fuels corridors nominations. The VTrans sponsored northeast regional EV corridor nomination is expected to be accepted by FHWA. We believe the corridor in VT will consist of I-91 and I-89. VTrans is working with the Georgetown Climate Change Center, who helped coordinate the various states' participation in the nomination process, on a press release.

### **Missisquoi Bay Causeway Scoping**

VTrans staff provided an overview of the report and its recommendations at the October 26 meeting of the Northwest RPC Board of Commissioners. The response was similar to comments from the TAC members two weeks earlier. Some members supported partial removal as recommended in the report and some preferred redirecting the funds for other water quality improvement purposes. Staff informed the Board that the funds may only be repurposed with congressional approval. NRPC will be deliberating and will provide a letter with comments, and perhaps a position on the alternatives. We are working on scheduling a public meeting sometime in the next couple of months.

### **Mobility on Demand Grant**

On October 11, FTA's Mobility on Demand (MOD) program awarded VTrans \$480,000 in Federal funds to extend the existing GTFS program (General Transit Feed Specification... open source data for Google maps, Bing, Hop Stop, etc.). GTFS is up and running for all fixed routes, but this award allows us to open seats up for demand response trips, too. We will also present the routes to the public through an "open source" trip planner (Google maps refreshes every 24 hours and we need one that will refresh every 15 seconds). The USDOT application required a government agency to partner with the private sector in advance of submitting the application and our grant proposal cited two partners: Trillium and Cambridge Systematics. We currently have a retainer with Cambridge and a personal services agreement with Trillium (both awarded through competitive contracting processes) and both are known as category experts in this industry.

The MOD funding opportunity cites a "Guiding Principle" as "Partnership Driven – MOD Sandbox projects should demonstrate teaming efforts, from public and private sectors, with partners committed to supporting the proposed MOD project both technical and institutionally." Additionally, under section C. "Eligibility Applicants", it states "Eligible applicants must identify one or more strategic project partner(s) with a substantial interest and involvement in the project". "Eligible project partners under this program may include, but are not limited to... Private for-profit... Operators of transportation services, State or local government entities." Before we can set up the contracts to begin this project, it will need to undergo a review process by the "Enterprise Project Management Office (EPMO)", where internal VTrans IT, BGS/DII and an independent review will take place. We have already spoken with our IT section, Deb Damore at BGS, and Jason Aronowitz at the AOA, and all are aware and generally supportive of this project. A sole source approach was recommended and we'll work with Trevor Lewis and Contract Admin staff and proceed as directed.

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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: November 3, 2016**

**Subject: ANR Weekly Report**

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**Governor Level Issues:**

**Ski Magic Purchase/Snowmaking Violation Enforcement Schedule.** On Monday ANR provided Ski Magic LLC, the potential buyer of Magic Mountain Ski Area, with a letter setting forth a final agreement that will allow limited snowmaking operations at the resort this winter, provided Ski Magic follow a compliance schedule to make certain improvements to the system over the next year intended to reduce the water quality impacts of the current snowmaking system and bring it into compliance with the state's water quality standards and stream withdrawal rules. On Tuesday, Ski Magic, LLC responded to the Agency accepting the agreement and expressing his thanks for the Agency's timely and constructive response. Ski Magic LLC is set to acquire the resort today.

**Champlain Water District (CWD) & LaPlatte River Lampricide:** The Powdered Activated Carbon (PAC) water treatment unit has been delivered to CWD and the anticipated start-up date is November 8, 2016. Meetings with Vermont Emergency Management, Vermont Department of Health, CWD, and USFWS are ongoing and had been geared to developing a contingency plan for a worse-case scenario if the amount of chemical present overwhelms the treatment system and an alternate source of drinking water must be provided to CWD users. We do not anticipate a need for a Do Not Drink Notice and VDH is developing a drinking water advisory for a contingency involving a short-term exceedance of the 3-ppb standard for the lampricide, TFM.

**PFOA Sampling at NEWSVT Landfill in Coventry:** Staff met with Casella to discuss the future sampling of leachate at the NEWSVT landfill in Coventry for polyfluoroalkyl substances (PFAS). Casella developed a sampling plan and is developing a management plan to deal with PFAS if detected in the leachate. Casella has hired a private consultant (Golder Associates Inc.)

to gain more insight on PFOA/PFOS and help guide them in developing the plan. Casella is concerned that the State does not have standards for leachate or wastewater treatment plant effluent (wastewater treatment plants are the ultimate destination for leachate) at this time, and PFAS results will cause confusion and unnecessary alarm if the leachate results are compared to drinking water standards for PFOA/PFOS. Casella also raised concerns that releasing the results without a clear direction from the State may disrupt their relationships with their WWTP partners who treat their leachate. We are considering how to be responsive to these concerns.

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## **EVERYTHING ELSE:**

### **Legislative Issues/Rules**

**AAFM's Required Agricultural Practices (RAPs):** The RAPs were again taken up by LCAR. Nearly 20 people testified (AAFM, DEC, Rep. David Deen, farmers, CLF, LCI, VNRC). LCAR postponed a decision until the November 17 meeting. Farmers generally testified that the RAPs were too strong. CLF and LCI testified that they were too weak, won't meet the modeling in the Lake Champlain TMDL and did not meet legislative intent. VNRC testified that they do meet legislative intent. DEC testified that the RAPs are built into the Lake Champlain TMDL modeling and cannot be weakened. If they are not passed that TMDL could be reopened.

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

**Fish & Wildlife Press Releases:** VT October Archery Deer Season Closes Friday 10/28; VT Bald Eagles Next in Record Numbers in 2016; Tips for Youth Deer Hunting Weekend, Nov. 5-6; VT's Moose Hunt Preliminary Total is 73

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

**NEK Meeting/ Organics Recycling:** Staff met with employees, representatives, town officials and haulers from the Northeast Kingdom region including from the Northeast Kingdom Waste Mgmt. District and the independent towns of Newport City and St. Johnsbury to discuss the upcoming Universal Recycling requirements related to organics. Haulers are required to offer curbside collection by July 1. The majority of haulers at the meeting were opposed to this requirement and believe that residents should rely on backyard composting and drop off recycling options. Haulers were in support of an exemption from collecting food scraps and leaf and yard debris. The District can apply for an exemption and is considering that option. That may alleviate haulers concerns.

**Wetlands Rule Public Meetings:** The wetlands program conducted three informational public meetings for the Rule Changes in Berlin, Vernon, and Brunswick. Most comments pertained to the four Class I designations for Sandbar Wetlands, Chickering Fen, Black Gum Swamps, and Dennis Pond Wetlands. Comments ranged from requesting changes in buffer zone, concerns about violation penalties, and requests for exemptions from the rules. Generally, commenters appear to be in support of the designations. The public comment period ends November 3.

**Stone Hut Ribbon Cutting Event:** On November 1<sup>st</sup>, Governor Shumlin, Commissioner Snyder, FPR staff and members of the press gathered at the Stone Hut to celebrate the completion of construction and upcoming reopening of this iconic recreation asset near the top of Mt. Mansfield.

## **SUMMARY OF KEY DEPARTMENT ACTIVITY:**

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

**Verizon Cell Tower, Waterbury.** The Agency filed testimony with the PSB on Monday opposing the Verizon cell tower “as proposed” for the North Hill forest block and recommended an alternate location on the same property that may achieve most of Verizon’s coverage goals without undue adverse impacts to the natural environment. Verizon is proposing to build a new cell phone tower just below the ridgeline in the center of the North Hill forest block on the Waterbury/Stowe town line. The Agency has classified the North Hill forest block as one of Vermont’s “highest priority” connectivity blocks because it provides the only ecological connection between the Mount Mansfield and the Worcester Range forest blocks, both of which are some of the highest rank interior forest blocks. The Agency’s position is that the permanent nature and location of the proposed tower creates unreasonable/unacceptable risks to the ecological integrity of the North Hill forest block. The Agency is proposing a series of CPG conditions to mitigate these undue adverse impacts, including relocation of the proposed tower lower on North Hill and conservation of a portion of the host property. The Towns of Waterbury and Stowe as well as several adjoining land owners are also opposing the proposed tower.

### **New Applications**

Week of October 24<sup>th</sup>, OPP received 7 new Act 250 applications and 5 new Section 248 petitions.

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

**Bennington Early Childhood Center:** The Do Not Drink notice at Bennington Early Childhood Center has been lifted following months of diligent work by the operator, consultants and on-site staff. There was a failure of the treatment system, resulting in an increased amount of uranium in the water as was evident through routine monitoring. The system has reported back on all necessary repairs and sampling has shown uranium levels are non-detect. They will be on monthly uranium monitoring for several months to ensure things stay low and have been provided operating parameters which, should there be deviations, they need to contact us and take follow-up uranium sampling.

**Feedback for Climate Change Considerations in Dept. of Buildings and General Services (BGS) Procurement Questionnaire:** Air Quality & Climate Division (AQCD) planning section staff provided comments on a questionnaire compiled by the BGS Office of Purchasing and Contracting to ensure that climate change is given due consideration by companies participating in the State Procurement process, as required by Executive Order 05-16. AQCD comments



focused on adding statements to the questionnaire to encourage the use of modern, high-efficiency heating units, resulting in reduced emissions of particulate matter and other air pollutants for companies burning renewable solid biomass and biofuels. Comments also encouraged BGS to ask companies whether they quantify life-cycle GHG emissions attributable to products they provide.

**Okemo Ski Resort Recalculation of February Median Flow:** The Streamflow Program issued a determination for the 10-year recalculation of the February median flow (FMF) at Okemo's snowmaking withdrawal on the Black River. The recalculation is required by condition of Okemo's Act 250 and DEC permits. The determination reaffirms our previous determination of a conservation flow of 68 cubic feet per second (cfs) issued in October 2015. The Program did not accept the proposed FMF of 59 cfs submitted by Okemo's consultant because it did not meet the requirements of the procedure of the Snowmaking Rules. Okemo has indicated they are likely to appeal the determination.

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

**Deer Activity Around the State:** Some nice deer continued to be reported around the state, including a 216 pound 8-pointer in Orwell! Wardens have been receiving positive feedback on the legal use of crossbows this year thanks to the recent regulation change that allows those over 50 years old to use a crossbow. Wardens have also been doing a lot of decoy work over the last week with some resulting violations, and regularly monitoring landowner antlerless permits that continue to expose numerous violations. With the wardens being out in the field more, they are running into some hunting cripples and predator kills here and there. A major highlight of the week involved the use of a search warrant for deer that led to significant violations and contrite violators.

**Successful Salmon Runs:** Staff continued monitoring of salmonid runs in Hatchery Brook, the Winooski River fish passage facility, and other Lake Champlain tributaries. Landlocked salmon, brown trout, and steelhead rainbow trout collected are processed for biological data and incidence of sea lamprey attacks, and then tagged and released. Recent rains brought flows up to allow staff to navigate the electrofishing boat up the Lamoille River to the Peterson Dam area for the first time this fall to sample salmon. Salmon were also collected in the Missisquoi River below the Swanton dam for the first time this fall. Over 200 salmon have been processed so far from the Hatchery Brook return trap, and many of them were selected and held to provide eggs for production at the Ed Weed FCS. A total of 77 salmon have been captured in the Winooski River fish lift and transported upstream to reach spawning habitat.

**Rubber Bladder Dam to Make Snow Making Better for Aquatic Organism Passage (AOP):** Staff met with representatives of the Stratton Mountain and Sugarbush ski resorts to view the rubber bladder dam operation used at Stratton to facilitate water withdrawal for snowmaking. Sugarbush Ski Resort and others are considering using this type of system at their Mad River snowmaking withdrawal site. The group discussed issues and potential improvements to meet current Aquatic Organism Passage (AOP) requirements. FWD will reach out to the USFWS fish passage engineering staff for additional technical assistance.

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

**Beyond Steel.** FPR participated in a “Forest Meetup” event in Stowe for forest industry stakeholders, *Beyond Steel & Concrete: Wood in Modern Construction*, presented by the Working Lands Enterprise Board’s Forestry Committee. The day’s agenda included an overview of the use of large solid wood and cross-laminated timbers in modern construction, discussion about opportunities in the market and why wood is a beneficial choice for builders and occupants, a roundtable discussion, and breakout sessions.

**Electronic Communication Sites:** We recently received a draft inter-agency MOU provided by the Department of Public Service outlining the Public Service Department’s role in coordinating the licensing of telecommunication facilities on state lands and buildings which is currently under review. We received comments from Sprint on a draft new telecommunications license agreement for U.S. Sprint at the Sterling base lodge at Smugglers’ Notch Resort and will be working with Sprint, Smugglers’ Notch, DII, and DPS to finalize this license agreement over the coming weeks.

**Habitat Restoration Crew Final Update:** The Habitat Restoration Crew is being cheered for their very successful and productive 2016 season. The crew was happy to report that they trained 594 volunteers, who put forth a total of 2,155 volunteer hours toward their invasive species program on southwestern State Lands this year. This puts the 3-year number of trainee volunteers which the crew has recruited and trained at 1,445; with a total of 6,111 volunteer hours worked on state lands. This year several school groups came for the third year in a row, including Castleton Village School, Poultney Elementary, Benson Village School and Fair Haven Union High. Crew leaders heard about students bringing what they’ve learned home to their parents and applying invasive management techniques to their own land. The crew also worked with companies, landowners and AmeriCorps members. Every one of the groups has had a positive impact on the health of our forests, and now have a more complete understanding of the impacts and challenges of NNIPs (non-native invasive plants). The crew has removed invasive plants, spread awareness about their negative impacts and planted native trees with many volunteers. When not working with volunteers, the crew has made progress on several high priority projects, including removal of invasive species in each of the southwestern State Parks and Forests. They have made educational signs, developed new invasive species curricula, and experimented with new treatment methods.



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**State of Vermont**  
**Department of Public Safety**  
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[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:** November 3, 2016  
**Subject:** Weekly Report

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Priorities:

Administration

We have been informed that our FY16 Carry-forward plan has been approved by Commissioner Pallito.

We have begun to prepare budget testimony documentation.

Conference call was held with PIF on 11/1/16. They are proposing to sub-contract with a third party vendor to access an off-the shelf grant management software that they could then incorporate into their PIF platform. We are going to review the third party's system product before making a decision on whether to pursue this. We have also told PIF that we will not move forward on another module until we have a working AP/AR module.

We are now awaiting forms with each Director's assignment of Asset Custodian's for all of their locations. We will then schedule a meeting with all of the Custodian's to begin their training so we can get the assets cleaned up and properly managed on an ongoing basis.

We are waiting for KPMG to give us a date for the exit conference. As was discussed, per new State rules, the Appointing Authority for each Department/Agency is required to attend the Single Audit exit conference.

Indirect Rate approval delayed: Per our discussion at our meeting today, Marie and I will work to prepare talking points for a conference call with Joe and Paul Ford, FEMA Regional manager.

Revision to Statewide Bulletin 2.3 – State Vehicle Policy: Hannah Morse met with the Watch Officers this week to go over the new requirements for reporting. I believe that all of the affected parties have now been informed. Hannah will be coordinating the collection of the logged data for each of the DPS impacted staff and will make sure that our report is submitted to DHR as required (by late November).

CJS

Forensic Lab-

All 24 existing lab positions currently filled.

8 individuals currently cross-training in Latent Print processing/comparison.

November 3, 2016

Backlogs:

Blood Alcohol (0)  
Drug Chemistry (834)  
Serology (91)  
DNA (casework) (130)  
DNA (CODIS) (43)  
Firearms (44)  
Latent Prints (478)  
Arson (2)

#### OTM-

We are working to confirm funding sources for phase 2 of the eTicket pilot. We have sufficient funds from NHTSA for the current fiscal year. Efforts now are focusing on the implementation of eTicket in 40 additional vehicles. We are also beginning the work of calculating the ROI that has been realized during the first pilot in an effort to demonstrate and confirm the overall value of this important project.

DPS Wide GIS Support RFPs are pending for vendor support in some critical areas necessary for DPS' GIS system. As the associated costs are developed, we will include it in this report, as they were costs not previously budgeted.

OTM Agency Billing (aka "VIBRS" billing) - Current Year:

OTM is currently invoicing 93 external (outside DPS) agencies for services provided, who though charge backs are at a small fraction of the actual costs. FY17 invoice information has been reviewed and approved by OTM leadership and will be presented to DPS Admin to create invoices by Friday.

Network Expansions to Bradford Police Department coming online within the next two weeks.

WatchGuard Camera System - Based on new information related to potential funding that has been received by the team Leader Lt. Scott, a project leadership meeting is scheduled for Friday in Williston.

#### Communications-

Work is underway to update the VSP mobile and portable programs for 18 correctional facilities vans and six portable NIU radios. Work was completed on the APX portable for EQ206 to include encryption. Technicians have been in Williston for the past several weeks to complete radio program updates and encryption work. We are also at work to set up a program for the 11 Chittenden County DMV mobile radio units and a solution to update the DMV APX portables with appropriate encryption. For AOT, technicians completed updates and preventive maintenance work on 68 District 3 radios. Finally, for Emergency Management, work is underway on a network design to place the Outposts at the Comparators located at Williston, Derby, Rutland and Westminster. The goal is to more efficiently manage the back haul for radio control.

Work to update the telephone system at Camp Johnson is now substantially complete. Ongoing work at Camp Johnson includes rearrangement of rack mounted equipment to facilitate safer flow of foot traffic in the area. Work was completed to convert the microwave path from the St. Albans VSP office to a FairPoint e-line. They are now running strictly on e-line and the microwave path has been shut down. At the Westminster PSAP, work was begun to build 8-wire to 4-wire adapters for the NAWAS push-to-talk phones. Plans are to complete this project within the next month. Finally, in policy development, work is underway to research and develop a policy for tower safety based on the American National Standard. Our focus is on climbing safety.

An RFP for technical advising and consultation for the FirstNet project was posted on October 27. The closing date for responses is December 2. The focus of the RFP is to secure technical consultation for evaluation of the FirstNet state plan for Vermont. We continue our outreach to first responder groups. The

leadership team for the Bristol Fire Department hosted a FirstNet briefing on October 27. On October 29, we staffed an informational table on the FirstNet project at the Vermont HealthCare and Emergency Medical Services Preparedness conference at Mt. Snow in West Dover, Vermont. Approximately, 500 people were registered for the conference.

We responded to a request for information from private citizen Stephen Whitaker. Mr. Whitaker is seeking any records detailing specific data collected for or submitted to FirstNet for planning purposes. His initial request was responded to and a 10-day extension was requested by Radio Technology Services to complete the examination of records. On October 27, an Excel log of all materials was sent to Mr. Whitaker, along with a summary report of coverage needs that was previously sent to FirstNet. Mr. Whitaker continues to seek specific information on data sets. We anticipate sending another response to him at the 10-day deadline.

VCIC-



The Record Check Section continues to see a high volume of fingerprint-supported record check requests due to the implementation of Act 166 requirements. Current processing times remain at the established two-week window (from receipt of fingerprints and necessary paperwork), limited overtime is being utilized to maintain this target. Through the first 10 months of the year (January – October) volume is up 37% (an increase of 4,032) compared to last year (with a total of 14,952). Also worth noting, 7 out of 10 months this year have set volume records since at least 2009 (March, April, May, June, August, September, and October).

A discussion was held with Office of Professional Regulation staff concerning fingerprinting language for nurses for licensure purposes. It is expected that draft legislative language will be passed along to the Department for Review.

Discussions were held with Department for Children and Families (DCF) to leverage existing technical resources (web based criminal conviction systems) to assist with continuing operations (primarily relating to continued Act 166 implementation). VCIC provided several suggestions around ways to leverage resources to improve workflow and requested technical feedback which may be passed to the Vermont Information Consortium (the agency responsible for Vermont e-Government systems).

Currently the new Deputy Director (John Gonyea) and Criminal Record Specialist (Lori Potvin) started with VCIC on 10/31/2016. Additionally, planning continues for the lateral transfer of staff (Courtney Gaboriault) from the Sex Offender Registry to the Marijuana Registry pending a successful replacement search. At no point with the SOR be unstaffed as the transition to any new hire will unfold over several months. The noted posting has closed and candidates are being vetted for interview by the search committee. Additionally, Meredith Bullock (with the Marijuana Registry) has returned from extended leave and will be resuming a normal work schedule.

## DEMHS

Emergency Preparedness Conference held at Lake Morey Resort 11/4-5. The total number registered before the start of the conference was 272, participants, exhibitors and speakers.

Director convened the first meeting of the Business Continuity working group with reps from the VT Fuel Dealers' Assn, Associated General Contractors, VT Utilities and the VT Retail Grocers' Assn.

FY16 4th quarter PA reports (covering all disasters except DR-4022) were compiled by PAO and VTrans and forwarded to PAC for submittal to FEMA.

SHMO submitted Phase IB archeological findings to FEMA for Jeffersonville's trail bridge application, clearing the way for obligation of our highest pending HMGP priority project.

Final survivable node testing was completed on 10/26 at the alternate EOC. Equipment will need to be moved to a different rack to eliminate a tripping hazard from the current configuration - RTS will work on moving the equipment. 10 Avaya phones purchased with the survivable node are configured and working. 10 more phones were brought over from HQ and, as of 10/26, were not working - configuration continues. 10 Panasonic CF-53 Toughbooks have been staged with the phone equipment.

VT ALERT training was provided to the city of Montpelier.

HS Program Manager drafted language to be added to the Financial Office's Grant Management Manual and an SOP for locals utilizing HSGP funds to document how inventory should occur. Both of these items were recommendations from the OPSG Programmatic Monitoring visit from DHS in August 2015.

Full approval of the 2016 OPSG FRAG was received on 11/01.

Northern Exercise Planner facilitated the Champlain TTX Final Planning Meeting on 11/01.

Public Information Officer addressed group of communicators, embassy staff, and others from Kazakhstan. Discussion centered on social media use in disasters.

CI Planner facilitated meeting on 11/2 with ANR, VDH, and Champlain Water District regarding lampricide treatment implications in the Laplatte River.

EM Planner met with BGS and AHS to discuss COOP.

EM Planner attended school crisis discussion between Washington County Mental Health and Harwood Union parents regarding available resources to school.

EM Coordinator presented on VTAlert in Vernon.

Drought Task Force meeting was held on 11/2.

### Fire Safety

The Division received \$5.5 Million in new plan review construction valuation collecting \$38,000 in permit fee revenue.

The reporting for ACT 156 has been completed. I would assume there will be lengthy testimony on this over the winter months.

The academy is working hard on establishing standard operating procedures which is needed. Additionally, staff are preparing for the pro-board visit in December.

The academy received the local zoning permit for the new building which was required to be in hand for us to apply for the Act 250 permit. With the PFOA & PFOS finally resolved for the most part we should be able to obtain this with little difficulty.

During the last two weeks there were five live fire exercises at our VTC burn building in Randolph. Each day long exercises required a minimum staff of 10 instructors and technicians in order to operate a training for thirty students. Two of those exercises were attached to our Firefighter I+ II programs. The others were fire

department in-service programs which are requested by, and paid for by individual departments. A real successful and busy couple weeks.

The haz mat team will be training with the Bradford Fire Department and surrounding mutual aid departments on Sunday. The event has received press awareness and an article will be published in the local paper.

Received an email from Representative Heidi Scheuermann regarding a person who is struggling to obtain an elevator lift mechanic license in Vermont. The Elevator Board reviewed his credentials back in February and told him he did not have enough documented hours of training and experience. Joe Benard contacted Heidi via email and all good. Joe will look into this and advise Heidi as to the current status.

### **Vermont State Police**

A Troop-

FF

8 Total Arrests, 2 DUI

TOPS and Williston troopers worked together on Route 7 Charlotte work zone for proactive motor vehicle enforcement for cellphone violations.

St. Albans was heavily involved in the planning and set up for the Kyle Young/ Dan Marcellus events.

Possible meth lab.

Troopers intercepted Barre's attempting to elude and apprehended the subject.

BCI

Continued work on I89 fatal crash.

Special investigation in Shelburne.

Assisted Middlesex Troopers with a possible sex offense. Case was transferred to SIU.

RIST Training.

12 year old female alleging her 14 year old sister was sexually assaulting her over the summer months. NUSI Assigned.

Male for L&L as well as C&N on Interstate 89. Male was exposing himself to a female on a number of occasions while traveling on I89.

Barracks Inspection.

Report of a 17 year old female having a relationship with a bus driver from BFA high school. Bus driver was approached by the school after rumors were told to the principal. After the bus driver was spoken to the female was witnessed getting into the bus drivers car. Female was later located at her residence. NUSI assigned case.

13 year old female alleging she was assaulted by a 24 year old cousin last year.

Female alleging she was solicited for sex by a 22 year old male. Female alleges that she was locked in a bathroom by the male during the incident. Tpr Cota assigned.

Arson unit responded to Pantan for a reported fatal fire investigation.

Arson unit responded Alburgh for a reported suspicious fire. Still under investigation.

Assisted uniform with a male who presented at the barracks and claimed he had been beaten up by a known acquaintance. Male believed to have 10-96 issues. Male was also a suspect in a recent strong arm robbery of a vehicle.

Fraud case involving an Adult Protective Service. Mother put her name on her daughters account. Over the past three months \$8000.00 has been withdrawn from the daughters account.

Report of a 15 year old female having a sexual relationship with a 23 year old counselor. 15 year old is in DCF custody and is currently at the Bennington School.

12 year old female alleging she has been sexually touched by her friend's father while she stays at her friend's residence.

Continued work on a timesheet fraud. P&P reporting two parole officers altered their timesheets stating they attended a union meeting but then went and played golf.

3 PE polygraphs for OPD.

Worked on updating new form for criminal test submission. Form will be rolled out statewide for ease of use.

B Troop-

FF

13 Total Arrests, 5 DUI

St. Johnsbury Correctional Center advised that they had learned of a potential contraband drop at the correctional center at some point during the late evening hours. DOC had surveillance on the exterior of their facility and requested VSP know in the event that the individual showed up. VSP was contacted around 2330 hrs due to an unknown individual being on the property. VSP responded and one individual was arrested for Trespassing. It was unknown if the individual had contraband or had hidden/thrown it prior to being detained.

BCI

Follow-up with individuals in North Troy re: missing juvenile Autumn Sanville (Attended Forensic Interview Training in Alabama (all week).

Collected unused fireworks from Harold Gray (16B104457).

Reviewed explosive licensing applications.

RIST Training.

Sat-in on courtesy interview for DCF at Caledonia County SIU (16B104476).



Conducted interview with 15 year old female who was impregnated by a 22 year old male, obtained confession from 22 year old male about having sex with underage female, other interviews.

Performed Night time Bomb Squad Training with VTANG.

Responded to bomb squad activation requested by HAZMAT/Manchester FD for discovery of explosive hazard in private residence in Manchester – crystalized picric acid discovered in container – disposed of hazard; no additional explosive hazards identified.

Assigned sexual assault/special investigation at NSCF for report of male inmate engaging in sexual activity with DOC Officer.

Notified of untimely death in Newport – deceased subject (Susan Fitzgerald) was a resident at nursing home, was transported to NCH by ambulance, died while in route to NCH, pronouncement made at hospital, notifications made – no formal investigation needed as individual under immediate medical care.

Assist with assault investigation in Westmore – attempts to contact were unsuccessful.

Call-in for untimely death of Stephen Montgomery in Sutton – suspected overdose death, Narcan administered but not successful, NIU notified, autopsy pending, evidence collected.

Call-in for untimely death of Travis Gray in St. Johnsbury – natural death due to complications from Addison's Disease, no autopsy requested, OCME to sign death certificate.

Adam Whiting, age 22, for Sexual Assault (Sex with Minor).

C Troop-

FF

12 Total Arrests, 3 DUI

Arrested one for two counts of Burglary. One incident occurred while the female homeowner was inside the residence. He executed a Search Warrant on the suspect's residence and located numerous pieces of property that he stole. He was able to obtain a written confession.

Concluded a several month investigation into a string of burglaries and thefts and charged one suspects with 45 counts of burglary and larceny.

Assisted the Addison County Sheriff's Dept. on a warrant execution.

Trooper was exposed to an illegal substance on a car stop while conducting a consent search. Trooper was transported to the hospital for exposure and released that same night. Operator was arrested for being in possession of drugs and VIC was notified Bulletin issued.

BCI

New Case/Dead Body: Seventy-six-year-old male found dead at his residence in Middletown Springs. Victim had fallen onto his living room floor but fall wasn't cause of death. Victim was a hospice patient with liver cancer. ME's office deemed the matter to be a natural event, hospice death.

Ira accidental shooting: Additional return of property (firearm) to owner in Proctor.

Williston I89 Teen Homicides: Completed case write-ups and involvements submitted to CAD.

Fair Haven sexual assault: Court package completed and submitted to S/A for December 12, 2016, arraignment.

Poultney kidnapping/sexual assault: Obtained defendant's cell phone from public defender and relay to ICAC for examination.

Pittsford suicide - additional interviews conducted with neighborhood witnesses.

Poultney - report that a 17y/o boy forced his 13 y/o sister to perform oral sex on him. No disclosure made.

New case – Shaftsbury – death investigation 87y/o female. Natural death at home.

New case – Winhall – called out to take nitrous oxide overdose because Winhall investigator unavailable. Cancelled in route by Winhall investigator on scene.

Photo log for CSST –Sheldon case where human skull was located inside residence.

Case follow up – Suspicious – \*\*Update: met with female at Women's safe in MID to obtain a sworn statement from her\*\* Responded to Porter ER to meet with female, Sonya Hamner, who stated earlier in the day she was driving around with a Jason Marshall. Sonya reported Jason pulled a gun on her, pointed it at her left temple and demanded she provide him info regarding her ex-boyfriend, Andrew Gendreau, who was reportedly involved in a 2009 Federal drug case, where he reportedly "ratted" lots of people out. Sonya BAC was a .174 at 2030 hours, initially interview conducted at Porter ER.

Meeting with Fred Saar and Ruth Whitney regarding SANE kits and Porter Hospital procedures.

Call out –Dead Body – Responded to residence in Hubbardton to investigate death of 59 y/o male. Male had significant medical history. Nothing suspicious. No autopsy.

New Case –Agency Assist – Responded to a residence in Starksboro at the request of Middlebury DCF regarding an alleged child abuse case they were working on. No criminal action at this time.

Assisted Addison County Sheriff's with executing a search warrant at a residence in Bristol. Male POI was located at residence and taken into custody. I took photographs during search warrant and kept the photo log.

Work on updating hair evidence in Gathright sexual assault case.

Assisted uniform with burglary cases in Addison and Rutland County. Interview conducted at the MVCC and case follow up at local pawn shop.

Begin yearly evaluations for Trooper Notte and Todd.

Fatal Fire in Patton, VT. 63-year-old female was unable to get out of her residence when it caught fire. Fire believed to have started from a cigarette on the back porch. Cause of death was ruled accidental by smoke inhalation.

Case follow up; Aggravated Assault with deadly weapon in Ripton. Talked with SA Fenster and provided him additional documents from the case.

Made repairs to the Shaftsbury gun room to bring it up to CALEA standards.

Leicester Robbery: Met with Offender Dawn Doviak for proffer. Doviak agreed to nolo to accessory, and provided statement implicating herself and her coconspirators in exchange for a one to eight-year sentence – consecutive with other current charges.

Completed and filed wire warrant return with district court on sexual assault.

Completed jail drug case. Insufficient evidence to charge suspect.

Located and interviewed juvenile witness in Fair Haven regarding sexual assault.

New Case: Sex Offense. Town of Clarendon. It was reported a 13-year-old had solicited sexual photos and disseminated them without consent. Victim and Offender interviewed. Written and obtained Search Warrant.

New Case: Public Speaking. Town of Clarendon. CFAC/SIU presentation at Mill River Union High School. Case Completed.

New Case: Sex Offense. City of Rutland. It was reported a 15-year-old girl was sexually abused by her biological father several years ago. Victim interviewed in the State of Massachusetts.

New case 3-year-old disclosed to her mother she had been touched by her brother (12 yr old) on her “pee pee”. 3-year-old was taken to the doctors and found not to have been penetrated. Interview conducted on 3-year-old, confirming the touching.

D Troop-

FF  
4 Total Arrests, 4 DUI

BCI  
Assist at Fatal Fire in Panton.

Evidence Westminster.

Missing Person Autumn Sanville follow up and subjected located.

Teach Drug ID/Invest-Recruit Class-VPA.

Death Investigation – Londonderry 65 year old female. Natural death.

DRE evaluations reviewed.

New case. Sex Offense.

Background investigation for VSP applicant.

Bomb Squad Training with Air Force EOD at Mountain Warfare School on Wednesday & Thursday.

Assigned sex offense case – dissemination of nude photos from juveniles.

Preparation for LPO.

TOPS- Funeral detail in Barre



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*Justin Johnson, Secretary*

**PRIVILEGED AND CONFIDENTIAL  
MEMORANDUM TO THE GOVERNOR**

**TO: Governor Peter Shumlin**  
**FROM: Secretary Justin Johnson**  
**DATE: November 4, 2016**  
**SUBJECT: Confidential Report to the Governor**

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**BUILDINGS AND GENERAL RESOURCES**

**Issue Updates:**

Auditor's Request – We have almost completed the downloads for VPCH Berlin and then we will gather the documents for the VDH Lab and download them as well.

**We often only hear complaints so when we get compliments concerning our hard-working, talented staff we feel it is only appropriate to pass the good news along! Please read the thoughtful thank you messages from Rick Steventon and Jonathan Provost of DII.**

**Subject:** RE: Quality and Integrity of BGS Employee, Ann Farr

Mike,

I am writing to express my appreciation of the actions of one of your employees, Ann Farr.

Rick and I share office space at 133 State where Ann does custodial work for BGS. This morning upon arrival, not only were we greeted with a clean and spotless carpet but there was a note on our table with a \$20 bill she had found while cleaning our area.

It would have been rather easy for her to simply pocket that and continue on, yet she chose integrity.

Your folks do a great job over here and I wanted to share that sentiment with you.

Jon

## **THANK YOU AND CONGRATULATIONS, ANN FARR!!**

### **FINANCE AND MANAGEMENT**

Nothing new to report.

### **HEALTH CARE REFORM**

Nothing new to report.

### **HUMAN RESOURCES**

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

Benefits open enrollment is in progress. We have been holding benefits fairs across the state. So far so good.

KPMG is onsite to begin VTHR system requirement gathering. This is separate from KPMG's financial audits. The end product will help DHR better manage the system and lay a foundation for exploring alternative systems in the future.

Work has begun on an RFP for a talent management (recruitment) module to replace our current underwhelming applicant portal and hiring tool. It should go out to bid late December or early January.

A lot of staff and leadership time spend on preparing for the transition. We are in a good place with both the transitions in governor and attorney general.

Submitted our first of two reports on our classification system study to the legislature. We are scheduled to testify at the next JFC meeting.

Prepared for signature updated policies on ethics and investigations.

The Auditor has initiated an audit of our investigations unit. An opening meeting was held this week.

The Auditor is conducting a risk assessment regarding working conditions at Tax. He requested several records including turnover and grievance statistics. To compare those figures to he is looking for similar data about VDOL and DII. We are coordinating with impacted departments.

The legal services legislative report is nearing completion. Will preview for you before sending.

Approved tuition reimbursement waiver for Gen. Cray.

## INFORMATION AND INNOVATION

### Evolving Issues:

#### Web Updates

- The Auditor's "Self-Funded Web Portal" report has been released and is available on their Website.
- The Vermont Center for Geographic Information (VCGI) have completed work on their new Open Geographic Data Website. It is now live at [geodata.vermont.gov](http://geodata.vermont.gov).

#### Project Updates:

- **Voice over Internet Protocol (VoIP)** Transitions for the month of October total 468 lines representing nearly 20% of all lines transitioned to date (2393). New transition schedule activated for the next 3 months has 426 lines projected for transition in November, 918 in December and 684 in January.

## LIBRARIES

Nothing to report.

## TAXES

### Issue Updates:



Internet Sales: We have been given permission to discuss with the Administration negotiations with a large Internet retailer to collect sales tax starting in Feb. According to the company, they are approaching us in order to commence activities in VT in pursuit of faster delivery. They say those activities at this time are dependent (at least in the short time) on an agreement that VT will not seek past taxes. Given the high probability that we would not be able to successfully show such liability, there is little risk for VT entering an agreement. **We hope to have a deal in the next couple weeks.** Our data team is working to apply some exemption assumptions to sales figures supplied from the company, but likely shy of \$5M (with max of 4 months reflected in 17).

Auditor and Personnel: The auditor earlier this year completed a performance audit of our collection practices pre-VTax earlier this year. I was not shy in my assessment that the audit itself was of limited utility (seeing as we were replacing everything) and very disruptive during critical phases of the project, for the very reason that the data sought was from the lousy system we were in the midst of replacing. Now the auditor is doing a risk assessment on our settlement/abatement practices. Originally, they sought historical information from the legacy system again - they appear to be backing off, claiming only to look at the new VTax data. The problem continues however that the first year in VTax reflects all the conversion activity, and not new business practices - in fact, we are still in the midst of finalizing and implementing those practices as we shut off all the legacy systems in a month. So again, the data collection is disruptive, the timing is disruptive (involving the very staff that should be working on implementation) and the results will be another snapshot in the rear view mirror. Apparently, the Auditor did not take kindly to our protests, since in addition, after closing a risk assessment a couple weeks ago into Union investigated claims that we were not following IRS protocols (despite strict

policing by the IRS rules), on Wednesday the auditor asked HR to supply data so that they could do a risk assessment on our personnel practices since employees, "friends and colleagues" had complained to them. Three inquiries in a space of a few months has to be some kind of record. The Commissioner has responded that our leadership makes no apologies to creating a culture of change to address complaints from taxpayers and others, and questioning all these inquiries.

VTax: Staff is definitely pleased that we built an extra month into this launch phase. Since end to end testing was completed with over 95% success, we have the "luxury" of a fourth pass through for training in a day to day environment. Supervisors and implementation coordinators have designed training days to focus on doing specific types of transactions and handling taxpayer questions on the conversion files. For the first few weeks of go live, there will be project team members in each of our four operating divisions - and again during the busy filing season. As we were flushing out these final weeks, it was interesting to watch the emotions at play. Staff is cheering each week as they perform final manual batch jobs on the 17 year old legacy system and execute shut down - but there is some nervousness, especially for the few front line staff who haven't worked in the VTax yet and will see more than 80% of their work change. This rollout will also include some more refinements on the myVTax portal to continue to chip away at taxpayer errors (such as using the wrong forms). The public groups now likely to see the most difficult transition are towns and real estate attorneys for the new property transfer tax process - our outreach team is already working with them.

**CONFIDENTIAL and PRIVILEGED**

**To: Governor Peter Shumlin**  
**From: Patrick Delaney, Commissioner**  
**Date: November 4, 2016**  
**Re: Weekly Report**

**Vermont Department of Liquor Control**

**Legislative Issues/Contacts/Updates:**

Our on-going meetings with Damien Leonard, legislative council, continue, for the purpose of the Title 7 re-write project. Damien has requested that the next meeting be on November 9<sup>th</sup> which conflicts with the department's annual Marketing meeting. I have requested bill Goggins to meet with Damien on that day.

**Press Issues/Releases/Contacts:**

I was Interviewed by Phyl Newbeck of the Burlington Free Press for an article that she is writing on Craft distilleries. Was able to provide a lot of useful information for her article. Iterated that the Department was supportive of small, local producers and considered them to be important economic drivers for the State's economy.

**Significant Events/Meetings:**

The Liquor Board met October 26 to hear a complicated case with multiple violations, resulting in several fatalities. The Board concluded that testimony supported an immediate 30-day suspension of the establishment's license on some relatively minor charges in the interest of public safety. The Board awaits findings relating to some additional more serious charges.

**Summary of Key Department Activity:**

*Agency Issues:*

The change of ownership at the Danville agency location is progressing to closure at the end of the month.

The Retail Operations Manager, Kim Walker, has confirmed dates and locations for three meetings around the State to roll out the new retail ops manual to contracted liquor agents. Meetings will take place on November 30, December 1 & 2 in Burlington, Montpelier and Pittsford (Rutland area), in an effort to accommodate stores around the state.

The Department effectively worked with the Burlington Sheraton to facilitate a national/international group of 300 home brewing enthusiasts that have a conference planned this week. Some aspects of the event didn't line up with current Department regulations. Through a cooperative effort we were able to establish acceptable guidelines for the event to take place



*Staffing:*

The Department has submitted a request for review to DHR Classification for the Purchasing Coordinator position, in an effort to more appropriately reflect the updated duties and responsibilities of that position.

**Commissioner's Commentary:**

I am currently attending the Supervisory Training required of all supervisors and managers. My first class was held October 31, and I have three remaining.

Met with a Vermont Public Management team to initiate a site selection review of the Department's retail foot print. This study will take a previous VPM study that determined an optimal number of stores and focus on site specific criteria to determine superior siting locations for our retail stores. This is a set in mandated site location analysis mandated in the previous legislative session.

The Department has concluded the first phase of our retail store signage project. We have researched and compiled a file of zoning requirements that relate to store signage in all of the municipalities that our stores do business in.

**116 STATE STREET  
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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:** November 4, 2016

**Summary of Key Activity**

Secretary Ross attended a second LCAR hearing that the committee requested surrounding the proposed RAP rule. Several people representing multiple viewpoints offered additional testimony. Secretary Ross and Agency staff who attended did not testify. LCAR is expected to take up the proposed rule at their November 17<sup>th</sup> meeting.

Secretary Ross attended meeting with Treasurer Beth Pearce and Commissioner Alyssa Schuren to discuss Agriculture's responsibilities for revenues and expenses as part of the report due on Clean Water Funding over next 20 years.

Deputy Secretary for Dairy Policy and Director of Administrative Services Bothfeld, attended a UVM Summit for Agricultural Health. Research is being completed on health issues for Vermont Farmers and the potential to utilize a University of Maryland program called Smart choice to educate service providers that work with farmers to assist them in making health insurance discussions were discussed. Several Agencies and Departments of State Government were represented including Tax, Health Connect and Labor. Outreach and assistance from multiple groups will be needed to roll out the Smart Choice program in Vermont

Deputy Secretary for Dairy Policy and Director of Administrative Services Bothfeld, took part in a Dairy Policy working group call from NASDA. The Farm Bill discussion will begin with the new congress and NASDA is putting together policies to discuss at their February Policy Meeting. Dairy and the decline in farms across the US is a concern but dairy issues have been polarizing in the past due to regional differences. The group was tasked to review different policy concerns and prepare for a call in December on the issues. Agency of Agriculture will be meeting with Dairy Leaders on November 8 to discuss Farm Bill Policy issues surrounding dairy and will report back to the national group.

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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:** November 4, 2016

**Significant Meetings:**

- Kristin Haas, State Veterinarian, completed the first of four days of the mandatory supervisory training. This training is mandatory, but even if it wasn't, it should be taken by all supervisors. The first day was extremely helpful.
- Deputy Secretary Bothfeld and State Veterinarian Kristin Haas met with recruitment and HR employees to brainstorm about alternative ways to recruit for the open dairy section chief position. All options are on the table at this time in order to fill the position with a qualified person ASAP.
- Kristin Haas, State Veterinarian, participated in a United States Animal Health Officials Executive Committee conference call this week. Haas is responsible for planning and moderating the Government Relations Committee in March 2017 for this organizations, and plans for that meeting were made on the call.
- Kristin Haas, State Veterinarian, participated in the National Assembly of State Animal Health Officials bi-monthly conference call, for the first time in an extended period. Vermont State Veterinarian attendance on these calls has been spotty over the past year as they sometimes conflict with other meetings, but these calls will be prioritized over competing issues in the coming year due to the importance of staying up to date on issues impacting animal agriculture in other states.
- Kristin Haas, State Veterinarian, hosted a conference call with members of the Responsible Antibiotic Use Task Force, which she chairs, in order to develop a strategic plan for implementation of a FDA grant workplan. The grant will fund the development and implementation of a state-wide education and outreach program to encourage responsible medication use on farms. This is intended to improve the safety of Vermont's food supply.
- Kristin Haas, State Veterinarian, sought the legal advice of AAG Pohl regarding the Agency's long-standing Freemartin policy. This policy outlines the steps that the Addison County Commission Sale must take in order to help ensure the safety of heifer calves during freemartin examinations completed by market employees. There is concern that the Agency is acting outside of its regulatory authority by having this policy. More discussion is needed within the Animal health section in order to determine next steps with this issue.
- Kristin Haas, State Veterinarian, accepted an invitation to present information at the VT Feed Dealers meeting on Nov 9 regarding the Veterinary Feed Directive, which will impact members of that industry.

**Evolving Issues:**

- Kristin Haas, State Veterinarian, was invited to be interviewed by a UVM researcher interested in detailed information re. the incidence that antibiotics used on farms may be found in the waters of Lake Champlain. Haas declined the interview as she is not knowledgeable in this area. The request was shared with the Water Quality program leaders as an FYI.

- Animal Health Section met with an elk producer with two separate deer facilities as one facility is not in compliance with the Cervid Rules and the owners need to construct a handling facility. The purpose of the meeting was to ensure the producers understand the rules, how they are not in compliance, and their plan to remedy the situation. Besides being a rule requirement, it is in their best interest to have a facility that allows handling of the animals because without that, they are unable to load up animals to take to slaughter or handle them for needed veterinary treatments, such as deworming.

### **Press Contacts:**

- On November 4<sup>th</sup> Alan Graham was interviewed by WCAX about this year's mosquito surveillance program and specifically what the state was doing to look for the two mosquito vector species for Zika virus in US. Neither vector species (*Aedes albopictus* and *Aedes aegypti*) have been found in Vermont. This past season we used oviposition traps and BG Sentinel mosquito traps to survey specifically for these species. These were in addition to the three types of mosquito traps that we normally use to survey mosquitoes.

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

### **Administration:**

Deputy Secretary for Dairy Policy and Director of Administrative Services Bothfeld, attended a UVM Summit for Agricultural Health. Research is being completed on health issues for Vermont Farmers and the potential to utilize a University of Maryland program called Smart choice to educate service providers that work with farmers to assist them in making health insurance discussions were discussed. Several Agencies and Departments of State Government were represented including Tax, Health Connect and Labor. Outreach and assistance from multiple groups will be needed to roll out the Smart Choice program in Vermont

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### **IT – Activities in Progress**

- ACT 250 changes have begun
- New Agriview classified web-form development started
- USAFoodSafetyWQ inspection testing continues
- Custom Manure applicator discussion started
- Result Point Lab software migration started
- C2 WQ contract review modification discussion started
- Lab reporting options for dairy inspector data discussion started
- Web enabled editable FarmViewer work has begun for WQ
- Informix (Putty) database replacement investigation continues
- Front door call box reprogramming started
- FSMA application framework discussion started (IT internal)
- Water Quality upload server project started
- Writeable GIS application development has started
- Generic case management software investigation started (for Chuck)
- Docket tracking software investigation started
- Pesticide AI data extra for USA plants in progress (moved up)

- Hemp internal application development continues
- Putty WQ historic sampling data migration has started
- Online Farmers market price sheet development continues
- Contacts collection methodology discussions have begun
- Communication tracker investigation started
- Outreach for dairy count processing has started (St Albans/Aramark have responded)
- Emergency Management in progress -- (Initial Berlin Lab visit done)

### **Consumer Protection:**

- Henry Marckres, Chief, Consumer Protection, co – presented a maple grading school with Kathy Hopkins of the University of Maine at the Aiken Forestry Center in Burlington on October 24 & 25. 26 participants attended from Michigan, Texas, New York, Ontario, Quebec, Maine, New Hampshire and Vermont.
- Henry Marckres, Chief, Consumer Protection, represented the Agency during the North American Maple Syrup Council / International Maple Syrup Institute annual meetings at the Hilton in Burlington on October 26 – 28. Henry brought greetings from the agency, participated in various meetings, gave two technical presentations on off flavored syrup, and led the judging of maple syrup and products. This was the largest contest ever held at these meetings, with 170 entries of maple syrup and products from 14 states and 4 provinces.
- Consumer Protection Specialist Dwight Brunnette has been working with management for the new Walmart in Derby. Dwight has provided advice, and will perform an inspection prior to the store opening in November.
- Consumer Protection specialists have completed heavy duty truck scale inspections for 2016. 167 scales were tested using our large-scale truck and personnel.
- Some of the devices recently inspected by Consumer Protection staff includes: Liquid Measuring Devices, Truck Scales, Small scales, On-Board Weighing scales and Vehicle Tank Meters.

### **Animal Health & Welfare:**

#### **Animal Health:**

- Assistant State Veterinarian completed the Animal Health Section KSAs/Job Duties matrix required for the decentralized reallocation process and provided an overview of matrix at the meeting. The matrix was patterned from an example from the Agency of Transportation provided to VAAFM by Human Resources. There seems to be differing opinions among HR representatives as to the most appropriate format to use for these matrices. Regardless of the decentralized reallocation process, construction of the matrix (spreadsheet) is a valuable process to do internally as it allows the supervisor to construct a document that summarizes concisely the requirements for movement up a Section's career ladder without swimming through RFRs each time.
- Animal Health Section provided Pullorum testing for the final bird swap of the year, hosted by the Vermont Bird Fanciers Group and held in Sharon, VT. Staff also attended the annual meeting that was held following the swap to provide updates on testing and exhibition requirements and to answer any questions.
- Animal Health Section worked with a number of current and potential participants in the National Poultry Improvement Program Plan for either annual or initial inspections and testing. Inspections include an evaluation of hygiene and sanitary conditions of the flock and base-line testing of all age-eligible birds for Pullorum, plus any additional certifications the producer is pursuing. A fee-for-service model is often followed for these producers, depending on their level of certification and testing needs.
- Animal Health Field Staff
  - Provided traceability supplies to a veterinary clinic in Enosburg.
  - Monitored a comingling facility exporting calves to Canada for a veal operation.
  - Completed Pullorum testing of a poultry flock in Hinesburg.

- Communicated with swine producers who voluntarily completed biosecurity form to set up a meeting time to provide their biosecurity kits and to review biosecurity implementation practices.
- Collected samples for Chronic Wasting Disease testing from deceased deer from two different producers. One deer was found dead; the deer on the other facility was killed by an older breeding bull.
- Attended the weekly livestock auction at the Addison County Commission Sales to monitor for animal disease traceability compliance and complete the livestock market report.
- Assisted an Addison County Humane Society agent regarding a complaint of down and dead cows on a beef farm.
- Completed an annual inspection of a livestock dealer and market.

### **Meat Inspection:**

- Self-assessment documents submitted to FSIS for fiscal year 2015-2016
- Starting work on budget submission for 50/50 program
- Sent info to Ellen Kahler from VT Sustainable Jobs Funds documenting growth of the industry
- Consumer complaint concerning Westminster meats received, referred to attorney general and the USDA district office since this is a plant that is not covered by state inspection
- Looked into inquiry from APHIS concerning the importation of live animals to a Vermont farm that had questionable certificate of veterinarian inspection

### **Agricultural Resource Management:**

#### **Entomology**

- The fall state-wide tick survey began on Monday, October 17.
  - To date we have sampled for ticks in 31 towns this fall, representing 14 counties. We sampled in additional towns in all 14 counties this past spring.
  - In January and February, the VAAFM lab in Burlington will test black-legged ticks for three tick-borne pathogens.
- The 2016 Mosquito Arbovirus Surveillance season ended on October 14.
  - The Vermont Department of Health tested 3244 batches of mosquitoes, collected, identified and submitted by the Vermont Agency of Agriculture.
- No Eastern Equine Encephalitis virus has been reported this year.
- West Nile virus has been found in 19 samples
  - WNV positive mosquito samples came from Brattleboro (8), Burlington (5), Hardwick (1), Springfield (1) and Vergennes (4)
  - Two human cases of WNV have been reported in Windsor this year. A third human case reported in Addison County has now been shown not be WNV after additional testing was done at a different lab.
  - No veterinarian cases of WNV have been reported this year.

#### **Vermont Agricultural & Environmental Laboratory (VAEL)**

- VAEL staff met with DEC managers for the volunteer watershed sampling program (La Rosa and Lay Monitoring) to review issues that came up during the 2016/2017 sampling season and to discuss possible improvements for the upcoming season. Developing an online training program and generating a calendar for sampling were selected as priorities for the upcoming season. VAEL will be working closely with DEC to move both these projects forward.

- UVM's engineering services are working with VAEL staff to make modifications to the ventilation system in VAEL's Metals Center to accommodate the new instrumentation that will be arriving within the month. VAEL's chemists have been in contact with clients to temporarily ramp down sampling to enable the installation and calibration of the new equipment.
- Discussions between the section chief of Plant Industry and VAEL are ongoing to create a plan and a budget for the implementation of THC testing in hemp. VAEL has much of the equipment for this testing on hand already, though automating some of the preparative work would compensate for constraints in staff time. The Year 1 budget is expected to come in below \$20,000.
- VAEL's postings for the two open chemist positions have generated a set of qualified applicants. The application period ends Nov. 9<sup>th</sup> and it's hoped that interviews can be completed by the end of November.

## **Water Quality**

### **North Lake Contractor Initiative:**

- Requests for payment continue to roll in and are being processed.
- Staff and supervisors continue to coordinate with North Lake contractors as projects move forward.
- Staff continue to meet every week for status updates on NLC projects.

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

- Staff continue to review numerous applications for LFO permit amendments or applications to become permitted LFOs.
- Inspection report write-ups and edits on Medium and Large Farms are numerous and ongoing.
- Staff members continue to review inspection reports to be submitted to the enforcement team; these efforts will continue until all fall inspections have been adequately documented.
- 1 SFO inspection was conducted by staff in Caledonia County and 1 SFO inspection was conducted by staff in Orleans County.
- 1 MFO inspection was conducted by staff in Orleans County.
- 1 LFO inspections were conducted by staff in Addison County, 1 LFO inspection was conducted in Caledonia County, and 2 LFO inspections were conducted by staff in Franklin County.

### **Other work:**

- Staff are continuing to develop and test the Food Safety Water Quality database.
- Staff attended a UVM Extension Fields Days in St. Albans (cover crops).
- GIS problem solving for Williston staff.
- Farm location data sets being compared and edited in preparation for uploading to database.
- Supervisors meet with staff bi-weekly to discuss progress reports.
- A supervisor continues the CAPS program.
- Staff have undertaken LFO Rule research for further program development.
- Staff continue to attend WQ Communications meetings.
- Staff continue discussions on topics in program development.
- Staff continue to develop RFP program deliverables and framework for Alternative Phosphorous management.
- Staff continue discussions on enforcement process and priorities.

## **Secretary's Report:**

**Press:** No contacts to report.

### **Meetings:**

Secretary Ross attended a second LCAR hearing that the committee requested surrounding the proposed RAP rule. Many people representing multiple viewpoints offered additional testimony. Secretary Ross and Agency staff who attended did not testify. LCAR is expected to take up the proposed rule at their November 17<sup>th</sup> meeting.

Secretary Ross attended meeting with Treasurer Beth Pearce and Commissioner Alyssa Schuren to discuss Agriculture's responsibilities for revenues and expenses as part of the report due on Clean Water Funding over next 20 years.

Secretary Ross and Communications Director Alison Kosakowski toured three agricultural venues in the lower Champlain Valley; Vermont Natural Beef, Champlain Orchards and Whistle Pig Distillery. Tour designed for business owners to showcase their agricultural products and best practices in extending the Vermont brand – in state and for domestic and international export.

Secretary Ross and Senior Ag Dev Coordinator Ryan Patch toured four agricultural venues in northwestern Vermont; Health Hero Farm, Machia & Sons, Robillard Farm and Lanphear Farm. Tour designed to showcase interesting and innovative work at Health Hero and Machia & Sons as well as to acknowledge the rebuilding at the Robillard farm (lost their iconic round barn to fire in August) and the Lanphear's were named Vermont's Farmer of the Year at the Big E.



Sent from my iPad