

WEEKLY REPORTS

Checklist
9/9/16

Darren Springer

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

Sue Allen

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

Sarah London

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

Jessica Gingras

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

Laura Gray

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

James Pepper

- Department of Labor – Annie Noonan

To: Governor Peter Shumlin
From: Patricia Moulton, Secretary - Agency of Commerce and Community Development
Date: September 9, 2016
Re: Weekly Report

PATRICIA MOULTON, SECRETARY

GOVERNOR'S PRIORITIES:

- This is my LAST official weekly report! It has been a GREAT ride and I sincerely thank you for the opportunity! The press kicking me in the teeth has not been fun, but otherwise it has been completely rewarding! I feel good about what we have accomplished, the jobs we have created, the downtowns we have redeveloped, the good stewardship we have done of Vermont resources. I am on to mold young lives and help create a great workforce from VTC!! See you around campus!
- **Commonwealth:** The NRB issued a Notice of Alleged Violation to Commonwealth for the premature cutting, without a permit. I gave Tom Moffitt a heads up which he greatly appreciated. I explained by working with Diane we enabled them to address the tree cutting in their permit amendment for the expansion. A fine may be levied but not right away. Tom seemed ok and appreciated the heads up.
- **EB5:** Peak Resorts (Mt. Snow) CEO Tim Boyd was quoted in saying in their quarterly dividend statement to shareholders he believes their I-526 petitions are being held up by the RFI from USCIS and the Jay Peak fraud. I have told Mt. Snow that we have been told by the USCIS legislative liaison there is not “hold” on Vermont Regional Center petitions. We also know this by requests other projects have been getting relating to processing their petitions. VPR was asking and that is what I explained to Mike Faher from VPR. Further that we have no evidence of any intent to revoke our regional center status.
 - We denied appeals of records requests for the USCIS RFI and our response due to pending litigation. We tried to explain a bit more of why records must be withheld during litigation and that records can be released after the case is concluded.
 - Russell Barr of Stowe Aviation is not happy with his denial of PRR and has appealed. Same answer to him. He feels he is entitled because his is a regional center project. But that is not the case.
- **Joan Goldstein reports:** Went to another outreach meeting for water quality and Act 64 legislative report input from the business community. Mt. Snow, G.S. Precision, Long Trail Brewing, three RDCs, and the Rutland RPC were present. Significant pushback from G.S. Precision and Mt. Snow on any new permitting fees or any retrofitting or ½ acre storm water rules. G.S. Precision is about to begin their facility expansion and permitting and is quite worried about what the revenue raising for compliance with Act 64 will do. Same can be said for Mt Snow. Kelly Pawlak, General Manager, said she saw about 10 showstoppers on the possible list of fees/taxes. Bob Flint of SRDC added that we need to be sensitive to the fact that increased development costs in a Connecticut River border area is problematic due to the fact that NH will not be issuing anything of the kind. Rutland Economic Development added that they are looking for ways to increase population and tax base and wondered what these new fees/taxes would do to those efforts. We will have another business outreach meeting on 9/30 in Montpelier and will continue to refine the presentation. After the session and talking with participants, it has become clear that Act 64 is not really on the radar of businesses even though it can have tremendous impact on their plans for growth in the state.
- **Dan Towle reports: European Captive Awards:** Dan Towle, Director of Financial Services, is preparing an application for a “Non-European Captive Domicile of the Year” that will be awarded at the European Captive Summit held in Luxemburg in November. The application will showcase how Vermont is a global player with significant market share into European captive owners with US subsidiaries.
- **Josh Hanford reports: Housing Eviction Process, Opioid Crisis:** Responded to a St. Albans area apartment owner (owns and manages nearly 70 apartments in Franklin County) regarding the challenges he and other owners face evicting tenants for failure to pay rent and/or distributing drugs at the property and the net effect that is having on the properties and the other tenants. He is willing to stay involved in this discussion and review suggested programs or proposals that might help.

- **Town of Rockingham:** Nathan, Quin and Josh traveled to Bellows Falls to meet with representatives from Chroma Technology, a manufacturer of interference filters for the ultra-violet, visible and near-infrared portions of the spectrum. The Town is applying for \$600,000 to support the proposed \$19.2 million expansion of their manufacturing facility which would create up to 15 new jobs.

DEPARTMENT OF TOURISM & MARKETING: Megan Smith, Commissioner

- **Fall Campaign:** VDTM is finishing up the details of our Fall Campaign and The Big E. It is hard to say goodbye to such a beautiful summer but the Foliage Season is always very special for our industry!
- **ESTO:** Megan attended ESTO 2016 (our national marketing educational conference) which is also the venue for our National Council of State Tourism Director’s annual meeting.
ESTO, as always, was very informative and an excellent opportunity to network. In addition to the General Sessions Megan focused on the International Travel sessions. At the “China ready” seminar we learned that only 2% of Chinese have passports yet they are still the number one visiting market to the US so we need to get ready for their arrival. Discover New England is working with Brand USA to do some regional trainings for the industry.
The National Council of State Tourism Directors Meeting is always very informative. Due to political appointments, there is usually a 30% turnover with most of the new Directors coming from the industry. A great deal of the discussion is around dealing with our various State House issues. Disaster Recovery and Political landmines are always discussed and, since our neighbors from Maine were having particular challenges with their Governor’s comments we had a very fresh “case study.” The group is very good at freely sharing information and new ideas which is always helpful.
- **Discover New England Quarterly Board Meeting:** This meeting included our annual research presentation from Marketing Insights. China continues to grow in New England but we feel it is still mostly students and business travel to Boston. DNE does have a Chinese website and we are going to work on some specific promotions suggesting itineraries for families that are visiting students and add on ideas for business trips. We also had a presentation with the results of our sales mission to Australia with our east coast counterparts. Everyone agreed it was a huge success and we are going to look at going into other emerging markets (India, China) as a group, including DNE, NYC, NY, Capital Region and Philadelphia. A very interesting tidbit about the Chinese market is that, although the US has a Visa Program with China it is not honored in the state of Hawaii due to a strong resistance from the Japanese population in that state. This works to our advantage since often Hawaii is the first destination for many of the emerging markets. The Eastern US still competes heavily with California and Las Vegas, but not with our traditional competitors – Florida and Hawaii.

COMMUNICATIONS ♦ Philip Tortora, Director of Communications

- **Media Correspondence:** Conducted a live interview with Boston Herald Radio to discuss and promote our state’s upcoming foliage season.
- **Fall Foliage Season:** Provided fall tourism visitation and revenue numbers to the Associated Press Montpelier office, and also provided Vermont foliage photos to the national travel desk at the Associated Press.
- **ESTO Conference Follow-Up:** Last week, attended the ESTO 2016 conference with Commissioner Smith and Deputy Commissioner Cook. In addition to watching all of the keynote presentations, Philip also attended sessions focused on online marketing media solutions, international market prioritization, marketing and advertising, the changing role of earned media, making viral social media videos, crisis communication in the digital age, and the emergence of virtual reality videos.
- **Social Media:** Philip used Facebook, Twitter and Instagram to promote our upcoming foliage season with file photos of foliage in the state, while also distributing links to our Foliage Forecaster page and Foliage Report newsletter signup page.
Top Facebook posts included a two-picture foliage preview, and a piece on Sugar & Spice in Mendon – both reaching over 40,000 people. An article on eight beautiful places to photograph in Vermont reached nearly 30,000 people. All of those were organic posts.
- **Apples to iPods:** We also started promoting the Apples to iPods program with an animation produced by David Burnell.

SALES ♦ Kathleen Kolva, Sales Manager

- **Courier Magazine Article:** Kathleen provided content suggestion to a writer for the National Tour Association’s Courier magazine. He is writing a piece on travel to New England and was looking for suggestions of Vermont attractions, special events, and great group destinations.

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

- **Maplewood Vermont Travelers Service Center:** Sky worked with the owners of the new Maplewood Vermont Travelers Service Center — an innovative private-public partnership, located in central Vermont at Exit 7 — to design display scrims featuring Vermont Life covers. They look



fabulous!

- **Advertising:** Last week Chris was working against upcoming deadlines and putting the 11th hour push on for all possible sales for Winter 2016-17. We closed \$18,250 of sales for Vermont Life, including 5 new clients, Farrell Distributing, Hill Farm Inn, Tsuga Studios, VT Book Shop and VT Farmstead Cheese Co. Also closed a full page for the 2017 Fishing Guide, bringing ad sales total to \$14,900, 50% over budget. Also continued discussions internally and with client regarding VTlovesNY pilot program. Tom continued to assist in ad processing for the Winter issue and Fishing Guide.

DEPARTMENT OF ECONOMIC DEVELOPMENT: Joan Goldstein, Commissioner
BUSINESS SUPPORT - Economic Development ♦ Jared Duval, Director

- **Climate Economy Entrepreneurship Network:** Along with Ken Jones, represented ACCD at a planning meeting hosted by the Vermont Sustainable Jobs Fund for the development of a “climate business” accelerator -- one of the key projects to emerge from the Climate Change Economy Council facilitated by the Vermont Council on Rural Development (VCRD). The preliminary design is for a programmatic accelerator (i.e. a low-residency model, as opposed to a physical accelerator). Others involved include Rob Miller (VSECU); Linda Rossi (VT SBDC); Adam Grinold (BDCC); Will Belongia (VCLF); Aaron Pollack (Design Book); and Jane Campbell (VBSR). John Ryan of VSJF presented on an opportunity to partner with Village Capital, an established network of business accelerators, in forming a Vermont accelerator focused on serving and growing climate-oriented businesses. The next step is a round of stakeholder interviews to hone in on the “problem statement” that defines how broadly or narrowly we cast the net of possible participating businesses. VSJF will also move ahead to apply to become a Village Capital partner, keeping that option open as we do more research and development.

BUSINESS SUPPORT ♦ Brett Long, Director

- Brownfields meetings regarding; 1) Background Information; 2) Historic Preservation; 3) 453 Pine Street; 4) Energizer; 5) Richmond Creamery; 6) Pownal Dam; 7) City Market; and 8) Kingdom Pellet
- Discussed a potential transaction to finance receivables of Burke Motel contractors

FINANCIAL SERVICES ♦ Dan Towle, Director

- **Preparing Post VCIA Conference Newsletter:** Dan is working on a post Vermont Captive Insurance Association electronic newsletter. It will include highlights from conference media coverage, photos from the conference and welcome new captive insurance companies to Vermont.
- **South Carolina Captive Insurance Association Annual Conference:** Dan will be in South Carolina to attend this competitors captive conference next week. Last year Vermont was able to re-domesticate three captives from South Carolina to Vermont. South Carolina has been a good domicile for Vermont to prospect in.

- **Conference Preparation for ASHRM & SIIA:** Dan is preparing for the American Society for Healthcare Risk Management Annual Conference and the Self Insurance Institute of America Annual Conference. This year both conferences are occurring at the same time and Dan has arranged for representation at both events.

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

- Met with NH Representative Kimberly Rice and discussed some of VT and NH similarities with opiate issues and even though we are very different in issues we are struggling with the rest of the nation in the huge crisis.
- A modification was just approved by Washington, DC to add additional training on Foreign Trade Zones and Bonded Warehouses to STEP IV.
- Meeting with Turkish Consulate on Thursday 9/8/16.

VERMONT TRAINING PROGRAM ♦ John Young, Director

- Met with Precision Composites who are looking at a VTP grant because of new equipment and tighter process times.
- Northern Reliability is looking at training for a couple of their engineering staff as they develop new technologies.
- Attended a meeting with Logic Supply who are getting ready to apply for a VTP grant as their business continues to grow and they implement new processes.
- Will be attending statewide SHRM conference in Burlington to network with HR professionals and to represent ACCD for Governor’s Award for Business Excellence in Supporting Mature Workers.

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT: Deputy Commissioner Hanford
COMMUNITY PLANNING & REVITALIZATION ♦ Chris Cochran, Director**

Partner Report

- **ANR, Stormwater Rule:** Chris and Dale met with DEC staff to learn more about the upcoming stormwater manual that will be adopted by rule by the end of the year. EPA sees the updated manual as an important tool to meet the TMDL requirements. While we all want and support efforts to improve water quality, we continue to have concerns about the cost of these new stormwater controls and how it has the potential to drive development out of downtowns to cheaper greenfield sites. At this point, ANR is uncertain about the costs of these new stormwater treatment requirements.
- **USDA/ACCD Collaboration:** Richard, Gary, Caitlin, and Jared participated in the USDA/ACCD quarterly round-up with staff members from USDA. The agenda focused on upcoming funding opportunities, ways to coordinate and collaborate, and strategies to target state and federal funds to help Vermont communities. We discussed how we can market and utilize all our resources to maximize community benefit. Richard shared information about the upcoming DHCD housing study. USDA offered to be involved and provide resources through their existing programs to help improve existing housing stock and fund infrastructure improvements for new housing developments. In addition, we highlighted the VTrans/ACCD/ANR Interagency Initiative and USDA agreed to share information about where their federal investments have occurred (or will occur) to better inform the initiative’s target communities.
- **Local Motion/DHCD/VTrans Collaboration:** Richard and Gary met with Emily Boedecker and Jason Van Driesche from Local Motion and Nick Meltzer from VTrans to discuss how we could work together to cross promote our programs, leverage each other’s resources, and coordinate outreach efforts to improve walk/bike options in downtowns and village centers statewide. Local Motion, VTrans and DCHD will lead a session at the upcoming Grand Isle Lake House Downtown Retreat on “Improving Bicycle and Pedestrian Connections in Downtowns” to inform local downtown managers on the importance of walk/bike improvements in downtown, the state’s role, available resources and how to mobilize local community members to build support and make change happen in their community.

HISTORIC PRESERVATION ♦ Laura Trieschmann, State Historic Preservation Officer

State Archaeologist

- Jess travelled to the Bixby library Wednesday morning to consult with Jane Spenser on the potential of deaccessioning several Native American ethnographic collections that were donated to the museum in the 1950s, and what the ethical ramifications might be. Jess also discussed the library's extensive Vermont archaeology collections and how to make better use of them in the future.

Project Review

- Stowe:** Over the past week, up on the top of Mount Mansfield at the Stone Hut, selective demolition, removal of debris and abrasive cleaning of the interior masonry walls has been completed to remove all signs of fire damage. Although abrasive treatments to historic materials are frowned upon, after much testing, this approach was deemed to be the only suitable way to remove a hazardous glaze that formed on the stone when spray-foam insulation was catalyzed under the high temperatures of the fire sufficiently to retain the existing stone. The thick, rubble stone masonry walls built by the CCC are impressively solid and stable and absolutely worth the efforts being put forth. Below are a few photographs showing before and after conditions. A deep clean will round out the week, taking care to ensure no impacts to the high alpine environment, with new construction commencing next week.



- Killington:** Jamie rode the gondola to the top of Killington Mtn. and hiked over to the Long Trail to participate in a large group site visit at Cooper Lodge. Located at 3900 feet, it is the highest elevation shelter along the Long Trail, one of 10 of so LT shelters built before WWII, one of only 2 stone shelters on the LT (see Stone Hut above), and built by the CCC in 1939. The shelter is owned by the State, managed by GMC, and located outside of the ski area lease under Killington Mountain Operations control. It functions as a three-season trail shelter situated on the Long Trail/Appalachian Trail. In the winter time, however, it is an attractive nuisance, located 3-400 feet away from the top of the Glades lift and site of much partying after being named one of the best places to get stoned in North America by High Times magazine many years ago (with directions provided on how to find it.) As a result, it is the subject of much vandalism with 30+ pounds of trash pulled out seasonally in the spring. The GMC put a new roof on the structure in 1992, only to have it damaged by skiers climbing onto the roof to get a view the very next year. It has been in a state of deterioration since, and found itself on GMC's list to demolish by 1997. There are many members who want to retain the structure and suggest the conditions warrant taking action now. The working group at the site visit included representatives from ANR - both Forestry and Parks staff, US Forest Service, a number of Green Mountain Club Members from their Trails Programs and Shelters Committee, an architectural historian and engineer, as well as the Commander of Search & Rescue from VT Dept. Public Safety. Consensus was achieved on some specific points: nobody wants to see Cooper demolished and removed; Cooper has immediate condition issues that will require short-term stabilization efforts; Cooper has long-term issues with access and use and that need to be resolved and changing the public's attitude could motivate the use groups to take better care of the structure; there is no interest to change the use – rustic shelter for hikers during the spring, summer and fall – open air shelter for skiers in the winter; the infrastructure and management is not in place to utilize the Stone Hut model of overnight rentals (after minor improvements and upgrades); a Friends Group is needed to adopt the care and maintenance and advocate for preservation of this important structure on a national scenic recreation trail. GMC plans to adjust its management plan to move towards preservation, examine funding options and design a project to stabilize the building for continued use.



State Historic Sites & Historic Sites Section Chief

- **Bennington Battle Monument:** Labor Day Weekend was a busy one in Bennington with a 3-day Garlic Fest event and perfect weather. The Monument averaged over 265 visitors each day of the 3-day weekend, including two motor coaches. A quieter week or two now until the leaves people start arriving and then a mad rush until after Columbus Day. Marylou did get to attend the first of the four Friday supervisor trainings in Rutland.
- **Coolidge Site:** The Plymouth Folk & Blues Festival on September 3 & 4 was worth the effort! Outstanding performers and perfect summer weather brought record crowds – Jay Ottaway, who arranges the “talent” counted 535 attendees. Sponsorships from several area businesses and donations at the “door” paid all expenses, including musician fees, ads in three newspapers, and posters. The children’s tent was a constant hum, with face painting and water coloring activities. Fred DePaul offered wagon rides on Saturday, and nonperishable food donations to the Vermont Food Bank were the most since the festival began 12 years ago. Admissions and store sales were also nearly \$500 more than last year.
 - Plans are underway for the next big event – Plymouth Notch Antique Apple Fest on October 1.
 - Eight people joined Bill’s “Tales of The Notch” village tour on September 6 – the most this season. Mimi Steadman, a AAA travel writer, visited the site on September 3. She had originally planned a story about the cheese factory, but was so excited by her tour that she’s expanding the piece to include the entire Plymouth experience. After filming in May 2015, GNAT television (Manchester Center, Vermont) has finally finished its story about the Coolidge Site. It will air on that station (and others) several times each week during the month of September. Great publicity! <https://www.youtube.com/watch?v=6bAblmmU7cQ>
- **Mount Independence:** The AAA Northern New England Magazine chose the Soldiers Atop the Event (this weekend) submission for a Vermont event in calendar of the September issue. On Saturday the site hosted a "film afternoon," with various short to one hour films that we've done or been involved in relating to the western sites and of course Bennington. Fifteen people turned out (our first Vermont archaeology month event). Elsa provided homemade caramel popcorn and pecan "joy" candies.
- **Hubbardton Battlefield:** The skies were glorious on Saturday evening for the Deep Sky Discovery Night with members of the Green Mountain Alliance of Amateur Astronomers. A conservative estimate of attendees is over 350 people. Astronomers hadn't seen in ages such lines to use the telescopes. They held a drawing for a variety of astronomy items, including two telescopes. It was so exciting they want to add one more event, likely just before Columbus Day. Visitors came from all over, including Montreal and Connecticut. One sent us a photo of the Milky Way over the visitor center, and gave permission to share on the historic sites Facebook page.



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

- 174 mobile home parks have completed their 2016 registration. More than 80% registered online! Arthur reviews the online registration and contacts the owner to resolve any discrepancies or missing information, and inputs registration checks submitted by mail. This sometimes includes tracking down lot rent increases that show up in the registry, but we did not have on file. Most of the time the reason is the park owner forgetting to mail a copy to the Commissioner as required. Sometimes, there are actual problems with the notice which results in an invalid notice and potential refunds to the leaseholders.

VERMONT COMMUNITY DEVELOPMENT PROGRAM ♦ Josh Hanford, Director

Regular CDBG

CHIEF MARKETING OFFICE ♦ Heather Pelham, Chief Marketing Officer

- **ACCD/AAFM Marketing Strategy:** With Deputy Secretary Leriche and Commissioners Goldstein and Smith, the CMO met with business development and communications teams at the Agency of Agriculture to discuss the alignment of our respective place and product marketing initiatives and other overlapping areas of business support. With the range of in-state and out-of-state marketing efforts underway or in development, including specific Ag initiatives (domestic export program and the VSJF local foods campaign), agritourism efforts (VDTM and DigIn), and broader economic development efforts (ACCD's new EDM plan, plus domestic export), our teams strategized on how best to document our collaborative efforts for transition planning.

VT CENTER FOR GEOGRAPHIC INFORMATION (VCGI) ♦ John E. Adams, Director

- **New Director:** The VCGI team welcomed John Adams aboard!
- **Geocortex (Map Viewer) Analytics:** VCGI, ANR, VTrans, E911 and the Department of Health will be undertaking a 60-day evaluation of 'Geocortex Analytics,' software that will help agencies understand what data and mapping tools people are using. The analytics software will also help identify problems with the user experience and demand on their hardware (CPU, memory).
- **Open Geodata Portal:** Steve met with E911 staff to discuss their participation in the new Open Geodata Portal and to work through E911's various security related requirements. The comment period for the draft data Standards and Guidelines ends on 9/17/16 and a beta version of the portal will be launched within a month.

DFR WEEKLY REPORT

I'm sorry but we have no news this week. Mike says he's been in touch with the Governor so he's up to date with all our news.

Dale Schaft | Information Management Officer | Vermont Department of Financial Regulation



Privileged and Confidential

MEMORANDUM

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

From: Christopher Recchia, Commissioner

Date: September 9, 2016

Subject: Weekly Report

Governor Level Issues:

Status of Priorities and Cases of Interest:

Swanton Wind – Swanton Wind has finally filed its petition for a CPG for a 7 turbine wind project. As part of the filing, they have offered a post-construction buy-out option for any homeowner within 3,000 feet. This, along with the smaller Dairy Aire (see below) and Kidder Hill projects mean that the Department will be very busy with wind proceedings for the foreseeable future.

VEIC RUS \$46 million loan fund. -Staff met with VEIC to review the status of this initiative including progress on RUS loan document development and an initial and draft estimate on how the program may impact EVT's operating budget. VEIC is open to feedback on the model as developed to date.

PERD staff also worked to define the transition options for how the Heat Saver Loan may connect with the emerging residential lending products under the RUS. Discussed options such as coupling HSL onto the RUS design, targeting an audience that RUS does not intend to pursue, or allowing for HSL to continue as one of many finance products in the market. The PERD staff interest was in finding a way to couple HSL with RUS.

Follow up meeting with VEIC staff working on RUS to discuss potential connections between HSL and RUS. VEIC expressed interest in the option of having HSL as part of their new product

offerings. PERD staff noted aspects of HSL important to carry forward, including ease of use, qualified products that comply with federal requirements and EVT incentives, and connection to the Efficiency Excellence Network companies. VEIC staff agreed to present a draft proposal for what a potential blending would look like. Also offered PERD the opportunity to participate in selection of servicing vendor(s) for the RUS given the Department's involvement with creation of the Heat Saver Loan.

GMP Base Rates Filing – No Docket

The Larkin Report was filed on August 15. The next step is for a Department recommendation on September 15. In the interim, the Board will hold a workshop on the filing. The workshop is scheduled for September 13 in the afternoon.

On September 8, Department staff, the Deputy Commissioner and Bill Schultz met with Bob Simpson and Bill Griffin of the AGs to discuss the proceeding. Per Act 130, the AG is monitoring the Department's performance on this case. The AG has hired their own expert to review the filing. The meeting with Simpson/Griffin was mostly positive. Simpson is digging his teeth deeply into questions around Alt Reg and clearly allowing conversations with AARP to inform his lines of inquiry. He has articulated on a few occasions that he thinks the Dept. should not support a 1-year extension of GMP's Alt Reg plan. We have explained why an alternative route might be appropriate. Eventually the AG will write-up their findings to be incorporated in a report on the Department's public advocacy work that is due Dec. 1.

Additionally, the Department issued an RFP for a hydro appraiser to assess the value of the dams that were excluded from this year's rate case but that GMP intends to purchase. Three responses were provided on August 31. After review, staff has selected an appraiser to retain and is working on a draft contract to bring the appraiser on board.

Dairy Air Wind – No Docket

Department staff attended a Holland Selectboard meeting to give a presentation on municipal and regional participation in the PSB siting process. The town appeared divided in support for the proposed 2.2 MW single turbine project. The Selectboard voted 2-0 (with one abstention) to oppose the project. Dairy Air recently submitted a 30 day pre-filing notice of application for a MET tower CPG for the project.

Meetings This Week:

Sep 05 – Labor Day Holiday

Sep 06 –

Sep 07 – VCRD Climate Conference Meeting

Sep 08 – Deputy Secretary Rich Tetreault meeting.

Sep 09 – VTA/PSD Asset Ownership

Meetings Next Week:

Sep 12 – VT Citizens Advisory Committee panel discussion on digesters, VCRD Vernon meeting on possible large energy project

Sep 13 –

Sep 14 –

Sep 15 –

Sep 16 – Mary Powell meeting, NECSOE Call-in,

Media: VPR – Taylor Dobbs investigative piece on alternative regulation. Ch. 44 on Cellular coverage featuring Jim Porter, VPR on the CoverageCo project, BFP on the new net metering program; Channel 22 and VTDigger on Alt Reg and VGS issues

Public Official Contacts: None

Everything Else:

PERD

Act 174 / RPC Planning

- Act 174
 - Finalized preparations for Act 174 public forum, including drafting final breakout group questions and prepping facilitators and notetakers.
 - Held public forum to discuss Act 174 standards for DPS review of town and regional energy plans. The main takeaways from stakeholders (about 70 participants) were to make standards accessible to towns, achievable, and to ensure that that the 90 by 50 goal would still be possible.
 - Summarized forum attendee standards concepts and dot voting results.
 - Met with several RPCs to discuss the contract for training and technical assistance. They have sent a scope of work, and our goal is to have a contract with a start date of 10/1/16.
 - Received standards comments from REV and AAFM.
 - Continued working on standards document.
 - Continued working on LEAP modeling guidance document.
- Met with EAN as part of Dashboard Advisory Committee to discuss rollout, trainings, interaction with Act 174, and information needed on a regular basis from DPS.

Clean Energy Development Fund

- \$76K Northern Border Region Grant. Worked on the grant agreement wording and budget with NBRG staff and with the Northern Forest Center on a sub-grant for the project.
- Communicated with Hyde Park Electric General Manager on their community solar grant that has been in limbo for over a year. Hyde Park would like to use the solar grant to create a solar tariff similar to what Vermont Electric Co-op has done.
- Worked with other stakeholders on getting support (financial and otherwise) for the Bennington Hospital to make investments in wood heat components to their new heat plant, even though the plant will be a fossil fueled based plant, these investments in wood heating components will make a switch to wood within the next five years much more likely and the eventual switch to wood heat more cost effective.
- Issued a simplified bid request for a contract to conduct a base line wood energy use report for Vermont, and to provide other services for the CEDF regarding the wood heating market.
- Received preliminary approval from DOE to move ahead with a new Market Program with returned ARRA loan funds. New program will be a credit enhancement program in

support of advanced wood heating and roof-top solar. Discussed with others how this program will interact with EVT's RUS funded financing program.

- Received word from the project manager at Union Square (Housing Vermont) that they do not intend to pursue inclusion of a pellet system in their current rehab designs given the low cost of fuel oil. CEDF will cancel this grant offer to allow the funds to be re-deployed.

Dockets/248

- VGS RNG – staff prepared for and testified at a technical hearing on the proposed voluntary RNG program. The main line of questioning from VGS focused on whether they would be required to quantify the climate-change mitigation benefits of the program, and if so how (in order to purchase “environmentally equivalent” offsets if supply were interrupted). CLF questions focused primarily on whether staff would “defer” to “experts” in renewable program design and whether a 1% per year of VGS supply as RNG were “big and bold” climate change solutions.
- VGS Alt. Reg – Staff prepared responses to discovery from VGS and AARP. VGS questions focused primarily on how the Department characterizes the current plan as complex and excluding outside participation. AARP questions focused primarily on whether the SERF could continue if Alt. Reg. were suspended entirely and whether we knew of any other jurisdictions with a SERF-like mechanism.

Integrated Resource Planning

- BED IRP - Staff met with BED to discuss the most recent draft of their integrated resource plan. Staff reviewed the introduction, methods, mini-models, key variables, demand chapter, efficiency chapter, and load forecast. The Mini-Model Results presents the conclusions from cost-effectiveness tests for a variety of electrification measures (HP, Electric Bus, Electric LDV, Passive House, PV, BTM Battery Storage). BED filed for an extension and plans to file a final plan with the Board in January or February 2017. In general the comments were light, though BED is still writing three more chapters, so more to come. This is one of the better IRPs we've seen, and perhaps could serve as a model for others (esp. in regard to how they handle Tier 3). Staff plan to provide full written comments within a week or two on the chapters we've seen so far.

Other Items

- Staff facilitated a discussion among GMP, VELCO, ISO-NE and several solar developers regarding the possibilities for how the revised 5.500 interconnection rule might address ride-through that may be allowed or required from distributed generators. FERC, and therefore ISO-NE and VELCO, are concerned that DG that trips off immediately might exacerbate a grid emergency, and they also desire a level playing field for large and small generators. Meanwhile existing IEEE standards do not require ride-through, but future ones may.
 - Staff asked for and received an extension by one week in the schedule for filing a draft rule, and reply comments. Draft rule will be shared 9/9 and reply comments 9/23.
- Staff facilitated a regional call among state energy offices to plan for a regional in-person meeting at the NASEO conference in Providence, RI on 9/11.

Regional

Contract with New York Power Authority

On September 1, the Neighboring States met with NYPA to discuss renewal of the St. Lawrence contract. Under this contract, Vermont is entitled to 1 MW; the DPS acts as agent for the State of Vermont and distributes power and costs to all Vermont utilities on a pro rata basis. Below is a summary of the discussions with NYPA and a summary of the issues related to internal Vermont review.

- **Timeline:** Before signing a contract, NYPA must hold a public hearing, have a vote by their Board of Directors, and finally have the Governor sign off. If every step takes the maximum amount of time, the latest that the contract could complete all NYPA-required sign-offs is May 27, 2017. However, NYPA's management expects that the approval process could be completed before the current contract ends April 30, 2017. In previous cases where there was no new contract in place at the expiration of the previous, NYPA and the Neighboring States had month-to-month extensions until the contract was signed.
- **Contract Length:** NYPA originally suggested a ten-year contract, with Neighboring States suggesting that the term should be for the life of the FERC license (roughly 40 years). NYPA has increased its offer to 12 years.
- **Amount of Capacity Allocation:** Under the FERC license, Neighboring States are entitled to 4.25% of the output of the St. Lawrence project, which represents 34.5 MW (with NYPA slightly increasing the amount to account for the license requirement that no state receive less than 1 MW). There was some discussion of whether that amount could be increased if a firm customer of NYPA (such as Alcoa) stops taking power. NYPA's position is that Neighboring States are only entitled to 4.25% of firm power, although we would see an increase in the amount of interruptible power delivered until such time as another firm contract is signed to replace the customer that was taking firm power.
- **Annual Update on Load Factor:** NYPA stated that it intends to require that the load factors for utilities be updated on an annual basis. Apparently all of NYPA's New York preference customers are currently doing this; NYPA would like to schedule months in advance and would like to make the scheduling more automatic. It's unclear whether this would provide a benefit to Neighboring States, which are waiting for NYPA to better explain its rationale and the process for an annual update. One additional issue is whether the annual update would be for the state as a whole or for each utility.
- **Allocation among Neighboring States:** Article 419 of the FERC license requires that the output to the Neighboring States be based on census population. Neighboring State are inclined to simply update the allocation once with 2010 census numbers, and use that allocation for the term of the contract. NYPA is fine with that approach.
- **Provision of Substitute Energy:** Currently, there is a provision in the Niagara and St. Lawrence contracts that allows customers to have NYPA deliver replacement power if the hydro projects cannot provide the full allocation. Apparently this last happened in 2012 as a result of low water flows. NYPA wants to remove this provision as customers can purchase power from ISO-NE/PJM. At a minimum, they would like to increase the advance notice required for customer to request NYPA to provide substitute energy from

15 days to six months. In response to a comment that New England states might want replacement power during the winter, when natural gas prices are typically higher, NYPA stated that northern NY is winter peaking and congestion charges are typically higher during the winter, thereby increasing the cost

- **Renewable Energy Credits:** The existing St. Lawrence contract does not address distribution of RECs. Neighboring States have taken the position that they are an output of the project and therefore states are entitled to them without additional cost. NYPA has taken the position that RECs have value and therefore states should have to pay that value. The Niagara contract states that Neighboring States have the right to acquire RECs provided that customers will not be charged more than the rate NYPA charges its in-state preference customers; NYPA is providing RECs under the Niagara contract for no cost since it does not charge any of its in-state preference customers. NYPA will propose some new language that would keep the principle that all customers would pay the same price for RECs, however, it will expect some price amount. There was general agreement that RECs from large hydro have very limited value as Vermont is the only state that currently allows them to be used for compliance with renewable requirements.
- **Curtailments:** NYPA stated that if it is scheduling power that can't be delivered, it will not reschedule the power. The contract requires delivery at the border of New York with the Neighboring States. If the cause of the curtailment is outside New York NYPA will not take any further action. If the cause of the curtailment is within New York it will provide a credit on the bill. NYPA does not intend on altering this process.

Engineering

Update on VY Groundwater Management Issues

As of 9/6, approximately 330,000 gallons of intrusion water have been shipped offsite. The sole remaining (~20,000 gallon capacity) holding tank outside the Turbine Building likely contains approximately 7,000 gallons (as of 9/6). Additional intrusion water storage capacity is available at VY, if necessary. VY also noted that while it continues to pursue NRC approval to use US Ecology facilities in Idaho as an additional water disposal option, there are currently no plans to ship stored intrusion or Process Water to US Ecology.

Second VY Independent Spent Fuel Storage Installation (ISFSI) Construction Activities

Efforts to relocate several underground conduits in the vicinity of the North Warehouse (the future site of the Second ISFSI) continue. On 9/1, the new (modular) diesel generator being installed with the Second ISFSI was placed (via crane) onto its concrete foundation. For the next several weeks, the Second ISFSI construction effort will focus on wiring this new diesel generator to existing and new monitoring instrumentation and security lighting for the two ISFSIs. Excavation between the two Dry Fuel Storage Transport Turning Pads near the VY Containment Access Building (CAB) is also complete. Preparations are currently underway to connect the two Turning Pads with a new concrete driveway which will be constructed within the excavation.

No Findings Expected from VY On-Site NRC Inspections

Steve Hammann, NRC Region 1 Lead Decommissioning Inspector for VY, was onsite last week

to conduct several “transition to SAFSTOR” related inspections. The inspections focused on VY’s programs for Spent Fuel Pool safety, Radiological Effluent Monitoring and Radioactive Waste Management. No significant findings from these inspections were reported to the State Nuclear Engineer. In examining the recent Cesium-137 contamination detection at the Dry Fuel Storage Transport Turning Pads excavation, Steve noted that the reported contamination level (0.096 picocuries/gram initial reading, 0.077 picocuries/gram on retest) was within the range of “onsite undisturbed soil” concentrations (0.073 to 0.271 picocuries/gram) that VY measured during a detailed site radiation evaluation conducted in 1999.

Vermont Gas Systems Addison Transmission Pipeline Project Construction

Approximately 10,891 feet of pipeline was installed last week by the primary construction contractor for the project. This 10,891 feet was all installed by open-trench method. Total 2016 installation between Williston and Middlebury at the end of the week was approximately 20.3 miles. During this reporting period the Department Pipeline Inspector performed inspections of construction for the ANGP project and VGS’ looping project Phase 7. The Department Pipeline Inspector also performed an Operator Qualification audit of pipe-bending crew employees.

Public Advocacy

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

The Department filed testimony on August 22. The Department is the only non-petitioning party to file testimony in this case. (AARP and CLF are parties but did not file testimony.) On August 29, VGS and AARP filed discovery on the Department’s testimony. Responses are due on September 12. Department staff is currently working on responses.

GMP Innovative Products Tariff Filing – Docket No. 8794

On July 25, GMP filed a request for approvals of tariffs related to heat pumps, heat pump water heaters, and its Connect DER product. The Department recommended an investigation. The Board accepted that recommendation and a prehearing is scheduled for Sept. 9. An initial conversation with GMP’s counsel indicates that they viewed the proceeding as relatively simple. Department staff pushed back and indicated that while the direction of the filing may be generally good, it is very important to get the “how” right and therefore a full proceeding is in order. On Sept 6, GMP proposed to continue the programs as pilots during the pendency of the proceeding, we have supported that. A response is due on Sept. 13.

Rule 4.100 Rulemaking and Requests for PPAs – No Docket

Word from Board staff is that a final version of Rule 4.100 has been filed and is set to take effect on September 15. Perhaps sensing that the existing Rule 4.100 is being replaced, two requests for Rule 4.100 PPAs at Docket No. 8010 rates have been filed – one from Kidder Hill Wind (5 MW proposed wind facility) seeks 30-year levelized rate for 4.5 MW and plans to net meter the remaining 500kW; and Ampersand Hydro (4.9 MW existing hydro) seeks a 20-year non-levelized rate. Once the new rule is in effect, Department staff will analyze how to respond to these PPAs and any others that remain outstanding (e.g., stayed Ranger and Swanton Wind PPAs) under the old rule.

Standard Offer Wheeling Workshop – Docket No. 8693

The Board established a second workshop on standard offer wheeling charges. An initial workshop was held in March and attended solely by utilities and the Department. It was agreed that a second workshop should be held to directly solicit developers as any result may impact them. The Board's notice does directly solicit developers to attend.

VGS Addison Expansion –Notice of Probable Violations-no docket

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 is preparing a response and came in to meet with the Department. The response was due this week, but we jointly requested an extension. A second draft NOPV regarding improper pipe burial has been reviewed by the Public Advocacy division and returned to Engineering.

CLF declaratory ruling re amended CPG for the VGS Addison Expansion-Docket 8330

Oral argument was heard by the Board on September 7 at the Pavilion Auditorium. Parties of record that participated were Vermont Gas, CLF, and the Department.

VGS Renewable Natural Gas Program and Optional Tariff - Docket 8667

A technical hearing was held on September 2. CLF remains committed to requesting a RPS-type program, whereas the Department and VGS are more supportive of the Cow Power model. The Lincoln Project in Salisbury remains on hold, and, while Lincoln's testimony was entered into the record, it did not participate in the hearing. Initial briefs are due September 30.

VGS-Town of Hinesburg condemnation-Docket 8643

This parcel is in a park owned by the Town. Reply briefs were submitted by Vermont Gas and the Resident Intervenors on August 29. Vermont Gas has requested a Board order by September 15.

Coolidge Solar 20 MW facility in Ludlow - Docket 8685 and Request for Rule 4.100 contract approval- Docket 8586

The petitioner is scheduled to file rebuttal testimony on September 14th. Discovery questions on the rebuttal testimony are due by September 21st.

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. The PSD granted the PSD's request for an extension until September 8th to file comments. The PSD, SunE, and the fire chief had a productive conference call. The PSD informed SunE that the current safety concern must be resolved expeditiously and that the PSD will also be recommending the PSD impose sanctions for the CPG violation. Since it is unlikely the fire lane has been preserved or can be reinstated without removing solar panels, the fire chief articulated alternative measures that satisfy the safety code. SunE agreed to these measures subject to final sign-off on the price of one of the measures – reconfiguring the building's sprinkler system. The PSD and counsel for SunE are scheduled to discuss appropriate sanctions.

To the extent that PSD involvement provides the appropriate timing pressure for SunE, the PSD is inclined to inform the PSB of the current status of negotiations and to request another short extension in order to file a recommendation.

BED's IRP – Docket 7979

BED informed the PSB that it may have inadvertently failed to provide an outage management report required by the PSB's Order approving its 2012 IRP. BED has yet to determine how to best provide automated notification, but commits to do so as soon as practical. Additionally, BED will discuss the issue in its upcoming IRP.

Otter Valley Solar in Pittsford – Docket 8770 – The parties are negotiating a proposed schedule for this proceeding. The PSD will participate in the prehearing scheduled for September 8th.

Swanton Proposed 4.52% Rate Increase – Tariff No. 8617

Subject to trustee approval, Swanton has agreed to the PSD's suggested rate increase of 2.05% instead of 4.52%. The PSD has recommended the PSB approve the 2.05% rate increase without investigation or hearing.

Orleans 2015-2034 IRP – Docket No 8630

In an effort to resolve this docket, the PSD is engaged in informal discovery requests and has made suggestions regarding additional information that should be included in the IRP. The intervention deadline is still uncertain because its bill notification included an incorrect intervention deadline of August 5th instead of August 31st.

Swanton 2015-2034 IRP – Docket No 8631

In an effort to resolve this docket, the PSD is engaged in informal discovery requests and has made suggestions regarding additional information that should be included in the IRP. No motions to intervene were received by the August 31st deadline.

GMPSolar Williamstown – Docket 8682

GMPSolar plans to begin construction of the project. It also filed proof of recording the CPG notice with the town, and its letter of credit.

Vermont Electric Cooperative Special Contract with Rick Mayotte – no docket

On August 5 VEC requested approval of a special contract with a maple sugar producer as part of its Clean Air Program, which provides incentives for line extensions and service upgrades to replace off-grid fossil fuel-reliant installations. This is the second contract in a series of contracts associated with this program; the Department filed a letter on July 29th recommending approval of the first such contract. The purpose of this contract is to provide Mr. Mayotte with an increase in his service capacity, which requires an underground vault, a 250 kVA transformer and associated conductors and materials. The Department filed comments on September 7, recommending approval of the contract.

Vermont Electric Cooperative Special Contract with Steve Devost – no docket

On August 16th, VEC filed a request for approval of another special contract with Steve Devost, a sugar-maker, as part of its Clean Air Program. The Department's response is due on September

16th.

Otter Creek Solar, LLC dispute re interconnection with Green Mountain Power Corporation – Docket 8775

This case concerns a dispute among GMP and a solar net metering developer over GMP's treatment of a solar project for which the developer changed its location and GMP subsequently deemed the project's application withdrawn for reason of a "material change." The Department responded to discovery served by Otter Creek on September 6th. A technical hearing will be held on September 16th, unless a settlement can be reached (GMP is in discussions with Otter Creek).

VPPSA Section 108 Petition – Docket 8779

The Board issued an Order on August 31st approving VPPSA's petition requesting approval to issue up to \$2.1 million in long-term debt to purchase Vermont Transco Membership Units.

BHC Solar LLC – Docket 8692

Enforcement action to investigate false or misleading statements on the application for a 150kW net metered solar project in Vergennes, pertaining to the existence of Historic Sites near the proposed project. The Department has provided all parties with revised versions of the two proposed Stipulations of Material Facts drafted by Respondent, BHC Solar and adjoining landowner Mary McGuire. The Board approved an extension on the deadline for submission of a stipulation of material facts until 9/9/16. If all parties agree to the DPS revisions, an agreed version will be submitted to the Board. If not, factual development will need to be incorporated into the procedural proposals also due to the Board on 9/9/16.

Permanent Wind Noise Rulemaking – No Docket

The Department continues to work with its outside consultants to develop draft rules in advance of the September 28 deadline.

GMCW/McLane Noise Investigation – Docket 8613

The Department filed a reply to GMCW's response to the Hearing Officer's request for an explanation of why GMCW did not offer the McLane's attenuation testing pursuant to the project's sound monitoring protocol in light of evidence that project-only sound levels recorded at the McLane residence during the first-year monitoring program were high enough to trigger GMCW's obligation to offer such testing. GMCW avoided the substance of the Hearing Officer's inquiry by arguing that at no time were sound levels recorded to be high enough to trigger an attenuation testing offer obligation. The Department reiterated its position that the record is clear that sound levels were recorded that triggered the obligation of offer attenuation testing, and that an order directing GMCW to make such an offer would be appropriate. One more round of responses on this issue is due by September 14.

GMP Supplemental Net Metering Program – No Docket Number

The Board has not yet issued a ruling on the request of the Department, the Division for Historic Preservation and the Agency of Natural Resources, for confirmation of which projects in the program had already filed CPG applications with the Board. Nor has GMP provided the Department with a list of the projects that GMP believes already have filed CPG applications. Neither the Board nor the Department has complete or accurate paper or electronic records on all

net metering projects between 15 and 150kW. Issues are arising more regularly on these smaller projects and so better record keeping will be necessary in order to properly discharge our obligations for these projects.

Star Wind Turbines – Bailey Hill Wind Project 24kW -Docket 8788

The Department filed comments on 9/2, finding no significant issues on substantive criteria for this small wind standard offer project. On that same day however, we learned from a filing by the Agency of Natural Resources that the Applicant had sent one or more revised plans to ANR for their review, yet the Department was not copied on these revisions. We therefore sent follow up comments to the Board, alerting them that we could not verify whether any changes proposed by these subsequent revisions that we had not reviewed might cause impacts on the criteria under Section 248.

Next Generation 2.2 MW Solar -Field Days Road, New Haven – Docket 8523

A Site Visit will be held by the full Board on 9/19, following the 8/17 Oral Argument. Adjoining landowners are extremely upset at the manner in which Petitioner intends to mark the site boundaries for the site visit, but have not yet made filings with the Board seeking any specific relief.

Charlotte Solar Enforcement - Docket 8638

The Board issued a procedural order on 8/31, in essence granting the Department's Motion to Hold Open the Record and finding that compliance with the Revised Mitigation Planting Plan was potentially relevant to the ongoing penalty investigation. The Board gave parties until 10/10 to file additional evidence regarding compliance with the Revised Mitigation Planting Plan. Objections to such evidence must be made within 15 days after the filing. The parties have conferred and have arranged to conduct an informal site visit on 9/12 to review and observe current conditions with respect to installation of landscape mitigation and to assess compliance with the revised plan.

Net Metering

- NMP -16-0010 Triland Clarendon 7B – Supplemental comments filed indicating no outstanding concerns with revised access road configuration.
- NMP - 16-0018 Triland Alfrecha Road Clarendon – Initial comments filed indication outstanding concerns with aesthetics, recommending adjusting project location and relocating and adding to proposed landscape mitigation planting plan.
- NMP - 16-0042 Orchard Road Middletown – Initial comments filed indicating no outstanding concerns with any substantive issues. However, contemporaneous with our filing ten individual landowners (some joiners, some not) filed motions to intervene in the proceeding on numerous grounds including aesthetics, orderly development, noise and multiple environmental concerns.
- NMP - 16-0044 ER Bennington – Initial comments filed indicating no significant outstanding concerns with substantive issues, but recommending an affirmative ongoing landscape maintenance obligation be imposed due to the location of the project right on US Route 7.

Telecommunications

Comcast Cable Route Data

PSD staff reviewed the cable route map submitted in electronic format by Comcast and determined that it differs from maps submitted in the past. Prior Comcast maps depicted road centerlines for roads that had Comcast service. The new map generally depicts the same areas, but the lines depicted are irregular, sometimes in pairs, and do not follow roads exactly. It is possible that this new data depicts actual utility pole lines routes with cable, as opposed to road centerlines with cable. Contractors for the PSD last year updated the state's unified cable route map to include updates manually drawn from the Comcast data. The PSD would like to avoid this sort of tedious and error-prone work through an engagement with Comcast to identify a better solution.

AoT Fair Market Evaluation

AoT officials have requested a meeting with the Department to go over a proposal to charge telecommunications providers for use of the transportation right of way. Act 41, which was supported by the Department, contained language giving AoT the authority to assess fees on telecommunications providers who use the transportation rights-of-way. These fees are deposited in the transportation fund. The law allows AoT to waive these fees if both AoT and the Department find that the telecommunications assets provide a "comparable value to the state so as to meet the public good." In a meeting with Division staff and AoT in June, AoT informed Division staff that this law was supported by federal regulations that require state transportation agencies to charge fair market value for the use of the rights of way. Department staff will meet with AoT staff on Thursday, September 8.

VTel Lease on Mount Snow

Public Safety owns a communications tower on Mount Snow. VTel Wireless, Inc. requested a license to use the tower. Division staff, along with the Division's attorney, drafted a license agreement for the tower space. Both VTel and the Secretary of Administration have executed the license. Once operational, VTel's facilities will help serve the town of Wardsboro, which has many underserved locations.

Topsham Public Records Request

A newspaper in the Bradford area made a request for records pertaining to CoverageCo and Topsham Telephone. There were many CoverageCo sites planned for the Topsham area. Unfortunately, there are no opportunities for backhaul, as the only broadband provider in the area will not sell DSL to CoverageCo. Staff produced records relevant to situation, including documents from a PSB proceeding.

Connectivity Initiative Grant Proposal Review and Recommendation

The Department has a grant program called the Connectivity Initiative. The Connectivity Initiative awards money to Internet Service Providers ("ISP") to serve eligible locations. In June, the Department solicited proposals from providers through a request for proposal ("RFP"). In response to the RFP, the Department received proposals from eight different service providers, which included 54 different projects in 26 towns. The technologies included digital subscriber line, cable, wireless, and fiber-to-the-premises. As the law directs, the Department has made its selection based first and foremost on lowest cost per address, with some consideration given to

technology, cost of service to the consumer, and the ability of the technology to be upgraded in the future. The Department selected 14 different projects in twelve different towns, from five providers. The total award is for \$558,633. Staff drafted a letter advising the Connectivity Advisory Board of the Department's selection.

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. 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 served its first round of discovery on FairPoint on August 25. FairPoint's responses are due by September 8. The Department's first round of testimony will be due September 22.

Comcast CPG Renewal (Docket 8301)

The Board completed technical hearing for the docket on Monday, July 18. DPS, Comcast, and the Vermont Access Network ("VAN") all submitted post hearing briefs on September 2. The Department recommended that the Board include a CPG condition that would require Comcast to build 550 miles of line extensions over the 11 year term of the CPG. VAN, which advocates on behalf of public, education, and governmental access channels ("PEG"), filed an extensive brief with several recommendations that relate to PEG channels. The most prominent issues raised by VAN are access to Comcast's interactive program guide, distribution of PEG channels in HD, and the ability to provide live broadcast of community events. The Department partially supported VAN's request for access to the program guide and issues related to remote origination. Comcast strongly opposes the Department's request for build out requirements and all of VAN's proposed CPG conditions. Reply briefs are due on September 22.

VETC Designations (Dockets 8416 and 8542)

These dockets involve certifying incumbent local telephone companies as Vermont Eligible Telecommunications Carriers ("VETCs"), which would enable the companies to receive high cost support from the Vermont USF. The first docket includes the rural telecom companies and the second involves FairPoint. Comcast intervened in both dockets. The Department is trying to finalize an MOU with Comcast and the phone companies. The Department has expressed concerns about FairPoint's designation due to FairPoint's inability to satisfy the Board's minimum service quality requirements, but it appears that all of the major issue have been resolved and that the parties will be able to finalize and MOU within the next week.

Charter 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 requested that the Board extend the deadline for filing a proposed schedule on September 15. Charter also advised the Department that it is attempting to settle the complaints that precipitated the Board investigation. The Department informed Charter that if Charter resolves the pending complaints, then the Department will support a request for the current docket to be dismissed.

The Department, however, is concerned about this issue generally because the same issue arose with other cable companies in the past. Accordingly, the Department advised Charter that if the Board dismisses the pending docket, then the Department may seek to open a generic docket with the Board regarding the manner in which line extension costs are allocated among consumers.

Centralized Database of Telecommunications Facilities

On July 21 Administration Secretary Johnson sent an email to the secretary of the Agency of Transportation and the commissioners of Buildings and General Services; Forests, Parks and Recreation; Public Safety; and Information and Innovation advising them that he wants to create a complete inventory of all telecommunications facilities either owned by the state of Vermont, or located on state of Vermont-owned land, buildings or property, in accordance with responsibility assigned to his office under 30 V.S.A. §§ 227b and 227e. Secretary Johnson asked the secretary and commissioners to provide site coordinates and location(s) of telecommunications facilities, as well as copies of leases and other agreements, rate schedules, and Agency/Department-specific contract terms, to the Public Service Department's Division of Telecommunications and Connectivity who will compile the information and create the inventory database. Information is to be submitted to the Division Director no later than Tuesday, September 13. To date, only the Agency of Transportation has submitted information – a license amendment with AT&T for three antennae located at the Williston rest stop. However, that agreement expired on August 31, 2016. AoT also has jurisdiction over state airports but no information was provided. While we await receipt of information from the departments of Public Safety; Forests, Parks and Recreation; BGS and DII, staff will begin populating the new database using any executed agreement information located within former Vermont Telecommunications Authority files, as well as information from agreements executed by the Department of Public Service for telecommunications facilities in Bethel and Mount Snow. The goal is to complete the inventory database by the first week in October for review by Secretary Johnson. However, the ability to meet this goal is contingent upon the submission of accurate and current records from each of the departments/agency that received Secretary Johnson's memo.

Consumer Complaints:

Waterville: Staff spoke to a consumer who was dismayed at the deterioration of her internet service. She has had FairPoint service for quite some time but she has recently noticed the speed has slowed and the quality of service is poor. Staff reviewed her location and provided her with information on service options. Consumer was hoping to see expanded Comcast service, but there are currently no plans for such a project.

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 8th. Staff has followed up with all but two providers individually 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 30th. Nine providers have already responded with updates or requests for further information.

CoverageCo Project

Vanu CoverageCo is a company who was awarded the VTA and EDA Resiliency Projects to provide cellular service in unserved areas of Vermont.

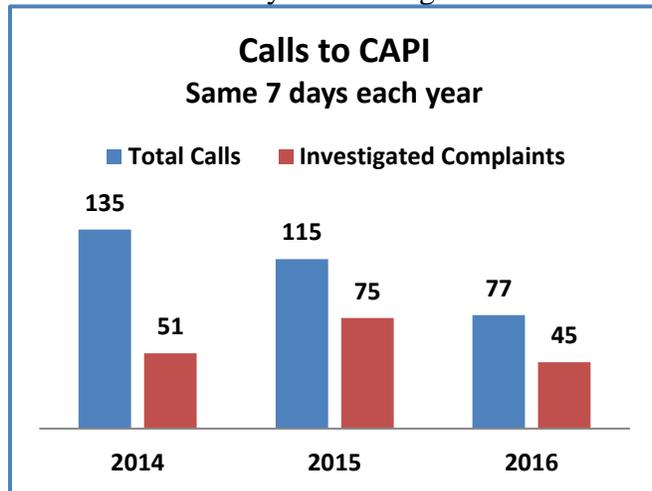
New Project Plans- CoverageCo provided a new proposal for VTA Project 1 sites and VTA Incentive Project sites at the face to face meeting on August 25, 2016. As a result, the Department has issued an acceptance to the plan with additions for CoverageCo to meet. CoverageCo has provided the letter to their investors to stimulate additional funding.

Project Activities

CoverageCo has an agreement now with TDS, the backhaul provider for the Roxbury sites. The plan to commission has been delayed due to TDS scheduling. Department is following up on the new schedule.

CoverageCo now has an agreement with Fairpoint in the Strafford area and are making plans for final construction. Four sites in the corridor are not in Fairpoint territory and CoverageCo ask for the departments support. The department advised CoverageCo to get a quote from ECfiber.

Resiliency sites in Readsboro and Whitingham have experienced a lot of down time since being commissioned. CoverageCo identified the problem to be power related. There will be a rework at the sites this week by a Vanu engineer and the state will be on hand for it.



CoverageCo has brought up 5 new sites in the Woodstock area making a total of 7 sites in operation. Validation test by the department however found two sites not working. The plan is for Vanu engineer to visit the site and determine the reason for failure since remotely resetting the sites did not work.

CAPI

Report period for August 28 to September 3, 2016

GMP Innovative Tariffs (8794) – CAPI

participated in a presentation provided by GMP about their proposed tariff for innovative product sales and financing.

CASES OF THE WEEK

Verizon Wireless -- A consumer contacted CAPI because they had waited three months for a promised rebate for signing up for new service. The new service was only affordable to the consumer with the rebate. CAPI contacted Verizon Wireless, which agreed to provide the rebate, two prepaid Visa gift cards in the amount of \$672 each, by mid-September.

Comcast -- A consumer contacted CAPI because Comcast turned off their phone service even though the bills were paid. The consumer had first called Comcast which sent a technician. According to the consumer, the technician said there was a problem with the modem, and implied that it might be a stolen modem the consumer had bought from Amazon (which CAPI has heard from other consumers). The consumer said they had been using this same modem for the past two years and had no problems with their phone service until now. While at the

consumer's home the technician called two different people at Comcast, one of whom was his supervisor. The tech was told by both people not to turn the consumer's phone service on until the consumer got a "Comcast-supported" modem. CAPI contacted Comcast to find out why the phone service had stopped working. Comcast provided a response that did not address the question as to why phone service stopped working, but that the company had installed a new "Comcast-approved" modem bought by the consumer, which resolved the problems with the phone service. CAPI has followed up with Comcast to find out why phone service stopped working in the first place.

Privileged and Confidential
Memorandum

To: Peter E. Shumlin, Governor
From: Hal Cohen, Secretary, Agency of Human Services
Re: AHS Weekly Report
Date: September 09, 2016

Secretary's Message:

The Department of State has asked voluntary agencies (Volags) around the country to increase their arrivals for September, the last month of FY16. USCRI informed the State that they agreed to resettle an additional 35 refugees (10% more), in addition to their agreed numbers of 350. They will go to Burlington and Winooski. Volags are authorized to go over their allocations by 10% without additional consultations with the states, if the refugees have US ties in the state. Regarding the settlement of Syrian refugees, we have been notified that the Office of Refugee Resettlement (ORR) is considering funding the VT Agency of Human Services application submitted under the Discretionary Targeted Assistance Grant funding opportunity for the amount of \$450,000, this is a three-year grant (\$150,000/year). They have asked us to amend our application because they are offering us a lower funding amount than we requested. This is not a surprise since the ORR always gives the floor amount to Vermont. This is a sign that we are not only going to get this grant but that they are going to approve the resettlement of Syrian refugees in Vermont.

As the anniversary of Tropical Storm Irene just passed, it is worth reflecting on the new Waterbury facility and its impact on staff and the community. The Agency of Human Services began their return to the Waterbury State Office Complex (WSOC) in January this year and completed the move in April. Over this period of time, I believe we have succeeded in reducing or eliminating staff anxiety caused by change and we have really settled into our new offices. Staff across AHS' departments are clearly pleased with the return to the WSOC. The modern facilities, natural lighting and co-location of departments at WSOC support increased productivity. We're also seeing improved morale as employees self-organize informal outdoor activities outside of work hours. During lunch or after work it's not unusual to see groups from multiple departments running together, practicing yoga or playing soccer on the horse shoe lawn. Working in close proximity to each other has helped us to develop better work relationships, integration and collaboration amongst departments. We are very appreciative to you, BGS and everyone who has made this move possible.

On Thursday, I presented the Governor's Award for the Business Excellence in Supporting Mature Workers to seven Vermont businesses. This was part of a celebration this week at the Vermont Society of Human Resource Management Luncheon honoring businesses whose practices are inclusive and supportive of mature workers as part of the larger workforce. As we know, inclusive and supportive business practices support the entire workforce but a focus on mature workers reinforces the viability of that population in addressing Vermont's changing demographic and ongoing economic development. The awards were given in collaboration with DOL and ACCD. The three top award recipients were: Bond Auto Parts, Biebel Builders and the Visiting Nurse Association of Chittenden and Grand Isle Counties. Four additional businesses received certificates of recognition.

AHS Highlights:

Vermont Department of Health (VDH):

Community Recognizes Overdose Awareness Day

More than 300 people gathered in Hartford on August 31st, Overdose Awareness Day, for a candlelight vigil to grieve those lost to overdose and gain hope from those in recovery.

Spearheaded by local landscape business owner Scott McDonald, who recently lost an employee to a suspected overdose, the planning for the event happened in just 10 days.

Narcan Update

The Department of Health trained and provided narcan for three new pilot sites, the AIDS project of southern Vermont in Brattleboro, the turning point center in Newport and the turning point center of St Johnsbury. The Department also enrolled three law enforcement agencies to carry naloxone, Orleans county sheriff, Northfield PD, and Royalton PD.

Department of Mental Health (DMH):

Vermont Psychiatric Care Hospital

VPCH census is at 25 this week. Hospital milieu is decreasing in acuity for the first time in six weeks and is accompanied by a decrease in mandatory overtime use. Some of this change is attributable to one patient's clinical improvement following a court order for administration of medication and increased staffing availability from both new hires and decreased benefit time use.

VPCH and DMH Central Office staff are finalizing the hospital's corrective action plan for The Joint Commission (TJC) in response to the Standard Deficiencies identified in July survey. The plan is due 9/11 to TJC. Staffing at hospital has been improving, with all mental health specialist positions being filled until two recent resignations. Additionally, the hospital has hired 3 new nurses since the beginning of the month and has been experiencing more interest from nurse applicants likely due to newly re-classified nursing positions and compensation increases for hospital nursing positions.

Emergency Departments

This week saw 27 people in need of inpatient psychiatric hospitalization and 22 of them have been admitted including 3 of 4 court inpatient evaluation orders. There remain 3 involuntary adults waiting for inpatient placement, 1 of the 3 have been waiting less than 24 hours. The two who have been waiting longer will most likely be placed later today pending planned discharges. One child on involuntary status and with challenging clinical needs is currently waiting more than 80 hours. Brattleboro Retreat reports they will be able to admit within the next 24 hours. There is currently 1 court ordered inpatient adult waiting less than 24 hours. There are no voluntary adults or minors waiting for placement. The overall occupancy rate in the adult inpatient system of care has been averaging 95% occupancy, while the child and adolescent inpatient system of care has had an average occupancy of 91%.

We have been seeing an increase in emergency examination and court orders for inpatient evaluation hovering around 27 for the last several weeks. This timeframe closely parallels the Vermont Supreme Court decision in the Kuligowski vs. Brattleboro Retreat and Northeast Kingdom Human Services case which asserts that service providers have an increased obligation with regard to information sharing and training for a "caregiver" or to warn individuals in the "zone of danger" of someone who has been psychiatrically hospitalized. In a split decision, the Supreme Court sent its decision back to the lower Superior Court to further consider this information and make a final ruling, which is still pending, in

this case. Both inpatient and outpatient providers have grown increasingly risk averse to releasing and overseeing individuals in the community who exhibit behaviors that place the individual, caregivers, or community members at risk of unforeseen future events.

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

Update on the Loss of Re-Allotment Funding in Voc Rehab

DAIL has been working through our congressional delegation in hopes of revising the recent decision related to a 73% loss of re-allotment funding to Vermont's Voc Rehab. Kathryn Toomajian from Senator Leahy's office and Michael DaNapoli from Senator Sanders office spoke with RSA Commissioner, Janet Labreck, and Fiscal Unit Chief, David Steele immediately for 50 minutes last week. We spoke with the congressional staff following that call and they were very discouraged. The funding was released at the same time that the funding level announcement was made and there is no way to claw it back. All agreed that it was still a good idea for Governor Shumlin to express his unhappiness to Commissioner Labreck as they will be making the decision about re-allotment portions next year as well. Currently, we are working as a Department to create a reduced spending plan for Voc Rehab for both SFY 17 and in line with a level funded budget for SFY 18. These reductions will have an immediate impact on VR programming overall.

Department of Corrections (DOC):

Potential 9/9 Disruption

September 9th marks the 45th anniversary of the inmate uprising at Attica in which the population protested about their living conditions and political rights. Approximately 2,200 inmates seized control of the facility, taking 42 staff hostage. After four days of negotiations the takeover ended, but not before 10 Correctional Officers and 33 inmates were killed.

In the past month there have been a number of inmate newsletters and publications around the country that have called on public protests and inmate participation to protest living conditions and furtherance of their political agenda. To date, the information suggests that these calls are for non-violent protests which might include hunger strikes and refusal to participate in routine facility functions; particularly jobs or vocational positions.

VT DOC has been actively paying attention to what impact this may have here in Vermont.

Intelligence officers have been reviewing inmate calls, letters and electronic communications for the past month. The intel reviewed has not found anything to suggest that anything is planned here in Vermont; however, we have been planning and preparing for this in the event something does come about. Several facilities will undergo full facility searches looking for contraband or evidence of anything to suggest that Vermont inmates may engage in these protests. We will have Special Response Team members working at each facility on the 8th, 9th and 10th in addition to normal staffing levels. Community work crews will be held in for the day, to avoid any protests or disruptions in the community. Superintendents are touring the facilities more frequently and interfacing with the population.

Population

The Department's incarcerated population averaged **1805** for the previous week. Last year at this time, the average was **+59** over the current number.

The Department's incarcerated male population averaged **1660** for the previous week. Last year at this time, the average was **+44** over the current number.

The Department's incarcerated female population averaged **145** for the previous week. Last year at this time, the average was **+15** over the current number.

The Department's overall detainer population averaged **465** for the previous week. Last year at this time, the average was **-50** under the current number.

The out of state population is currently at **251**. Last year at this time, the out of state population was **+39** over the current number.

Department for Children and Families (DCF):

Fingerprinting for Act 166 Pre-K Providers

DCF continues to work through challenges related to fingerprinting Act 166 Pre-K providers. School superintendents raised unknown issues and concerns just weeks before the start of the academic school year. These concerns included raising questions about whether DCF's Child Development Division could act as intermediary to perform fingerprint supported background checks on behalf of superintendents and also whether Pre-K programs could provide adequate supervision of staff whose fingerprints have been submitted and who have passed all in-state background checks while the national fingerprint check was pending. In addition, DCF has sent out over 2,000 fingerprint authorization packets but has received few results from VCIC. DCF is working with the Governor's office and the Agency of Education to resolve these issues and to ensure Vermont Pre-K children are receiving their entitled 10 hours per week of Pre-K education.

Child Care Funding Increase

In Spring 2016, a one-million-dollar increase was approved for the Child Care Financial Assistance Program. The following changes were effective August 21, 2016:

- The Licensed infant rate was increased to the 2009 Market Rate
- The Registered infant rate was increased by 3%
- Program income eligibility was adjusted from the 2014 Federal Poverty Level (FPL) index to the 2016 FPL index and
- The maximum income for eligibility for assistance (with a 10% benefit) was increased from 200% FPL to 300% FPL

These changes improve access to infant care, one of the most expensive types of child care for vulnerable families. It keeps income guidelines current and supports families who would have, in the past, dropped off the program due to the "benefits cliff." Families have already experienced the benefit of these changes. Some families now have no co-payment owed for child care due to the rate increase that now covers their entire cost of child care. Other families, who had recently received a raise at work, are able to continue receiving child care financial assistance due to the eligibility changes.

Department of Vermont Health Access (DVHA):

Customer Support Center

August's call volumes were the highest of any month in over two years, including the last two open enrollment periods. High volumes have primarily been driven by Medicaid renewal and have been heavier than in prior months as more renewing customers have called in the months following their closure. Our Customer Support Center contractor Maximus had difficulty staffing at the level needed to handle this volume and the result has been wait times that fall short of the contracted service level agreements (SLA).

These wait times are an inconvenience for Vermonters and are unacceptable to the State. Maximus has committed to reaching appropriate staffing levels and once again meeting their SLAs, and the State is closely monitoring their progress toward this commitment. To provide short-term relief while they recruited and trained staff, Maximus added functionality to tell callers what their expected wait times were and to offer callbacks. Over the last two weeks they have also added 30 Customer Service Representatives (CSRs) in Chicago as backup to their 80 CSRs in Burlington. They have also committed to stepping up their Vermont recruiting so their Vermont team can provide expected service levels.

A positive is that the improved system has allowed Tier 1 CSRs at Maximus to resolve a higher percentage of calls on the phone without transferring to Tier 2 eligibility staff. Once Maximus returns to achieving their prescribed SLAs, we expect their use of the improved system to result in a better customer service experience for callers overall.

New Provider Enrollment with Vermont Medicaid

Title 42 Code of Federal Regulations (CFR) §455.410 and §455.450 require all participating providers to be screened upon initial enrollment as well as revalidation of enrollment. Fulfilling the revalidation requirements has resulted in our experiencing a significant delay in New Enrollments. As we work to revalidate our 14,000 current providers, our turnaround time for new applications is running at approximately 20 weeks. We have hired additional staff to meet these demands and expect to substantially improve the turnaround time within the next few months. The deadline for completing revalidations is the end of September, after which we will concentrate fully on New Enrollments.

All Payer Model

Contract negotiations with OneCare Vermont continue. There have been several meetings to discuss the contract language and financial components of the contract. Many of the contract issues have been resolved with a minimal number outstanding. The financial aspects of the contract continue to be discussed with OneCare and the discussions have been positive to date. At this point there is a common understanding of the issues both sides face and preliminary positions have been discussed. There is a follow up meeting next week and the goal is to finalize the financial aspects of the contract within two weeks.

Other Agency Report Items for Consideration:

Agency of Human Service Central Office:

Medicaid Consensus Forecast Group

The “donut” group, which involves members from AHS, DVHA, JFO and Finance & Mgmt., met today to set trends for the FY17 BAA and FY18 budget. Consensus was met but the group will meet again at the end of October to assess the targets set versus the reenrollment process.

FY16 Audit

AHS and DVHA staff continue to work to respond to questions from KPMG as part of the FY16 audit as it relates to Medicaid. Staff plan to participate in a meeting with Finance & Management and KPMG to update KPMG on redetermination efforts and financial risk.

GC Waiver Renewal

Negotiations with CMS are ongoing and the fiscal team continues to support.

Rutland Reach Up & Family Services Collaboration

Rutland DCF is strengthening collaboration through ongoing All Staff “Meet & Greets” between family services CMs and the Reach Up case managers. They’ve established communication expectations and general protocol between FSD & Reach Up. They share and maintain current FSD & Reach Up Org Charts and have set expectations around returning calls, and sharing information proactively. They attend and participate in monthly meetings that include the FSD District Director & Reach Up Team Leaders, FSD Supervisors and FSD Social Workers and Reach Up Workers. They utilize and refer across division resources (e.g. the substance use resources of both divisions, including Reach Up in Family Safety Planning meetings) as well as joint meetings with families (in the office, in the community).

Chittenden County Opioid Alliance Steering Committee

Our Chittenden County Opioid Alliance Steering Committee held its quarterly Steering Committee Meeting on Tuesday to provide updates on all Action Groups and to engage the members in a personal/professional exercise to reinforce our commitment to this collaboration. The Comm STAT Group – which the FD co-facilitates with the BPD Police Chief will hold our first community meeting on 9/22 to kick off the project.

Vermont Department of Health (VDH):

Dental Awards

VDH is pleased to announce that Robin N. Miller, the Oral Health program director, received the 2016 Outstanding Dental Hygienist Award from the Vermont Dental Hygienists’ Association. Recipients of this important award are dental hygienists whose accomplishments are impressive and demonstrate commitment to the Dental Hygiene profession and to improving the oral health of Vermonters.

CHARM (Children and Recovering Mothers)

Vermont’s CHARM Team, led by KidSafe Collaborative, is cited as a case model for collaboration in working with pregnant women with an opiate abuse history in a new SAMHSA publication. KidSafe convenes this team in partnership with UVM Medical Center, UVM Children’s Hospital, Howard Center, LUND, VDH, DCF and others. Our work is making a difference!

EMS Investigation

The Vermont Department of Health investigated a report received through our website of a convicted sex offender responding on EMS calls. The individual is not an EMS provider and is not a member of an EMS agency. He is however a member of two fire departments. VDH has made contact with the division of fire safety for them to follow up.

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

Adult Protective Services and Data

APS is beginning to collect and review data on its functionality in order to improve services to vulnerable Vermonters. Data is available now on the appeals process, used by alleged perpetrators after a recommendation for substantiation has been made. Appeals are heard first by the DAIL Commissioner or Deputy and then by the Human Services Board. A first review of this data indicates that over 77% of the recommendations for substantiation are upheld on appeal. Factoring in all elements of the process, over 80% of the individuals we investigate and substantiate do make it on to the Adult Protection Registry. APS will continue to tighten practices to ensure even stronger investigative work and substantiations but, overall, we are pleased with this set of results.

Direct Service Professionals Day at the Statehouse

On Monday, September 12, we will be celebrating Direct Service Professionals Day at the Statehouse. This celebration is designed to honor those individuals who support Vermonters with intellectual or developmental disabilities to live independently, access work and build an inclusive life in the community. Both the DAIL Commissioner and the Director of Developmental Disabilities Service Division will speak at the event.

Department of Corrections (DOC):

Drug introduction to MVRCF

On 9/6/16 staff at Marble Valley Regional Correctional Facility were following up on information about the introduction of Buprenorphine in to the facility. It was reported to staff that inmate Zachary Dumas had been utilizing a child to gain access to contraband during visits. A review of video from a visit on 8/27/16 showed a woman who was visiting Dumas place an item in the clothing of a child who was also at the visit. The child went to the other side of the table where Dumas was viewed retrieving the item. The department notified DCF.



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**CONFIDENTIAL AND PRIVILEGED
MEMORANDUM**

TO: Governor Peter Shumlin 
FROM: Rebecca Holcombe, Secretary, Agency of Education
SUBJECT: AOE Weekly Report
DATE: September 9, 2016

Emerging Issues

Home Study Update

Last week we alerted you to the issue involving a number of families who had assessments that were poorly done. We have informed families and most families are moving quickly to address the issue.

Every Student Succeeds Act

AOE is sending a delegation to a CCSSO conference related to ESSA 9/12-9/14

Rebecca out of State 9/13-16

A Vermont delegation was invited to participate in an international consortium called the Atlantic Rim Collaboratory, dedicated to sharing of expertise around systems approaches to improving schools and building professional capacity. CA is the only other invited state. I will be traveling with a teacher (who is an NEA member) and member of the State Board, as well as representatives of the VSA and VSBA. The meeting is in Iceland. They arranged for a grant from Nellie Mae to pay for the teacher and me, after I said we would not expend state dollars to attend. So, no taxpayer dollars involved, if anyone asks.

Act 46

Two more merger proposals will come before the Board at the next meeting. One is from Grand Isle, and the other is from Addison Northeast (Dave Sharpe's district). They are both very well done proposals. If approved by voters, Grand Isle will be our first single unified union that is a tuition district. This is very good strategically, as we need to remind the public that towns that three of the "preferred models" in Act 46 involve tuitioning. John McClaughry is becoming my pen pal on this issue. He seems happy now to hear confirmed that these preferred models are for real.

National Recognition for Leland and Gray High School

Leland and Gray (Townsend) will receive major recognition as one of only eight schools in the nation to receive a gold award as a school of opportunity. This is for providing equality of opportunity for all students.

Meetings

Had a long phone call with Oliver Olsen to extend an olive branch. Will do a few things to help alleviate his concerns.

Media Contacts:

Jim Kenyon, Valley News: Jim is working on story about Strafford, which he says has no high school and has designated Thetford Academy as its high school. State law allows people to petition to send their children to other high schools, but parents who chose Hanover High School, he said have to pay \$1,200 per student. He said this doesn't seem equitable and wants to know why those students cannot seem to exercise school choice. They are bound by a special provision in statute that names Strafford specifically and which was requested by Strafford. Haley sent him the information that Donna provided and he spoke to Donna with follow-up questions.

Brian Rosenthal, Houston Chronicle: Brian requested the total number of students who were enrolled in the public school system in Vermont, and who then left the system to pursue homeschooling or private school. He asked for the number for each school year going back to 2001. The request is considered a public records request and is being managed by Dan Shepard and Judy Cutler.

Gaen Murphree, Addison Independent: Gaen was sent the minutes for the SBE's August 23 meeting on Friday afternoon after Stephanie made them available online.

Jess Wisloski, Williston Observer: Jess requested more detail on the SBAC results for Williston Schools and CVU on Friday afternoon and Michael Hock explained that the data was available on a school-by-school basis. He asked her to search the bottom of the excel spreadsheet for both state level and school level results.

Katie Jickling, freelance reporter (writing for Seven Days): Katie is writing a story for Vermont publication about Act 77 dual enrollment and had background questions about the implementation and philosophy behind the law. She also asked for an example of an initiative a school is taking that AOE considers to be successful or notable. Deputy Bouchey called her on Friday afternoon.

Tiffany Pache, VTDigger: Tiffany asked if fewer students in high school applied for FRL than previous years. The request was forwarded to Laurie Colgan who responded through Robert Stirewalt, "We do not have data on that, however the F & R numbers tend to be lower in HS than in the sending elementary schools." Tiffany later asked for contact information for the winners of the Presidential Award of Excellence in math and science teaching. Haley provided the four email addresses.

Howard Weiss-Tisman, VPR: Howard was finalizing a story on Tuesday about ESSA after interviewing Patrick Halladay and asked for clarification on how plans are accepted. Patrick drafted a clarification, which was sent to Howard by Robert Stirewalt. He later contacted Haley for a photo from the ESSA retreat at Jay Peak. Haley sent him three photos to choose from that she had Tweeted during the retreat.

Staci DaSilva, Fox 44: Stacy asked on Tuesday if there are teacher shortages in Vermont. Amy Fowler responded through Robert that there are some areas but in general, we have no shortage like other states.

Justin Lavelly, Northstar Publishing: Justin emailed Haley to have her fact check the education section of the Kingdom Guide. Jill Remick used to give them a look to make sure there were no glaring mistakes. Haley checked and they were accurate.

Lauren Maloney, Fox 44: Lauren emailed to schedule a time for Secretary Holcombe to come in to talk about Act 46 for a Sunday segment. Haley worked with Maureen and Suzanne to find a time to schedule it. We are hoping for September 21.

Richard Sheir, The Bridge: Richard emailed Haley to ask why the four teachers were selected as winners of the presidential award for excellence in teaching math and science and asked for more information. Haley explained the rigorous application process and sent him a copy of the press release from the White House about the award.

Nina Keck, VPR: Nina called to ask about additional funding that schools receive from the state for ELL students. She had heard from a Williston administrator that schools receive about \$2,000 per student and wanted to know the total amount and what it is called. Haley checked with Brad James who explained weighting. He offered to talk to Nina.

Executive Privilege

TO: Governor Peter Shumlin
FROM: Secretary Chris Cole
DATE: Friday, September 9, 2016
SUBJECT: VTrans - Confidential Report to the Governor

NOTES FOR GOVERNOR

Week's Activities

This week VTrans hosted a delegation from Puerto Rico to learn about how a rural state implements an asset management program. FHWA DC indicated to them that we had one of the best asset management programs of a small rural state and we are innovative on how we deliver the federal program. Always nice to hear that kind of feedback.

We are in the midst of our budget development for this year and I anticipate we will meet the 9/20 deadline submission date. There will be project delays due to a lack of funding as we try to accommodate legacy projects that have been decades in development with the investments we need to continue to make to keep our existing infrastructure in a state of good repair.

We welcomed Wanda Minoli to our DMV team this week. She seems to be settling in just fine.

I made welcoming remarks at the Tri-State Transit Conference with Maine, New Hampshire and Vermont transit agencies in attendance. Vermont also received notice this week that we received a \$3.9 million grant from the FTA to replace buses at CCTA.

We have a few ribbon cutting opportunities this fall, the Waterbury I-89 project should be complete and represents one of a series of highway investments we are making in the Waterbury/Stowe/Morrisville Route 100 corridor. We can highlight the support that brand new infrastructure has for the economy in this area. We are developing a list of other projects you might want to highlight. The Ripley Road Bridge in Rutland City is due to open around October 1. A State Highway bridge on VT 100 in the Town of Wardsboro is set to open mid-October. The Park and Ride in the Town of Rockingham is set to open in late October. The Burlington Downtown Transit Facility is opening on October 13; Senator Leahy will be attending as will I. That's about it for project completions this fall.

NOTES FOR STAFF

Little WACR Montpelier and Barre Bridge 305

This bridge recently underwent an in-depth inspection as part of the scoping phase of the Montpelier WACR(8) project. During the course of this inspection, substantial deterioration was found on primary load carrying members. The amount of additional deterioration is significantly more than existed when the 2014 Load Rating was performed. As a result, the 2014 load rating information we have on file has been rendered obsolete. A site visit was held on Tuesday August 30 with representatives from VTrans, VTrans' consultant engineer, VRS and VRS's consultant engineer. The recommendation from our consultant engineer is that no train traffic cross the bridge prior to rehabilitation of these deteriorated members, although the actual decision to move freight is up to the railroad. VRS was initially notified with a recommendation to restrict train traffic over the bridge on August 26, 2016, and that recommendation was reiterated at the site visit and via email on August 30, 2016 and September 2, 2016. VTrans is evaluating the repair/rehab options available to safely resume train traffic over the bridge.

Ministry of Transport Quebec-VTrans Cooperation

East Richford-Sutton International Bridge: VTrans has requested a meeting with FHWA VT Division and Northern Border program contacts from FHWA HQ. This is in regard to another round of Presidential Permit application questions from US Department of State that were received last week, rather than the final decision the we had hoped for. The US Department of State appears to be stuck in the weeds on the historic details of the bridge, it's lack of Congressional approval on construction in 1918, and any use of federal funds back to its reconstruction after the 1927 flood. The meeting is slated for September 8 at FHWA VT offices. Deputy Secretary Rich Tetreault will be reaching out to FHWA Administrator Greg Nadeau with our next submittal to the Department of State to let him know we welcome his assistance if he knows anyone over there.

US 2/US 7 at Mountainview Drive (Costco, Colchester)

Costco's engineer, Trudell Associates, and Jim Clancy have scheduled a meeting for September 22 to discuss the requirements and timing of their Section 1111 permit (yet to be applied for) to do improvements required prior to the gas pump expansion. An internal agency meeting has been scheduled by Chris Clow for September 16 to discuss the financial/logistical impacts involved with the Costco gas pump construction.

ANR/VTrans Coordination

The Coordination group met on August 25. Topics discussed included:

- TMDL Implementation Meetings and the inter-agency presentations to be presented on August 29 and 30.
- The Clean Water Fund August 22 Board Meeting: The "working meeting" included a review of the public survey comments and the responses and modifications of the draft FY 18 funding allocations.

- Treasurer’s Water Quality Funding Report: DEC, along with the Treasurer’s Office, will be convening stakeholder meetings in the fall for public review and comment of the draft report. The CWF Board has a strong interest in looking at the policy issues/feasibility of the various revenue sources and being involved in the screening process. As of now there are several transportation-related revenue sources – gas/diesel taxes, registration fees, tolling, etc. - being considered.
- TS4 Permit: The draft permit is anticipated to be issued in December of 2016 with public comment to follow.
- State Agency Energy Plan: VTrans’ energy plan will include a chapter that describes significantly increasing solar projects in the ROW and other agency owned/managed land holdings; the economic and environmental benefits of investing in solar; an evaluation of various financial options; planning processes for identifying and permitting sites, including consultation with municipalities; and the types of sites that make the most sense. VTrans’ consultants have reached out to ANR and others regarding recommended processes for federal and state environmental review.
- Missisquoi Bay Bridge Causeway: VTrans will be reaching out to ANR to request that WQ and F&W (Endangered Species) staff be available for meetings with the NWRPC TAC and Board in October. Once comments are received from ANR and NWRPC, the final report and recommendations will be drafted in time for the meeting in October.

Road and Bridge Standards/"Codes and Standards"

VTrans met internally with DEC reps on September 6 in preparation for a report to the legislature regarding VTrans Municipal Road and Bridge Standards due in January 2017. The group reiterated their previous agreement that the VTrans Standards should not be changed until the DEC Municipal Roads Permit Standards are final and towns have had experience applying them. This would be in 2020 when VTrans' next report to the legislature is due.

State Infrastructure Bank

The SIB board approved a loan to Barrett Trucking, for their planned intermodal facility in Shelburne, at their meeting on August 10. VTrans staff responded to questions from the Rail Division and the borrower about the cooperative agreement that will be used for oversight of the intermodal project on behalf of SIB.

Barton, ATVs and VT F&W

The Mapping Section was included in the “VT F&W to ATV Riders: Avoid Road or Face Fines” in the Vermont Standard on September 1. The reference to the Mapping Section relates to two roads that were dropped from the Town Highway Map for Barnard, due to lack of documentation showing legal establishment through the statutory process or “dedication and acceptance”. No further action is needed from Mapping until the Town provides additional document on the road, or if there is legal action.

Rockingham Park and Ride Project

The construction of the Rockingham Park and Ride is scheduled to break ground during the week ending September 10. This is a much anticipated project funded by an old federal earmark. The earmark is also funding a bus facility expansion adjacent to the proposed Park and Ride site.

Construction

We have 49 active work zones: 21 bridge, 8 safety, 11 paving, 3 reclaim, 3 roadway and 3 rail. We anticipate 90 contracts active this year.

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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: September 9, 2016
Subject: ANR Weekly Report

Governor Level Issues:

PFOA: US Geological Survey (USGS): DEC entered into a joint agreement with USGS to conduct groundwater studies in Bennington. The pilot project will sample eight water wells and conduct analyses of data from multiple tracers in groundwater in order to understand groundwater flow systems and PFOA.

Rulemaking Meetings: Public meetings were held in Bennington and Montpelier this week to receive comments on the proposed amendments to add PFOA and PFOS to the Groundwater Protection Rule and the Hazardous Waste Management Rule. WCAX covered the Montpelier event. Toxics Action Center and VPIRG attended the Montpelier meeting as well. There were no comments at either meeting.

Municipal Day: We had another successful interagency Municipal Day at National Life. Over 120 local officials have come (today) for a day of workshops. This year's event was planned and implemented entirely by staff so that it will continue in the future no matter who is heading our agencies in the coming years.

VW Lawsuit: Yesterday the Attorney General announced that he was suing VW under our consumer protection and environmental laws. Insofar as they admitted to the fraud already, although this will be a complicated a lengthy suit, the real issue will be about the amount of the penalties and damages they will have to pay us. I am happy to brief you on this if it would be helpful.

EVERYTHING ELSE:

Press Issues/Releases:

PFOA – VPR: In response to a recent article in the Bennington Community Update, the Geology Division was contacted by Howard Weiss-Tisman of VPR. He spent several hours in

the field with us on September 8 to learn about geoscience and the aquifer characterization process.

FWD Headlines: VT F&W Celebrates 30 Years of VT Duck Stamp Program: Millions of Dollars Raised, Thousands of Acres Conserved; F&W is Hosting an Advanced Bowhunting Clinic; and VT Fish & Wildlife Seeks Bear Teeth from Hunters.

FPR Headlines: Labor Day Weekend Wraps Up a Great Summer for Vermont State Parks; and More Stories About Forest Tent Caterpillar Outbreak.

Significant Events/Meetings:

Stormwater Management Manual Filed with ICAR: The 2017 Manual was filed on August 30. Adopting the Manual by the end of 2016 is a requirement of the Lake Champlain TMDL accountability framework. EPA sent DEC a letter stressing that the draft manual must be strengthened in order to meet the requirements in the TMDL. After further dialogue, it became clear that EPA did not understand DEC's proposal. We have clarified the phosphorus-reduction targets and processes in the manual and have satisfied EPA. The substance overall has not changed and is the result of a two-year process with diverse stakeholders.

SUMMARY OF KEY DEPARTMENT ACTIVITY

Environmental Conservation (DEC)

Putney Wastewater Loan: A Clean Water State Revolving Fund loan was awarded for \$27,250 to develop a complete inventory of the assets of the wastewater system, including the condition of each asset, and a comprehensive picture of which assets are most critical, allowing the Town to switch to proactive management of the system from the current reactive mode. This is one of many such funding authorizations around the State for asset management, which should hasten the transition for communities to more proactively manage their wastewater systems.

Universal Recycling (UR) Progress at State Buildings/Facilities: Casella and Grow Compost partnered and were awarded a contract to offer food scrap collection to Southern State Correctional Facility (Springfield) and Southeast State Correctional Facility (Windsor). These facilities are initiating food scrap collection ahead of the UR mandated timeline given that they are located outside of the 20-mile radius that triggers compliance for diversion until the landfill ban is effective in 2020.

Vermont Wetland Rules Filed with ICAR: These changes will update the Rule with current statutes, the new permit reform procedure, and add four Class I wetlands: Sandbar in Milton and Colchester, Black Gum Swamps in Vernon, Dennis Pond Wetlands in Brunswick, and Chickering Fen in Calais. The filing followed engagement from diverse stakeholders has not been controversial.

Fish & Wildlife (FWD)

Land Donation to Ease Anchor Ice Problems at Bennington FCS: Staff have been working to compile an approval package for a donation easement for an abutting landowner near the Bennington FCS. The purpose of the easement is to allow the Department to lay a 4" water line to the Bennington FCS South Stream intake structure. In turn, that line would allow for the introduction of well water to prevent the formation of anchor ice in times of extreme cold at Bennington FCS. The Bennington facility stream intake has been plagued for years by anchor ice and the eventual installation of this prevention mechanism is hoped to alleviate this threat in the future.

Pioneering Event for FWD: Staff have been working to contract with a professional meeting facilitator Hugh O'Doherty to have a facilitated discussion regarding relevancy and the future of fish and wildlife conservation in VT amongst Department staff as well as other key stakeholder groups. The tentative date of the meeting is planned for October 24th and is planned to be held at Kehoe Conservation Camp. With the anticipated exemption for the insurance requirements under Bulletin 3.5 it is expected that a contract will be out for signature this week.

Brood Line to be Established from Lake Champlain Landlocked Atlantic Salmon: On 8.31.16 staff along with the fisheries division director, the EWFCs supervisor, and two Champlain fish management staff participated in a conference call to discuss research proposals regarding Lake Champlain landlocked Atlantic salmon as well as a request to acquire salmon gametes from Lake Champlain feral landlocked Atlantic salmon to establish a brood line at White River National Fish Hatchery. A decision was made to approve the research proposals and broodline request provided that a number of conditions are met to VTFWD's satisfaction. Specifically, the Department will be requiring a comprehensive biosecurity plan which must be approved in advance by VTFWD. Approval of this plan will help alleviate the Department's concerns regarding fish health and the potential of spreading Lake Champlain fish pathogens into inland waters. This decision to conditionally approve was formally communicated to the USFWS on 9.1.16.

Structures Improving Trout Survival on Batten Kill: District 1 staff with assistance of Districts 2 and 3 and the U.S. Forest Service conducted the annual trout population survey of the Twin Rivers Habitat Project. The project site is located on the Batten Kill near West Arlington and has been monitored since 2005. In September 2006 a stretch of the river was treated by the installation of large wood and rock cover habitat structures to assess brown and brook trout population responses. Over the years since habitat treatment, trout abundance and size structure have improved. Based on this year's samples, trout continue to use the structures which appear to be improving survival.

Forests, Parks and Recreation (FPR)

AMP Revised Rule: The Final Proposed AMP Revised Rule will be addressed at the September 8 LCAR meeting. The Rule must be adopted by November 16, 2016.

State v. Davis: The second appeal of Kenneth Davis to the Vermont Supreme Court is scheduled for Thursday, September 15 at 9:00 am. This case involves AMP violations and discharges to state waters on a logging job conducted by Mr. Davis. The Environmental Court upheld most counts of water quality violations and Mr. Davis appealed arguing that Tropical Storm Irene was the cause of the discharges, among other issues. The Supreme Court disagreed but remanded to the Environmental Court for further findings regarding the AMP violations and discharges. The Environmental Court amended its decision by making further factual findings, based on the existing record for the prior hearing, and reissued the decision, still finding AMP and water quality violations. Mr. Davis appealed to the Supreme Court arguing that the Environmental Court erred when it found AMP violations were the cause of discharges into state waters and not Tropical Storm Irene.

Huntington Community Forum: On the evening of August 22, Recreation Coordinator Jessica Savage, District Forestry Manager Gary Sabourin, Stewardship Forester Jason Nerenberg and members of VT State Police were guests at a Community Forum with the Town of Huntington. Neighbors of Camel's Hump State Park shared their concerns about ongoing traffic issues caused by visitors and hikers, including overcrowded trailhead parking areas and speeding on Camel's Hump Road. The Stewardship Team will look into the potential for expanding parking areas or running a shuttle bus during the busiest times of the year. Increased signage and public outreach efforts will be implemented to encourage safe travel on roads leading to trailheads.



State of Vermont
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To: The Honorable Peter Shumlin
From: Joe Flynn, Deputy Commissioner of Public Safety
Date: September 9, 2016
Subject: Weekly Report

Priorities:

The Division of Fire Service partnered with Vermont Technical College assisting the Fire Science Students in Fire Public Education as part of an interim program. This is a positive gesture to promote fire prevention and fire service training at the campus and working together with VTC and the VSC system.

A meeting was held this week with Dr. Will Adams with the Korey Stringer Institute (UConn), Denise Alosa, VOSHA (DOL) and representatives from all divisions within DPS. The purpose was to further our planning around Heat Related Policies and Safety Procedures launched in the wake of the death of Trooper Kyle Young. Products created here at DPS regarding this may be beneficial to share with other agencies and departments of state government. DPS would be happy to work with the DOL and AoA on that if of interest.

Administration

Vantage was finally opened on Thursday, Sept. 1st and the personal services upload, mainly in the funding area, contained incorrect data. We are working on analyzing and correcting the positions data now. Because the salaries/funding is such a critical element of the budget build, we have to get that right before we can do anything else. We will need to decide whether to include extra funding for DNA kits for the Lab as that will be a definite pressure in FY18 that is unbudgeted and whether to include a request for the SOR position and funding.

Brad Ferland, Deputy Commissioner of Finance and Karen Jaquish, Statewide Grants Administrator, Finance & Management attended our Single Audit opening conference on 9/6/16. F & M is attending all of the opening and exit conferences this year with KPMG (SAO contractor to perform statewide annual Single Audit). This will be a re-audit of the HSGP program due to findings over the past few years. Two of our ongoing findings have to do with asset management and programmatic monitoring. Hopefully, the programmatic monitoring issue will be resolved now that DEMHS has hired a HS Program Manager (Sara Small).

The plan for the Entergy funding (through the recent MOU) is to put the budget for the \$300k into the DEMHS appropriation for the FY18 budget build since we eliminated the RERP appropriation in FY17. This simply means that DEMHS will have a special fund in their regular appropriation rather than a stand-alone RERP appropriation.

Forensic Lab-

This week we were informed that due to the move of BGS Deputy Commissioner Minoli the project manager for the Lab renovation for drug testing (funded through the Capital Bill) was going to have to check with Commissioner Obuchowski on next steps. Meanwhile other needs and issues with the building remain:

- BGS working to remedy air handling issues (need lab-wide evaluation of system)
- BGS/Control Tech/Precision reps evaluated areas on 12/10, 2/10 & 6/15 (BGS to calibrate all fume hoods, check ceiling for stray air leaks, install valves to allow adjustment of equipment, balance all rooms)
- Ceiling leaks in Serology exam room worked on but may not be fixed yet
- Apparent allergy-like reactions in lab (sneezing, etc.) – desire to request BGS to review

1 DNA analyst (grant-funded) position closed 8/2, reopened 8/31 for brief period to allow additional applicants, 2 additional applicants will be invited back for interviews.

1 analyst currently training in Alcohol and another 7 cross-training in Latent Print analysis.

Proficiency testing samples (1 yr. contract) ~\$16K [returned from vendor with signature].

Maintenance and support of Laboratory Information Management System (3 yr. contract) \$60K [with AG].

DPS posted an RFP for drug testing services (currently NMS) on 8/23 (closes 9/9).

Working with IT/vendor to upgrade LIMS (submission, processing, reporting system).

Inquiries made by VSP to integrate their FileOnQ system with the lab's LIMS.

Instrument used for Fire Debris analysis is fixed, but due to age, seeking quotes for new instrument (~\$80,000) to allow redundancy and increased capacity for controlled substance and fire debris analysis.

VFL hosting New England Forensic Drug Analysts regional meeting 10/27.

Communications-

Radio Shop primary activities include:

AOT salt controller interference update: We continue to replace controllers as they become available from the manufacture. All AOT vehicles equipped with salt / material dispensers required the update. Currently our focus has been on districts 1, 2, and 3 vehicles.

AOT has requested that radio coverage improvements be made in the district 9 region. Based on our testing and engineered coverage mapping, we have determined a new transmitter site is needed at Ben Young Hill. We are working with AOT on the cost associated with establishing this station.

We are working on the RFP for conference space and meeting services for a January statewide FirstNet meeting and technology demonstration. It is anticipated a location will be selected within the next two weeks and the final meeting date confirmed. Participated in the quarterly update meeting with Federal Program Officer Carolyn Dunn on the State and Local Implementation Grant Program. During the second quarter, the outreach team made 3,503 public safety contacts through in-person meetings, website communications, newsletter communications and community presentations. We began the research process to write a new RFP for technical consulting services to evaluate the FirstNet state plan for Vermont. The goal is to complete the writing of a new RFP within the next week.

VCIC-

The vacant Deputy Director search committee has completed interviews and additional reference checks on the preferred candidate are being conducted before a final recommendation is forwarded for review, the Marijuana Registry reclassified position list has been routed and resumes continue being reviewed to determine interview candidates, and the vacant Criminal Record Specialist position has been posted with over 100 applications submitted to date.

Work continues on review and response to triennial FBI audit of Vermont criminal justice information services. At this time all necessary responses have been submitted except for the IT Security section as responses are still pending from the state Department of Information (DII) and Innovation (the necessary information has now been submitted by the Department of Motor Vehicles). The DII reports the remaining vendor (Atrion) continues to review the necessary documents with legal counsel and if closure is not provided in the near future a response will have to be crafted without this information.

The Tri-State AFIS contract proposal has been returned by the vendor with minimal changes and these have been routed for review accordingly. Both the Attorney General's (AG) Office and the DII has indicated no meaningful concerns at the proposed changes (upon initial review). The updated contract is now being pushed through the AA14 process for final signature by the necessary parties (AG and DII) for both the state and vendor. At this time Maine has signed and executed the contract with New Hampshire now projecting a late September date for final approval and formal project commencement.

The majority of issues relating to the rollout of the CPI Messenger product have been addressed at this time. Work continues on the interface between the message switch and the Sex Offender Registry (SOR) software and both vendors are reviewing the current configurations.

DEMHS

Waterbury Select board met on 09/06 and discussed a letter from the owners of 5 Healy Court, an HMGP elevation project awaiting FEMA response.

Director and Deputy attended the first of 4 weeks of Supervision in State Government.

Two Regional EM Program Coordinator positions (North and South) were posted for hiring this week.

Op-ed on Hazard Mitigation Grant Program progress since Tropical Storm Irene authored by Commissioner Flynn was picked up by a number of media outlets.

HS Program Manager, HS Chief and COS attended the KPMG single audit kick-off meeting with Administration on 9/6.

HS Chief attended a meeting with the Law Enforcement Working Group on 9/7 to review the outcomes of the Law Enforcement Planning Project that was funded with HSGP FFY14 funds and to discuss the next steps for the Law Enforcement Planning Project funded with FFY15 HSGP funds.

Social Media-

Facebook (DEMHS): 12,518

Facebook (VT Alert): 5,956

Twitter (DEMHS): 6,145

Work on SEOC renovations has begun with an inquiry to BGS on removing defective equipment as well as relocating mounting equipment to other areas of the SEOC and the acquisition of a projector.

EM Planner initiated EMAP Self-Assessment process to start reassessment process on 9/9.

EM Coordinator attended Effective Facilitator class this week in Montpelier.

CI Planner and COS attended SEOC COP Review with VTNG on 9/6.

CI Planner met with VCIC Director on 9/7 regarding Cyber Crime data.

Local Emergency Operations Plans are currently at 87% - equal to all of 2015's submission rate.

Fire Safety

The Division received \$7.3 Million in new plan review construction valuation collecting \$57,000.00 in permit fee revenue.

The rules will be submitted to LCAR on September 22, 2016 and if all goes accord to plan we should have an official adoption date of October 10, 2016.

We are spending time working on the Act 156 Legislative Report to the Office of Professional Regulation. We will certainly have this completed on time.

Peter Lynch started work yesterday (new Fire Academy Director) and no doubt he will be busy as our busiest part of year is in the fall.

The HazMat team responded to a couple of incidents to include 2 suspected meth labs and a white powder incident which you were advised of. The team has responded to 88 incidents this calendar year.

The fire safety trailers have been set-up pretty consistently this summer with the latest event being the Champlain Valley Fair.

Vermont State Police

A Troop-

FF

19 Total Arrests, 9 DUI

9 motor vehicle collisions on Monday caused significant traffic delays on I-89 and I-189.

12 year old run away from Hinesburg on Tuesday Agency assist - female located near home.

Assisted Winooski PD with Armed robbery/burglary from residence.

Homicide Essex – Champlain Valley Fair. 20 yr. old deceased. 22 yr. old suspect stabbed decedent and fled scene, arrest warrant being applied for. CSST called out, 2 BCI Det. assisted. Several cellphone videos of fight. An arrest was made.

BCI

Assist to DCF on an internet safety plan regarding a juvenile and inappropriate contact with older persons. CUSI assigned.

Female came to the Williston barracks to report that her co-worker disclosed that her uncle had killed someone a number of years ago. D/Sgt. assigned.

Assisted uniform with a sexting case. Male was receiving images of his 15 year old female on his phone. Parents located images and confronted him. Male stated he never passed the images along and the female admitted she sent the photos.

Natural Death investigation in St Albans. 82 year old female with multiple health problems found unresponsive by her son. D/Tpr. investigating.

Untimely death investigation in Montgomery. 45 year old male found unresponsive in her workshop. Death ruled an Overdose of medication.

Trooper background / Sara Sayles.

Sex assault investigation. 4 year old female alleging she believed her father had assaulted her when she lived in St Albans. NUSI Assigned.

Trooper background assigned. D/Tpr. assigned.

Assist to CUSI with a forensic interview of a 15 year old female alleging she was sexually assaulted. D/Tpr. assisted with the interview.

Sexual assault allegation from a 7 year old female. Very little information given. D/Tpr. assigned.

Assault case at the State Hospital. Patient assaulted a staff member by punching him in the head with a closed fist. D/Sgt. assigned.

Suspicious injury to an infant. D/Tpr. assigned. Infant believed to have a broken leg which was in the healing phases.

Sex offense involving a 7 year old female alleging she was sexually assaulted. D/Tpr. assigned.

Suspicious case at State building in Montpelier. Retirement division reported a suspicious powder on the desk believed to have come from a letter received in the mail. Small scale activation of the HazMat team and BCI. Powder found to be a derivative of salt. D/Sgt. assigned.

Reported sex offense involving two juveniles. Suspect determined to be 13 years old. D/Tpr. assigned.

Continued follow up of assault case in Williamstown. Male victim agreed to provide drug intel to Task Force

B Troop-

FF

9 Total Arrests, 3 DUI

Responded to the BAART clinic for a reported physical fight between two females. When officers arrived, one female (the complainant) was on scene. A check of her information revealed she had an outstanding warrant from Essex, VT. She was transported to Caledonia Court.

BCI

Assigned Sexual Assault investigation where 3y/o and 10y/o females were sexually assaulted by an adult.

Assigned investigation where 12 y/o was touched inappropriately by 14 y/o last year on the school bus.

Assisted with report of a male making threats while firing a weapon on the railroad tracks in Barton subject located and taken into custody.

Responded to request for bomb squad response from Colchester PD, arranged for a response – 12 Molotov cocktails identified, other white powders assessed and deemed not to pose an explosive hazard.

Assigned investigation where P&P reporting that a female they supervise was solicited for sex by an Addiction Coach.

Assigned a case regarding a juvenile at Woodside that disclosed being used as an escort and given marijuana by her father – turned out to be unfounded as the victim refused to speak with DCF or SIU investigators.

Bomb Squad Training in NH (demolition operations).

Assigned threatening case from Northern State Corrections – Inmate had journal threatening to kill judge and States Attorney upon his release on 10/2018.

Call in for Death Investigation in Westmore – 2 deceased at same residence, 63 y/o male, 90 y/o female. It appears the male died first up to two weeks ago and then the female whom he was caring for died after. It was reported she may have been suffering from Alzheimer/Dementia. Both are pending autopsy but are suspected as natural.

Call in for Death Investigation in Glover – 77 y/o male, natural.

Call in for Fire Investigation in Randolph.

C Troop-

FF

15 Total Arrests, 4 DUI

Fatal crash in Proctor.

Missing person from the APLT. This was a two day investigation that resulted in the missing person making contact with family members.

Attended a public safety meeting at Castleton University.

Barracks tour and Q&A session with students from Job Corps with Vergennes.

A leg of the Green Mountain Stage Race occurred in our coverage area.

Performed a K9 demo at Stratton Mountain.

Visited both Long Trail School and Dorset Elementary.

Visited Mack Molding Business to discuss emergency action plans.

BCI

Case write-ups for on call weekend's deaths.

Follow up on Florence embezzlement case; ATL case witness for interview in Bristol.

Follow up with family and supplemental report completed regarding S/A case review in Ira accidental shooting of 9 yoa female; no charge(s) forthcoming.

Completed Toribio background.

2 phone conference on Hart homicide and related follow up.

New case: 11 y/o girl living in small camper with 3 older siblings and parents alleged that 12y/o brother was sexually assaulting her. Interviews conducted with child, 3 siblings, and parents. DCF is not going to substantiate but will assist family with much needed services.

New case: dead body. 33y/o female found unresponsive by 10y/o son in Poultney. Transported to RRMCC where pronounced. Lengthy history of cardiac issues, obesity. Natural – no autopsy.

New case: dead body. 68y/o male found deceased by son in Stamford. Appeared to have stopped to rest in a chair after mowing lawn and died. History of cardiac issues, obesity, diabetes. Natural – no autopsy.

SIU Investigators meeting.

Assisted Uniform Troops with taking digital photographs of a female who sustained injuries/bruising during a motor vehicle crash.

Continue the scan of Shaftsbury evidence room.

Work on Rutland evidence room.

New Case; Assisted DCF with interview of 13-year-old female who was involved with an altercation with her mother and grandmother.

Assisted with offender interview and follow up on Sexual Assault Case in Arlington.

Schaff Case write up.

MDT response to Child Sex Trafficking training – Albany, NY.

Det. Todd attended LPO (week 1).

Case/Prosecution review with Fire Investigation Unit in Royalton. Case was the recent arson investigation in Whitingham.

Prepared/Sent out invitation for upcoming VSP/ATF fire training seminar.

Finished background.

D Troop-

FF

12 Total Arrests, 6 DUI

Troopers responded to a welfare check on Sunset Lake Rd in Dummerston; subject was located deceased, believed to be suicide; BCI is following up.

BCI is following up on the death of 57 year old male on the Long Trail in Peru.

During the Week Troopers worked on a possible missing person case. Troopers responded to the Town of Rochester to meet with a female who wanted an intoxicated male removed from her campsite. The male and female were volunteering at the Chittenden Brook Camping for the US Forest Service. The Troopers accompanied the female to the campsite, the male was gone and the female took her camper and left. The next morning the female was concerned because the male had not returned. Eventually the Forest Service was able to make contact with the male via phone and he advised he was going to spend some time in the woods to be away from his wife.

BCI

Assist follow up with Kinney-Shooting in Putney over the weekend.

Follow up-Rosenberg Death.

Case write ups; court preps etc.

Death Invest-Royalton-Natural causes.

Assist w/possible shaking baby syndrome.

Suicide-Sunset Lake Road-Dummerston.

Dead Body-Hiker on Long Trail-Peru.

Dead Body-Natural causes-Ginseng Ln. Brookline.

Evidence Transfer to HQ.

Saxtons River – Death Investigation – Untimely 77 year old found in his bed during a welfare check. Nothing suspicious. No autopsy.

Continued follow up from Putney Shooting.

Death Investigation- Sharon- Natural causes.

Several electronic devices dumped with cellebrite.

Assist to Springfield PD with Stabbing case initially thought to have occurred in Bellows Falls, several interviews done, case reports completed.

Suspect interview done in Bennington with DCF, case will be referred to SA for review.

LPO training – Monday through Friday.

Assist with stabbing investigation in Springfield.

Assist with suicide investigation in Dummerston.

Completed stabbing case reports.

Meeting at Sharon Academy with SA's, DCF, school faculty to present mandated reporter training as part of case resolution agreement.

Suspected child abuse case -2 month old at DHMC – all parties interviewed – doctors concluded child had no non-accidental trauma – case ultimately referred back to DCF.

TOPS-

All personnel worked CV Fair during the week.

POLYGRAPH-

Meeting with Bennington Police Department regarding an old shooting case. Female victim initially reported that she shot herself in the stomach with a firearm. Now reporting that her ex-boyfriend was the one who shot her. Police department has a lot of follow up to do before a polygraph can be administered.

Meeting regarding creating a new electronic submission of forms for polygraph criminal tests.

Worked with Hartford PD regarding a criminal exam of a mother whose child had received suspicious injuries.



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Justin Johnson, Secretary

**PRIVILEGED AND CONFIDENTIAL
MEMORANDUM TO THE GOVERNOR**

TO: Governor Peter Shumlin

FROM: Secretary Justin Johnson

DATE: September 9, 2016

SUBJECT: Confidential Report to the Governor

BUILDINGS AND GENERAL RESOURCES

Issue Updates:

Williston and Middlesex Barracks Replacements: The land search of state owned properties is completed. Amazing enough it was discovered that VTrans does not own the land off Taft Corners so may need to start over.

RUSF – Ice Rink on State House Lawn – Capital Complex Commission: BGS has scheduled a meeting with the City and Risk Management for September 9th. The Capital Complex Commission will meet after any Risk Management issues have been addressed and the City has submitted a proposed MOU – that includes BGS conditions. This needs to be reviewed by BGS/legal.

FINANCE AND MANAGEMENT

Nothing new to report.

HEALTH CARE REFORM

Issue Updates:

APM & Global Commitments: We have been working on finalizing the asks for the Governor's meeting with Secretary Burwell next week. Robin will submit a briefing memo for the Governor late Friday or over the weekend summarizing where we landed with both CMMI and CMCS and our recommendations for the meeting next week. On the CMMI side, we essentially have a deal, but will recommend that the Governor asks about two financial issues of importance to our delegation and stakeholders (SASH and participation in Opioid Treatment). On the CMCS side, we expect we will need to elevate a request

to have sufficient room in our MCO investments to have room for delivery system reform startup costs. More details to come.

SIM: CMS released its evaluation of Vermont's second test year (along with all of the other Round 1 states). Highlights include Vermont's success in payment model expansions across all payers, but most significantly in Medicaid. The full report can be found here: <https://downloads.cms.gov/files/cmimi/sim-round1-secondannualrpt.pdf>.

Studies: We are on track with our two universal coverage studies (Dr. D 2.0 and Universal Primary Care).

HUMAN RESOURCES

Significant Events/Meetings:

Finalized statewide, executive branch ethics policy that is now with VSEA for notification.

Working with BGS on their very large public records request from Jeff Lively (GC recently terminated). AGs office involved and supporting.

VT HR system will transition to new storage area network (SAN) hardware over the course of the next week. Production will be down for approximately 2 hours Wednesday, September 14, from 3 to 5 PM. Communications are being sent to stakeholders and web sites are being updated with this messaging.

Learning Management System (LMS) is expected to go live September 19, 2016; this is a month and a half sooner than expected. The DHR team is collaborating with AOT and the rest of state government in a very positive manner to keep everyone connected and learning from each other.

Worker's Comp is anticipated to go live October 2. This is aggressive but necessary due to the RIF notices to WC employees. There are connection points to the new vendor that are being worked out. It will be bumpy to begin, but the conversations are happening with the right people at the table.

INFORMATION AND INNOVATION

Evolving Issues:

Web Updates:

- The new Agency of Education Website is live at education.vermont.gov as of 9/6/2016.
- The new ACCD Website is scheduled to go live by the end of the week.
- A Web Portal Board Meeting has been scheduled for 10/14 at 3:00.

LIBRARIES

Nothing to report.

TAXES

Legislative Update:

AirBnB Agreement: Signed sealed and delivered. Expect to roll out next week (in conjunction with AirBnB notifying their hosts two weeks before collection starts). Already getting push back from certain leg leaders questioning what authority we have to abate past taxes, and how much is abatement costing. No good deed goes unpunished.

We have broad abatement authority – our data team found we abate taxes on average in forty cases a day. Abatement doesn't "cost" anything, but is based on an analysis that, in light of litigation risk, collectability risk, or more revenue to be had by offering an incentive to comply going forward, Dept resources are better spent on audit in other areas.

Concretely using this example, we are offering to abate past liability for rooms tax that has to date escaped Dept notice, if property owners come forward and register to collect and pay going forward. We bring this sector into general compliance. That means we can shift audit resources that were going into the labor intensive chasing of vacation listings to another sector of non-compliance (many other grey economy areas to choose from) that hopefully has an even higher ROI.

Mediation Initiative: We are asking for pricing for mediation services from leading mediators, then can move ahead.

Strategic Improvement Team: Our cross divisional strategic improvement team has identified three projects it will work on this year. The first is to revamp our current processes (such as they are) for audit selection – working toward a centralized audit plan each year that is decided upon with input from Dept's policy leadership. The second is to convene a public transparency group that will work on creating new reports from the powerful data produced within VTax to satisfy not only internal needs, but also our many requests for information from external stakeholders. The final is to try a "daily lean" approach with our return processing team – supporting that unit in making incremental changes, and then transferring that lean knowledge across divisions.

General Counsel/AG Discussion: The Deputy and our Interim Senior Legal and Policy Advisor had the first of regular meetings with Bill Griffin. Bill has not put forward any AAG candidates for our Litigation Director. On the other hand, he did appear to take issue with the appeals SOP that we instituted after two years of discussion that our former GC participated in, and that we have no interest in revisiting – we just need the legal department to institute it.

Property Tax Exemptions: Latest request for an opinion from a town concerned a nursing home, where the law is quite murky.

Dyed Diesel Fuel: Staff has been working closely with Matt Cota to clear up the taxability of dyed fuel – he is upset that we can't give his membership a clear answer, but don't shoot the messenger. Not only are there provisions in different parts of the Code that don't add up (transportation title versus the tax title), the Department long ago gave conflicting advice, and throw in a 1984 VT Supremes *railroad* case and it becomes totally hopeless. We are leaning towards putting out to the Fuel Dealers that we will not assess on dyed diesel fuel until we have some direction from the legislature to clear up the field of play.

Software “Issue” Settlement: We have had some ongoing pushback from CCH – they objected to our press release last week although it was precisely what we had agreed to, which called into question this crazy “consent” clause they have in their agreement. In any event – we have signed the agreement, just await payment from them. In meantime, we have finished processing all the IN-155 refunds that we received in the regular course.

Refund Fraud: Two new scams. The IRS is warning practitioners again that they are seeing a high number of returns where a practitioner is hacked so that refunds for clients are re-routed to criminal bank account. Second, we are seeing rise in bad payments followed by refund requests – for example, crook goes to our VIC portal and puts in an ACH debit for an account with insufficient funds, then seeks refund – hoping we don’t get the bank reversal before processing the refund. We are hampered by VIC’s slow turnaround, but have put in manual checks such that we have stopped over \$17,000 this week.

Operations Update:

Personnel/Union Issues: Auditor’s office is doing risk assessment on union charges that employees are being instructed to ignore IRS confidentiality safeguards. The Deputy has pointed out to the auditor that any such “breach” would trigger a responsibility on the part of the employee to report a “disclosure” to our disclosure officer (the Taxpayer Advocate), and we have no record of any such disclosure reports.

VTax Project: We are in first week of first run (of four) end to end tests. Project staff notes that with some turnover on the project team, this first week has been rockier than in the previous phases, but no red flags yet.

Nothing new to report.

CONFIDENTIAL and PRIVILEGED

To: Governor Peter Shumlin
From: Patrick Delaney, Commissioner
Date: September 9, 2016
Re: Weekly Report

Vermont Department of Liquor Control

Legislative Issues/Contacts/Updates: Review of S250 has been completed. A summary letter will be forwarded to the Board today to recap the proposed regulation of off premise delivery of beer and wine by class 2 licensees to private residences

Press Issues/Releases/Contacts:

Nothing to report.

Significant Events/Meetings:

The Department's new web site's 802 Spirits section is still being updated. Re-writes have been completed for the Departments Bailment & Trading Agreement and Listing Guides. These will be posted to our website upon further review.

Summary of Key Department Activity:

Agency Issues:

We anticipate the change to Agents in Danville to be completed by October 7th. The store will be closing for 11 days for upgrades and renovations and re-opening on 10/18.

The agent in Chelsea has assured the Dept. that they will be caught up with their fund transfers by Friday. The Dept. has suspended inventory delivery until the fund transfer issue has been resolved.

The operators of the Stamford agency are no longer in arrears with their fund transfers.

The Department has declined to enter into an agency agreement with the operators of the Berlin Corners rest area due to a Board moratorium on new agencies. Additionally, we await the upgrade of our IT systems and further progress with the new operational policies and procedures for our existing 80 agents before adding new agents.

Staffing:

The Job Class reclassification requests for Liquor Warehouse 1 and 2 positions submitted on August 30 resulted in DHR'S approval for a one step pay upgrade for these positions. We do not feel that this decision adequately addresses our needs and will rebut this decision.

We await DHR'S decision to re-classifying the warehouse supervisor's pay grade.

The proposal to upgrade a warehouse 2 position to a supervisor position has been tabled until the current, singular Warehouse Supervisor position has been reclassified.

The resume's submitted for the Principal Assistant / Director of Marketing position have been reviewed and filtered. A list of the top 8 candidates has been compiled. Tentative interview dates will be September 27 and 28th.

The Temporary Warehouse Driver position recruitment is now closed, with decisions being made as to an offer.

Jaime Tatro, warehouse supervisor has returned from medical leave of 6 weeks. With the addition of two temporary warehouse 1 employees the warehouse staffing levels have finally returned to normal levels.

Warehouse Reorganization:

New shelves have been labeled and inventory is starting to be placed in the new storage area.

Commissioner's Commentary: Arrangements to do a VDLC operational change presentation in Detroit, Mi. at a national event in mid-September, have been finalized

Departmental arrangements for an October N.A.B.C.A. administrator's conference in Burlington are nearing completion.

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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: September 9, 2016

Secretary Ross held a teleconference with Senator Bray, Senator Campion and Representative Deen. They were seeking clarity on Required Agricultural Practices rules and filing timeline as well as information about the Environmental Stewardship Program.

Secretary Ross spoke with representative of Mountain Meadows farm in Sudbury VT concerning the possibility of some Agency support for VT Slaughterhouses to help them meet requirements of 3rd party audits for larger out of state grocery chains, such as Whole Foods, in order to spread VT product to the larger cities.

Secretary Ross spoke with students at Sterling College in former Deputy Secretary Louise Calderwood's class. This was an opportunity to discuss the on the ground impact of water quality issues as well as resources available for farmers to achieve RAP compliance.

The New England Slow Money Conference invited Secretary Ross to speak to their attendees about how Vermont has become a leader in promoting, developing and encouraging agri-businesses.

Secretary Ross attended meeting at ECHO Leahy Center to advance a culture of clean water.

Secretary Ross attended meeting of VLITE to review investments to date.

State veterinarians participated in a conference call with colleagues from The VT Department of Health, APHIS, FSIS, and CDC pertaining to improvements that can be made to the process of shipping Brucellosis-positive swine to slaughter in VT plants. Multiple challenges were identified when reactor and exposed animals were shipped from three states to VT during a recent multi-state Brucella suis disease outbreak. This incident will result in policy changes in all three of the aforementioned federal agencies, as well as enhanced outreach to slaughter facility owners here in Vermont.

Animal Health Section is continuing to spread the word about free biosecurity supplies (footbath tubs, plastic boots, steel buckets, brushes, virkon, posters) available to swine producers during the month of September. If you know any producers, of any size, please help spread the word. Producers can sign up by going to <http://bit.ly/2bd0Ck6> or calling 802-828-2421.

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Significant Meetings:

State Veterinarian, Kristin Haas, participated in a conference call of the United States Animal Health Association (USAHA) Executive Committee this week. As 2nd Vice President of this organization, Haas has been responsible for implementing a portion of the USAHA strategic plan, and her leadership responsibilities within the organization will increase after the annual conference held in October in North Carolina.

Evolving Issues:

Animal Health Section is continuing to work with a poultry producer with ill birds that tested positive for Mycoplasma. Full necropsy was performed on three birds provided by the owner to pathologists at the University of New Hampshire Veterinary Diagnostic Lab and final results are still pending. Quarantine has been placed on the premises as Mycoplasma is a reportable disease and not curable. The disease can vary in severity, causes respiratory disease and a decrease in egg production, and can be transmitted from bird to bird and from hen to egg. It does not affect people.

Press Contacts:

Lisa Rathke with the AP requested the current dairy farm count. Stuart Ledbetter with WPTZ requested an update on the Vermont apple industry.

Summary of Key Agency Department Activity

Administration:

- The Agency is currently interviewing candidates for a digital media internship
- The Agency is preparing for The Eastern States Exposition (The Big E) – VAAFMM manages and operates the Vermont Building on the Avenue of the States. The dates for this year's fair are Sept 16 - Oct 2.
- The Communications Team is working with the Animal Health Section to publicize the availability of free biosecurity supplies available to Vermont swine farmers. These kits provide swine farmers with the tools they need to protect their farms and their animals. The initiative is made possible through one-time USDA funding.

Food Safety and Animal Health and Consumer Protection:

Animal Health:

- Animal Health Section tested poultry at an egg layer producer in Salisbury, VT for avian influenza. This poultry farm will be marketing their cull layers to a live bird market in NYC. Working with this farm enables it to receive a higher price for cull poultry going to a live bird market.
- Animal Health Section inspected a farm that will be the future home of a bison moving to VT from Alaska. Bison must be tested for brucellosis 45-120 days after import into Vermont so the destination location must have catch facilities that restrain the bison for blood draw.
- Animal Health Section is continuing to spread the word about free biosecurity supplies (footbath tubs, plastic boots, steel buckets, brushes, virkon, posters) available to swine producers during the month of September. If you know any producers, of any size, please help spread the word. Producers can sign up by going to <http://bit.ly/2bd0Ck6> or calling 802-828-2421.
- Animal Health Field Staff
 - Attended the weekly livestock auction at the Addison County Commission Sales to monitor state and federal animal disease traceability compliance (official identification, movement paperwork) and to complete the livestock market report for local and national reporting. ACCS is the only livestock market in Vermont.
 - Provided surveillance testing for Pullorum and avian influenza for poultry at the Champlain Valley Fair in Essex Junction. Testing for Pullorum is statutorily required for any Vermont that is shown/sold/exhibited. Testing for avian influenza is performed in collaboration with USDA Veterinary Service's routine surveillance activities.

Meat Inspection:

- Ongoing: Public health vet is conducting humane handling reviews at slaughter establishments.
- Ongoing: preparation for the annual self-assessment by FSIS.
- Ongoing: 2nd interviews are in progress for Food Safety Specialist I opening.
- Ongoing: work with Admin Public Relations staff for an updated presentation for the education and outreach piece of the updated statutes for on-farm slaughter 6 VSA 204 § 3311(a).
- Ongoing: Spoke with representative of Mountain Meadows farm in Sudbury VT concerning the possibility of some Agency support for VT Slaughterhouses to help them meet requirements of 3rd party audits for larger out of state grocery chains, such as Whole Foods, in order to spread VT product to the larger cities.
- Part of a larger conversation related to state employee safety in risk associated environments. Follow up with VOSHA and VDH to provide risk analysis.

Compliance:

- Plant in Grand Isle has complied with FSIS requirements to reopen under a verification plan.

Agricultural Resource Management:

Plants

- On September 7, Plant industry personnel, USDA APHIS PPQ, USDA APHIS Investigation and Enforcement Services (IES), USDA Smuggling Interdiction and Trade Compliance (SITC), and DHS Customs and Border Protection, Agricultural Specialists convened in St. Albans for our annual Vermont Pest Risk Committee meeting. This group meets regularly to discuss the status of the various agencies efforts to prevent the introduction and spread of a variety of agricultural pests and other plant health and protection issues as may arise. This year topics included forest pest survey and outreach efforts, the Vermont firewood quarantine rule, imports of soybeans from international sources arriving at the Highgate port of entry destined for processing facilities in St. Johnsbury, and the importation of hemp

seeds and cultivation of industrial hemp along the Canadian border by Vermont registered hemp growers.

- Of special interest was how best to communicate with Federal law enforcement (CBP and Border Patrol) the number and names of hemp growers within the border area, and what appropriate protocols for setting insect vector traps in border areas would be.
- The newly appointed PPQ Agricultural Quarantine Inspection (AQI) Veterinary Medical Officer for the region, Dr. Stacie Dunkle, also weighed in on the status of the APHIS Regulated Garbage program and the associated cooperative arrangements between CBP and USDA APHIS.

North Lake Contractor Initiative:

- Activation letters continue to come in and have been submitted for signature and several others are currently under review.
- Staff continue to coordinate with North Lake contractors as projects move forward.
- Onsite visits continue with North Lake Contractors, farmers and AAFM staff.
- Staff continue to meet every other week for status updates. NL contractors will be invited to call in to these meetings if they wish to discuss programmatic or farm specific issues.

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

- Staff are continuing to develop and test the FoodSafety Water Quality database.
- Staff continue to review 5 applications for LFO permit amendments or applications to become an LFO.
- Staff continue to analyze data for developing territories for the SFO program.
- Inspection report write-ups on Medium and Large Farms are numerous and ongoing.
- Staff continue to receive personalized GIS assistance from IT staff.
- Staff continue to attend WQ Communications meetings
- Meetings continue with staff concerning the enforcement process and developing protocols
- Organizing priority farm list for collaboration with partner Agencies with staff continues.
- Staff continue to develop RFP program deliverables and framework for Alternative Phosphorous management
- Staff members continue to review inspection reports to be submitted to the enforcement team; these meeting will be ongoing throughout the field season.
- Several field days were held by UVM Ext covering a variety of topics; VAAFAM staff attend and provided the latest VAAFAM informational handouts to attendees.
- Staff attended the Champlain Valley Farmers Coalition
- Two MFO inspections were conducted by staff in Washington and Franklin County
- Two SFOs were inspected as part of the VHCB conservation process in Orange and Windsor County
- Staff continue to provided comments on Basin plans
- North Lake Farm Survey Data is being processed by staff
- Supervisors continue to develop work flow plans for staff
- A meeting for the Culture on Clean Water was held in Burlington at the ECHO Center in which staff provided input

Secretary's Report:

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Lottery Weekly Report

No media contact.

No legislative contact.

We have a person who has accepted the position of web marketing and will start in early Oct. Interviews begin for another opening next week. Sales continue to be strong, ahead of last year and budget.

Greg