

WEEKLY REPORTS

Checklist
8/30/2013

Elizabeth Miller/Aly Richards

- ☒ Agency of Commerce and Community Development – Lawrence Miller
- ☐ Department of Labor – Annie Noonan (**Annie on vacation**)
- ☒ Department of Financial Regulation – Susan Donegan
- ☒ Agency of Education – Armando Vilaseca
- ☒ VT Commission on Lottery – Greg Smith

Louis Porter/Drusilla Roessle

- ☒ Agency of Transportation – Brian Searles
- ☒ Agency of Human Services – Doug Racine

Sue Allen/Leigh Appleby

- ☒ Agency of Agriculture – Chuck Ross
- ☒ Agency of Natural Resources – Deb Markowitz
- ☒ Public Service Department – Chris Recchia

Sarah London/Carolyn Wesley

- ☒ Department of Public Safety – Keith Flynn
- ☒ Agency of Administration – Jeb Spaulding

Susan Spaulding

- ☒ Boards and Commissions
- ☒ Department of Liquor Control

Other

- ☒ Irene Recovery Office

To: Governor Peter Shumlin
From: Lawrence Miller, Secretary - Agency of Commerce and Community Development
Date: August 30, 2013
Re: Weekly Report

CP+R, ACCD, IT along with AOT, ANR Agriculture, Tax, VCGI, VLCT and the RPCs are meeting to discuss statewide digital parcel mapping. While parcel mapping standards exist, the consistency and quality of the data varies from town to town. Many towns have no maps, making meaningful statewide analysis impossible. There is broad consensus that a better coordinated approach to parcel mapping would not only save taxpayers money (experience in other New England states bears this out), it would help all levels of government work more efficiently and make choices informed by a consistent set of facts (data). If it proceeds, the development of a uniform statewide parcel map would be an important first step in CP+R's efforts to measure progress towards the state's goal of compact settlement and help us --and many others-- assess the effectiveness of programs, policies and investments.

Jeffersonville Flood Hazard Modeling Study Faith attended a Jeffersonville flood modeling presentation on evaluating options for reducing flooding in the village. Over 25 options were modeled, ranging from removal of sediment from the river bed, to long-shots, like removing the brand new Route 108 bridge over the Lamoille. Advocates of gravel removal were unhappy that the model showed negligible benefits from what they believed was the most obvious solution. The most effective and practical solutions appeared to be a combination of floodplain restoration, increasing the number and size of culverts on elevated roads that trap flood water in the village, and long term plans to increase the width of all bridge spans.

As part of the Vermont Downtown Action Team (V-DAT) recovery work, Leanne is helping four downtown organizations (Bristol, Brattleboro, Wilmington, Waterbury and Barre) prep for a business owners training on strategies to improve their bottom line (by Margie Johnson of [Shop Talk](#)). Margie will also conduct a free workshop on October 17th for all area businesses on visual merchandizing, customer service, and purchasing & pricing for profit.

Vermont Gas Expansion Project: Archaeological work for the Addison Natural Gas project is nearing completion for all sections of the proposed alignment where landowners have given access permission. Scott met with Vermont Gas archaeological consultant, the University of Vermont Consulting Archaeology Program, and environmental consultant VHB to go over the project status in advance of the Public Service Board technical hearings scheduled for next month. Over 45 Native American sites or activity areas have been documented within or near the project area. At this point, about 18 of the sites have been determined to be significant and will need to be avoided or subject to additional work as mitigation for the adverse effect of the pipeline installation. In most cases, VT Gas will avoid impacts by placing the pipe in a directional bore underneath the site areas.

Shoreham: Jamie made a site visit to the proposed Whistle Pig Distillery in Shoreham, which needs an Act 250 permit, to review the plans for rehabilitating a historic barn on the parcel into a distillery. A significant amount of work (excavation and installation of new concrete foundation, installation of substantial steel framing) was haphazardly completed on the barn prior to the applicant being notified they were subject to Act 250. Work has temporarily stopped, but no architectural plans have been developed yet. In addition, this is already a contentious project in Addison County and the owners are anticipating proceedings heading directly to Environmental Court. Therefore, they do not intend to contract for design work until/if they actually receive a permit. DHP is now working with the applicant's engineers to provide a preliminary comment letter, on a project that is not yet clearly defined, so that the Act 250 application can move forward.

Bolton: Jamie attended a pre-construction site meeting for the barn stabilization project at LaFreniere Farm in Bolton. Despite the recent permitting issues with the Town of Bolton, the Department of Forests, Parks and Recreation will continue with the plans to stabilize the barn as they work out the subdivision issues of the larger parcel with the Town. The contractor will be mobilizing on-site in the next few weeks with excavation for a new foundation happening in September and timber framing repairs through October.

Adjusting and trying to better understand the implications of HUD's new Environmental Review requirements for VT's CDBG & HOME programs as a result of their monitoring visit. Environmental reviews will take longer to approve and require more information and must be forwarded to HUD for their review and approval, before the state can issue a Release of Funds Letter. This is a significant challenge for applicants and VCDP.

Marketing: The Vermont Department of Tourism and Marketing's fall advertising campaign is running smoothly. All media has been secured, produced and trafficked to media outlets around the U.S. We are optimistic that the media formula will set a standard for a mixture of traditional and non- traditional media going forward.

National Electric Vehicle Plug-In Day: We have secured all necessary permits for the National Plug-In Day event scheduled for September 28 in Burlington. Permits allow for demonstration vehicles and table tops from sponsors along the bottom of the Church Street Marketplace in front of City Hall.

Cultural Heritage Projects: Catherine joined Curtiss Reed (director of Vermont Partnership for Fairness & Diversity), Jane Williamson (director, Rokeby Museum), and Laine Dunham (deputy director, Hildene) as guests on VPR for a Vermont Edition program August 21, on the Vermont African American Heritage Trail and the ways in which VDTM is broadening the reach to include minorities. It can be heard at [this link](#).

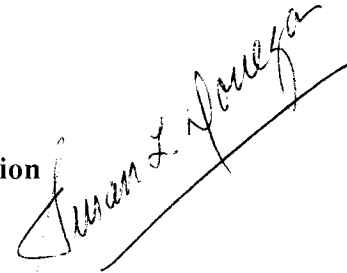
International Wine Trail Developing: Catherine attended the Champlain Valley National Heritage Partnership Area sponsored International Wine Trail meeting with vineyard and winery owners representing Vermont, New York, and Quebec. Discussion centered on the pros and challenges of promoting the region. CVNHP will provide coordination and administrative support for joint development and marketing initiatives, and with that in mind next steps include completion of International Wine Trail website (in development at www.champlainvalleywinetrail.org), work on discounted ferry passes for wine trail travelers, lodging packages, and itineraries.

State of Vermont
Department of Financial Regulation
89 Main Street
Montpelier, VT 05620-3101

For consumer assistance:
[All Insurance] 800-964-1784
[Securities] 877-550-3907
[Banking] 888-568-4547
www.dfr.vermont.gov

CONFIDENTIAL and PRIVILEGED

To: The Honorable Peter Shumlin, Governor
From: Susan L. Donegan, Commissioner, Department of Financial Regulation
Date: August 30, 2013
Re: Weekly Report



Commissioner Susan Donegan and Insurance Division staff members have returned from the National Association of Insurance Commissioners' (NAIC) Summer Meeting. Several key national and international issues were the focus of discussions among commissioners including establishing a model law for corporate governance disclosure (Commissioner Donegan is the chair of the Corporate Governance Working Group at the NAIC), the reauthorization of TRIA (see below), and the impact of changes in federal flood insurance on premiums. Also, the debate continues over certain accounting practices employed by life insurance companies in the form of "special purpose vehicles" that are licensed as a type of captive insurance company. The commissioner and David Provost, deputy commissioner of the Captive Division, will attend a meeting in September held by the new Federal Insurance Office (FIO) at the U.S. Treasury Department to further discuss captive insurance and assist federal officials in understanding the state regulatory success and "gold standard" reputation earned by Vermont. There is concern that FIO's interest in the market may result in an attempt to federalize captive regulation. The commissioner and Provost are teaming with Insurance Commissioner William White from the District of Columbia (also a captive jurisdiction that is well-established) to further the effort to educate domestic and international regulators about adequate regulation of these entities rather than reducing the ability of life carriers to use these entities to free-up redundant reserves and keep life insurance premium costs lower.

A resolution was passed by the insurance commissioners this week at the NAIC Summer Meeting to urge Congress to reauthorize the Terrorism Risk Insurance Act of 2002 (TRIA). TRIA was adopted by Congress to provide a federal shared loss program for losses resulting from acts of terrorism and to protect businesses by minimizing market disruptions and ensuring the widespread availability and affordability of property and casualty insurance. TRIA was reauthorized in 2005 and 2007. State insurance regulators support the reauthorization and urge Congress to take action before the program expires in 2014 in order to minimized disruptions to the commercial insurance markets.



Other notes:

The commissioner met with Patrick Satalin from Congressman Welch's office in Montpelier Wednesday to discuss financial services issues pending in Congress. Among the topics they discussed were federal flood insurance, TRIA and captives.



120 State Street, Montpelier VT 05620-2501
(p) 802-828-3135 | (f) 802-828-3140

**CONFIDENTIAL AND PRIVILEGED: NO SHARING
MEMORANDUM**

TO: Governor Shumlin
FROM: Armando Vilaseca, Secretary
SUBJECT: Agency of Education (AOE)
DATE: August 30, 2013

Media Calls: The start of the school year has made this a busy week at the Agency for media calls. We have discussed Common Core, homeschooling, school calendars, mergers, etc.

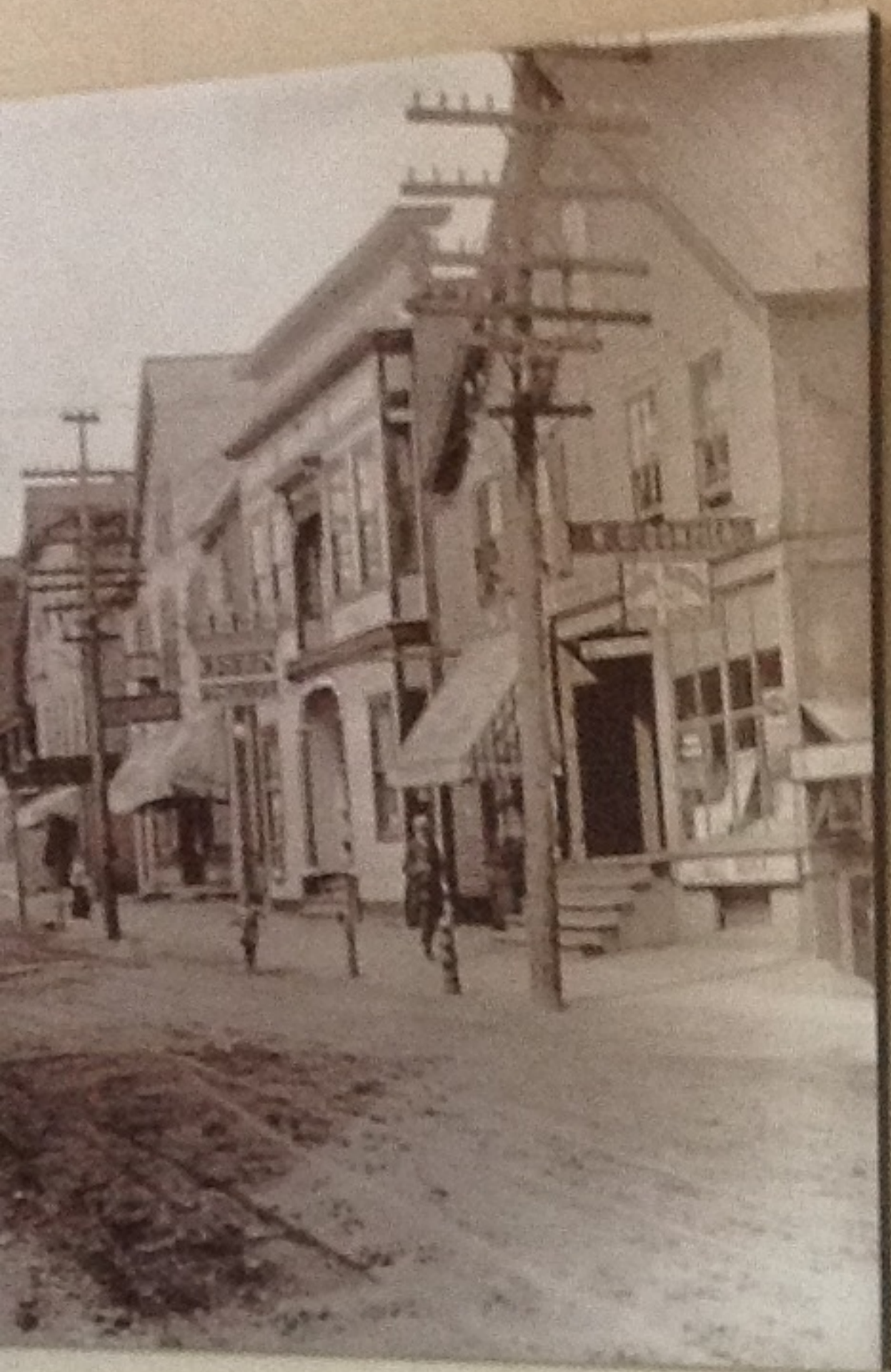
Colchester-Milton Rotary: Thursday I spoke to the Colchester-Milton Rotary and was enthusiastically received. It was interesting to learn that this group is very supportive of consolidation, mergers, and the formation of REDs; they invited me specifically to discuss these topics.

Windsor Northwest Supervisory Union: Wednesday night Norm Andrews, who has contracted with the Agency to produce a study of financial aspects of assigning Windsor Northwest's districts to other SUs, Vaughn Altemus, Education Finance Manager, and I travelled to Bethel to attend the Supervisory Union Board meeting where Mr. Andrews presented his initial calculations. The meeting was well attended, especially by members of district boards. The superintendent and board members expressed reservations, but asked detailed questions and provided constructive criticism. We expect to make a recommendation to the SBE in November/December; we anticipate a savings of over \$375,000 by merging supervisory unions.

Make VT Home: The marketing panels for display at Vermont Information and Welcome Centers are finalized. A sample is attached. The first panels were scheduled to be installed at the Hartford Information/Welcome Center yesterday. Following Hartford, we are hoping that panels will be installed at either the Brattleboro or Williston Information and Welcome Centers. We await a list of other locations that will be posting these panels and promoting education in Vermont.

National Science Teachers' Association Journal Article: Vermont's English language arts professional learning team's work on short focused research projects was recently recognized through the publication of their article in NSTA's elementary journal, *Science and Children*. This was a collaborative effort among Vermont educators and Agency staff that was led by Pat Fitzsimmons, Common Core Program Manager, and Kathy Renfrew, Elementary Science Assessment Coordinator. The attached article, "The Moon Challenge", provides an example of how Common Core State Standards for English Language Arts and Next Generation Science Standards can be thoughtfully woven together.

Education – Join the Conversation: This month's roundtable discussion, titled "Gender Equity in Career & Technical Education," can be viewed here: <http://bit.ly/1dwtkjt>. The discussion was intended to increase awareness and opportunities for young women and men to participate in education, training, and employment in career fields that have historically been filled by a single gender.



Vermont Schools



Vermont has one of the highest rated educational systems in the country. Our schools provide our students with 21st-century skills and experiences while maintaining smaller, personal learning environments. Vermont's schools value and provide diverse learning opportunities while never losing focus on arts and extracurricular opportunities. School choice opportunities, dual enrollment, learn college credit while still in high school, and high-quality early education make Vermont the state to educate your children. Vermont schools provide a real connection between the local community, colleges and businesses - creating unique learning opportunities. Come and join our educational family.

 **VERMONT**
AGENCY OF EDUCATION
education.vermont.gov



THE MOON CHALLENGE



A first-grade research project incorporates trade books and challenges misconceptions.

By Pat Fitzsimmons, Diana Leddy, Lindy Johnson, Sue Biggam, and Suzan Locke

Rachel Carson asserted, “If a child is to keep alive his inborn sense of wonder, he needs the companionship of at least one adult who can share it, rediscovering with him the joy, excitement, and mystery of the world we live in” (Burchac 2004). As educators we know this to be true; we see the power of our students’ wonderings at work in our classrooms on a daily basis. This wonder must be nourished by students’ own experiences—observing the Moon on a crystal clear night—as well as by having their understanding informed by the

thinking and experiences of others. The questions scientists ask require collective inquiry and accumulated knowledge, the thoughtful analysis and synthesis of many minds. *A Framework for K–12 Science Education* asserts that “Science

cannot advance if scientists are unable to communicate their findings clearly and persuasively or to learn about the findings of others” (NRC 2012, p. 53). It also reminds us that “Reading, interpreting, and producing text are fundamental practices of science in particular, and they constitute at least half of en-

*Do you wonder, when you see the Moon,
at dusk or dawn or midday noon,
just why her face is curved, or round,
or why she sometimes can’t be found?*

—*Faces of the Moon* (Crelin 2009)

engineers' and scientists' total working time" (NRC 2012, p. 74). The science and engineering practices in the *Next Generation Science Standards* (NGSS) offer additional guidance for educators (Achieve Inc. 2013). Students need opportunities to collect data through observations, compare data, and answer questions by describing patterns in data.

Work in our classrooms, then, must be integrated across science and English language arts to meaningfully connect scientific inquiry with analytic reading, writing, and research skills. A group of Vermont educators decided to take on the challenge of integrating science and literacy by developing a first-grade research project about the Moon. Working from the NGSS disciplinary core idea ESS1.A, which states that students will be able to describe and predict patterns of motion of the Sun, Moon, and stars (Achieve Inc. 2013; see Internet Resources), we narrowed the topic and developed a research question: When you look at the Moon, how does the shape seem to change over time? Our lesson sequence, which combined observation and work with nonfiction texts, was designed to help students observe patterns of change and understand that although the shape of the Moon appears to change, it really remains the same. Work in this unit centers on the crosscutting concept of patterns and employs the science practices of asking questions; developing and using models; analyzing and interpreting data; and obtaining, evaluating and communicating information (NRC 2012, p. 49)

The Development Process

We began this effort by crafting a template for a short focused research project that would guide our decisions. The template (see NSTA Connection) starts with the end in mind and follows many of the backward design principles that are familiar to educators. The goal was to intentionally weave together the NGSS and English Language Arts/Literacy *Common Core State Standards* (these are included on the template available online).

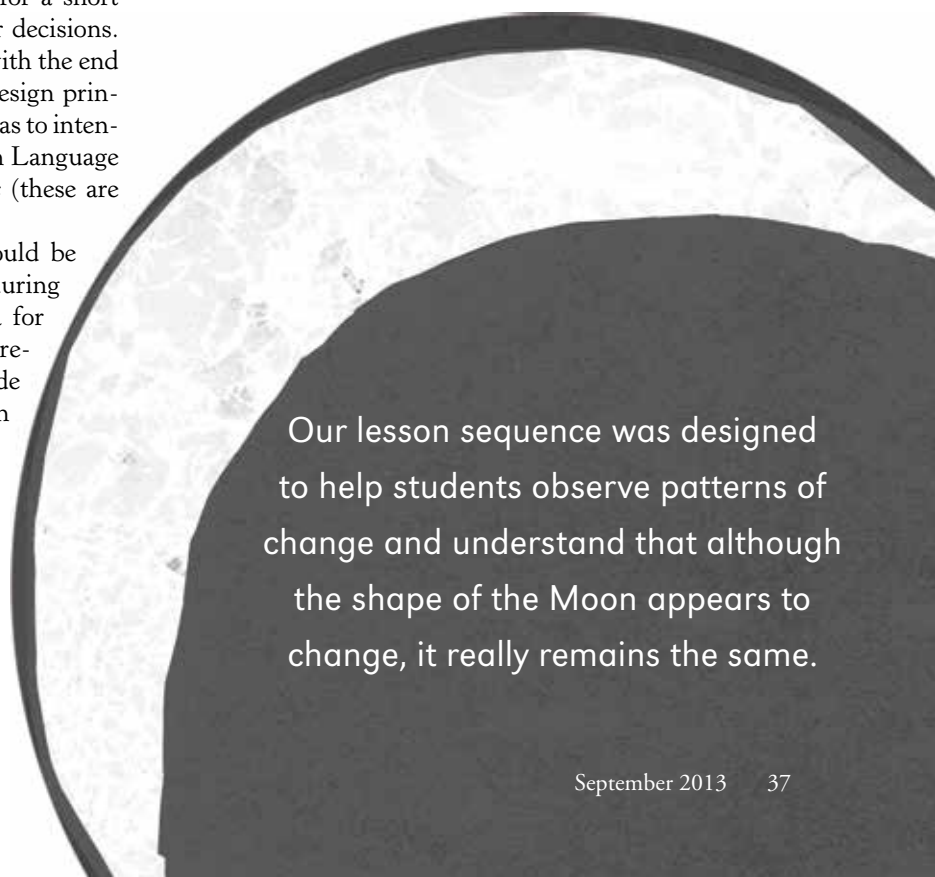
We identified the science content that would be the focus of this project and generated an enduring understanding that summarized the big idea for this project. The enduring understanding was rephrased into a question composed of first-grade friendly language, and that became our research focus. Sub-questions intended to scaffold the content for students were also developed. Next, we reviewed the reading, writing, speaking/listening, and language standards to identify those that would be used to inform both instruction and assessment. Since Vermont is a member of the Partnership for 21st Century Skills (see Internet Resources),



PHOTOGRAPHS COURTESY OF THE AUTHORS

Children used chalk to record the phase of the Moon described by the texts.

we also selected a communication outcome that aligned well with our speaking and listening standards. Learning intentions that describe what students will know, understand, and be able to do were identified to clarify the outcomes we hoped to achieve. Once student outcomes came into focus, we were able to construct formative as-



Our lesson sequence was designed to help students observe patterns of change and understand that although the shape of the Moon appears to change, it really remains the same.



Keywords: Moon Phases
www.scilinks.org
Enter code: SC091301

assessments that would allow us to track student progress. Summative assessments, included in the short focused research project template (see NSTA Connection), were also designed to determine student understanding of targeted concepts.

Now we were ready to work on the instructional plan. We gathered a variety of books about the Moon and read each one. Although there are a number of wonderful Moon resources, our goal was to identify a core group of texts that would help move student thinking toward the enduring understanding that we had identified and provide evidence for students to answer the research question. Each person chose their favorite three books and justified their thinking. This process helped to eliminate a number of potential resources and identify the essential texts for this project. We wanted to respect the idea of a short research project and that choice also guided some of our decisions. Once the books were selected, we decided upon the reading sequence and identified two texts that would be the focus for close readings supported by text-dependent questions (see Resources). *So That's How the Moon Changes Shape* (Fowler 1991) and *Finding the Moon* (Delta Science Readers 2003) would be read at the beginning of the project to develop shared background knowledge about the Moon. *Papa, Please Get the Moon for Me* (Carle 1986) provided an assessment opportunity and would therefore be read near the beginning of the project and again at the end of the project to see if children could differentiate fact from fiction within the text. The final two books, *Phases of the Moon* (Olson 2007) and *Faces of the Moon* (Crelin 2009) were the main focus of this project and would be revisited a number of times.

Let's Pause for a Moment. . .

In order to explain our work in an understandable way, we are describing this process in a linear fashion. In real-time, however, it was a little messier. There were many conversations and refinements that took place. For instance, our first attempt at a research question was not the final version. Our initial question was too big and needed to be narrowed to a specific focus. When teachers piloted this project with students, additional revisions were made. As new sets of eyes review this work, we suspect another set of refinements and improvements will occur, and we look forward to hearing those suggestions. This template should not be viewed as a script, but rather as a guide that will be adapted, enhanced, and improved in order to meet the particular needs of various groups of students.



After completing their Moon models...



... students sequenced and labeled them on a long strip of black paper.

The Moon Instructional Plan

So That's How the Moon Changes Shape and *Finding the Moon* were read aloud to the class. Children's ideas about the Moon were then elicited through a gathering ideas discussion guided by the focus question, "Based on these books, what do you think you know about the Moon?" *Papa, Please Get the Moon for Me* was read next. Children gained additional information about how the Moon appears to change over time. Book bags that included a science notebook as well as some of the Moon books were also sent home in order to engage families in our research.

A note to parents informing them of our work and guiding their support from home was written on the first page of the science notebook:

“We are studying the Moon in school and need your help. Please take some time to read these books and then go outside to observe the Moon. Children should draw their observation of the Moon and record the date and time in the science notebook. The bag should be returned to school the following day.”

Because it was challenging for some students to observe the Moon at night, an iPad app, Live Moon (Live Moon Pro version 2.0 iPad App. Moon PreviewAp), allowed students to look closely at the Moon in class and record their observations.

Additionally, children started noticing when the Moon was visible in the daytime sky. Digital pictures were taken that allowed children to compare their scientific drawings to what they observed during the day. As children became more knowledgeable about the phases of the Moon, they were asked to make predictions about how the Moon would look the following day and support their predictions with evidence from their observations.

Discussions about the texts as well as student observations provided essential opportunities to check children’s current thinking and build an initial understanding about how the Moon appears to change over time. A “Moon Probe” along with a gathering ideas discussion at the beginning of the project elicited valuable information. Children were asked to draw how they think the Moon changes over time and then bring their drawings to a “scientists meeting.” Through their drawings and discussion, children demonstrated that they actually knew quite a lot about the Moon, but also showed some confusion about the pattern of change in the Moon’s appearance. Children explained how some nights the Moon looked big and round, while on other nights they could only see part of the Moon. As the class discussions started to come to an end, one child admitted that he still thought the Moon was made of cheese. This provoked a chorus of agreement from classmates. They appeared to have one foot in the scientific world while still being influenced by the world of make-believe. There was work to be done!

After reading the foundational books and discussing ideas, students seemed ready to dig a little deeper into two texts that were selected for close reading.

Digging Deeper

For this part of the project, we expanded our thoughts about young children’s note taking to include drawings that would represent their interpretation of text. These “notes”



The class celebrated everyone’s new learning about the Moon!

prompted active listening during the read aloud and produced a written record that could be referred to when talking or writing about Moon observations. We wanted children to be able to manipulate their notes so they could demonstrate their understanding of the Moon’s pattern of change over time. Black construction paper circles were the perfect solution! At each close reading session, children were given a black circle (Moon model) and chalk for drawing the phase of the Moon that was described by the texts. An envelope for storing their notes was also provided. We now were ready for a thorough investigation of two texts.

Faces of the Moon and *Phases of the Moon* were initially read aloud by the teacher in their entirety. This provided students an opportunity to appreciate the language of the texts and hear a fluent reading of each one. Next, key phrases that referred to a specific phase of the Moon were selected from each text. As the descriptions were read, students listened closely to the words of the texts and discussed the clues that the authors provided. They noticed that the authors used the words *smile* and *banana* to describe the shape of the crescent Moon.

Children used chalk to draw this phase on their black construction paper circle that served as a model of the Moon. Students were then able to compare their work to the illustrations in the books and make revisions if necessary. Each child kept their Moon phase notes in an envelope so, at the end of this project, they could reconstruct the pattern of how the Moon appears to change over time. This note-taking process was repeated for each phase of the Moon.

Initially, finding clues by listening only to the words was a challenge for students, but with practice their ability to accurately record the appropriate phase improved dramatically. These books were selected because their language was precise and encouraged visualization of the targeted Moon phase such as those in the book *Phases of the Moon* (“The next phase looks like a banana. It’s called a

Class report.



Then comes a **crescent moon**.
It looks like a smile or a banana.



The moon seems to be getting bigger.

Then comes a **quarter moon**.
It looks half lit up.



The moon seems to be getting bigger.



Then there is a **full moon**.
It looks all lit up and round.

crescent Moon,” [Olson 2007, p. 10]) and the poem *Faces of the Moon* (Crelin 2009):

A few days pass, and Moon’s less shy;
her smile lights the twilight sky.
The more her sunlit surface shows,
the more Moon’s WAXING CRESCENT grows.

In addition to the individual science Moon notes that were drawn on the black construction paper circles, students’ descriptions of the phases of the Moon were recorded throughout this project in order to begin constructing a class report. The opening paragraph that answers the research question was developed at the end of the project during a class meeting (see NSTA Connection for the full class report).

“Research Question: When you look at the Moon, how does the shape seem to change over time? We observed the Moon and then read books to learn more about what we saw. We found out that the Moon doesn’t really change shape. The change is just how much of the Moon you can see.”

At the end of the report, they summarized their findings.

“Then the whole thing happens all over again. First the Moon seems to get bigger, then the Moon seems to get smaller. It’s one of nature’s awesome patterns!”

Since the report required students to accurately identify the phases of the Moon and provide additional descriptive language about each phase, teachers were able to assess and reinforce student understanding of the Moon phase vocabulary that was introduced throughout the study. Although there were some initial concerns about certain vocabulary, like *gibbous*, first-graders eagerly embraced the new term!

Assessing Learning

In order to assess individual students’ understanding of the pattern of change over time, children sequenced their Moon phase notes, the black circles with the chalk illustrations, on a long strip of black paper and added a label to identify each phase. Although a number of students had initially predicted that the new Moon would reappear after the full Moon, their thinking had changed over the course of this project, and most sequences accurately reflected the pattern of the Moon phases. Students had moved forward in terms of their thinking about the Moon.

Students also revisited *Papa, Please Get Me the Moon* and discussed the following prompt:

The book mentions that the Moon got smaller and

smaller and finally disappeared altogether. Think about what you have learned about the Moon. Do you agree or disagree with the author? What is your evidence?

One class even wrote a note to Eric Carle explaining that his book contained statements about the Moon that are not true. They used evidence from their research to support their argument but ended the letter by thoughtfully encouraging Eric Carle to continue writing children's books!

Why Bother?

Teachers are extremely busy and pulled in a variety of directions. Why should we bother to incorporate short focused research projects into classroom practice? Isn't life in the classroom already challenging enough? How can we find the time to construct these projects?

These are all excellent questions, but let's think about the benefits of short focused research projects. First, the NGSS call for the integration of science and engineering practices, crosscutting concepts, and disciplinary core ideas (Achieve Inc. 2013). We also need to consider the *Common Core State Standards* in English language arts. They require three major instructional shifts that include:

- Complexity: Regular practice with complex text and its academic language
- Evidence: Reading, writing, and speaking/listening grounded in evidence from text, both literary and informational
- Knowledge: Building knowledge through content-rich nonfiction across the curriculum

Short focused research projects enable teachers to address all of these expectations in a meaningful and engaging way. They provide a context for integrating content with English language arts and making conceptual understanding accessible to all students. Additionally, the *Common Core State Standards* have ushered in a new era for education. For the first time in our history, we can share materials across state lines that are aligned to the same set of standards. Let's take advantage of this opportunity. It is definitely too hard and time-consuming to do this work alone, but as teams of educators we can work together to construct significant, integrated research projects for our students at all grade levels. If educators across the country start with the goal of creating and sharing just one short focused research project, think about the possibilities. Are you ready to take on this challenge with your colleagues? ■

Pat Fitzsimmons (pat.fitzsimmons@state.vt.us) is the *Common Core implementation coordinator at the Ver-*

mont Agency of Education in Montpelier, Vermont. Diana Leddy is an educational consultant for the Vermont Writing Collaborative in Shoreham, Vermont. Lindy Johnson is the literacy coordinator for the Barre Supervisory Union in Barre, Vermont. Sue Biggam is the co-coordinator of the Literacy Leadership Initiative at the Vermont Reads Institute at the University of Vermont in Burlington, Vermont. Suzan Locke is a first-grade teacher and science teacher leader at the White River School in White River Junction, Vermont.

Acknowledgments

We would like to acknowledge the contributions to the following members of the Vermont Elementary Common Core English Language Arts/Literacy Professional Learning Team for their collaborative efforts: Kathy Renfrew, Andrea McLaughlin, Jennifer Barone, Joey Hawkins, and Ellen Sulek. We would also like to thank Claire Cochrane and the staff and students at The Blue School in Landaff, New Hampshire for sharing their writing and artwork.

References

- Achieve Inc. 2013. *Next generation science standards*. www.nextgenscience.org/next-generation-science-standards.
- Burchac, J. 2004. *Rachel Carson: Preserving a sense of wonder*. Golden, CO: Fulcrum.
- National Research Council (NRC). 2012. *A framework for K–12 science education: Practices, crosscutting concepts, and core ideas*. Washington, DC: National Academies Press.

Internet Resources

- NGSS Table: 1-ESS1 Earth's Place in the Universe
www.nextgenscience.org/1ess1-earth-place-universe
- Partnership for 21st Century Skills. Framework for 21st Century Learning
www.p21.org/overview/skills-framework

Moon Project Resources

- Carle, E. 1986. *Papa, please get the Moon for me*. New York: Scholastic.
- Crelin, B. 2009. *Faces of the Moon*. Watertown, MA: Charlesbridge.
- Delta Science Readers. 2003. *Finding the Moon*. Nashua, NH: Delta Education.
- Fowler, A. 1991. *So that's how the Moon changes shape!* Danbury, CT: Children's Press.
- Olson, G.M. 2007. *Phases of the Moon*. Mankato, MN: Capstone Press.

NSTA Connection

Visit www.nsta.org/SC1309 for the project template (including CCSS) and the class report.

CONFIDENTIAL and PRIVILEGED

To: Governor Peter Shumlin
From: Greg Smith, Executive Director, VT Lottery
Date: Aug 30, 2013
Re: Weekly Report

Status of Governor's Priorities: .

n/a

Legislative Issues/Contacts:

n/a

Press Issues/Releases/Contacts:

We have been on various media outlets for the Champ. Val. Fair.

Significant Events/Meetings:

n/a

Evolving Issues:

The Lottery is party to a wrongful discharge/discrimination suit from an ex-employee of our gaming vendor, Intralot. The dismissal occurred in 2011 and the suit has been on the front and back burner periodically since then. AAG office working with us, and we are now submitting interrogatories. Our involvement, other than working with the company, is that we do background checks on their staff to approve them working on the VT Lottery system. We were not involved in the separation or reasons for it.

Summary of Key Agency Department Activity:

Working the Fair and reviewing proposals for our instant ticket printing contract. Most of our staff that were on medical leaves are back now.

Executive Director's Commentary:

I was asked by a local TV station in Rutland (PEG TV) to be interviewed by a panel about some lottery topics. This is scheduled to tape on Sept 12.

OFFICE OF THE SECRETARY

Phone: (802) 828-2657

Fax: (802) 828-3522

Executive Privilege

TO: Governor Peter Shumlin

FROM: Secretary Brian R. Searles

DATE: Friday, August 30, 2013

SUBJECT: VTrans - Confidential Report to the Governor

NOTES FOR GOVERNOR

Accelerated Bridge Program

Two bridges were recently completed under the ABP, one on Rt. 114 in Brighton and the other on Rt. 125 in Hancock. The superstructure and abutments are pre-cast concrete, delivered to the site intact and the Brighton project involved a road closure and detour. The bridge in Brighton was reopened to traffic in 18 days, 3 days ahead of schedule. The Hancock project involved a temporary bridge and traffic was maintained so it took a bit longer.

I visited the site of four future bridge replacements in Rochester this week. All will be included in the FY-15 budget proposal and two are Irene related.

Middlebury Bridges (Main St. and Merchants Row)

The FHWA has agreed with us that the tunnel approach to these twin bridges over the railroad is the best fix and will participate in the additional cost of \$1.5 million. This will add significant green space in the downtown and also connect two existing parks. It will also serve as a downtown stop for the public transit agency, ACTR. The formula will involve the Town of Middlebury coming up with \$500,000 and the FHWA and VTrans splitting the remaining \$1 million 80/20. The Town is very pleased with this result.

Apparent Paint Spill (Follow-Up)

It wasn't paint, after all. It was mineral waste from the OMYA plant being transported by truck to the landfill in Coventry. This is a non-toxic derivative of calcium carbonate and our environmental team reports that it is water soluble. The only possible risk is to passing vehicles in the form of damage to paint surfaces and we will forward claims to OMYA.

Revenue Forecast Downgrade

We will be appearing before the JFC on September 11 with \$4.1 million in cuts to our FY-14 budget in response to a downgrade in the forecast. This comes in spite of the recently passed revenue package.

NOTES FOR STAFF

Rumble Stripes

These center line cuts to alert drivers on two-lane roads are again in the news and causing concern in the Islands where they will be installed strategically on Rt. 2. They have been proven to reduce traffic deaths by as much as 18% when deployed on long straight stretches.

A badly edited blurb on WCAX that compared the problems and removal of stripes on Rt. 104 in Cambridge to the planned installation on Rt. 2 got some Islanders worked up. We have been working with the local Chamber of Commerce, the local weekly newspaper *The Islander* and Senator Mazza to defuse the issue. The paving project has begun but the stripes are not to be installed until the spring and will not be in village centers, on curves or in populated areas.

TS-4 Permit for VTrans

On August 26th the internal VTrans TS-4 working group presented their recommendations to select executive staff and it was determined that a TS-4 will be pursued. The administrative benefits, such as regulatory streamlining, of combining various stormwater regulatory programs as well as improved predictability and environmental stewardship, make the TS-4 an attractive alternative. Final recommendations to ANR will be made at the September 12th meeting of the ANR/VTrans coordination group.

Vermont Gas Systems Addison Extension Project

VTrans is participating through our legal unit in the PSB proceedings that commence on September 16 on this complex and controversial matter. VGS has applied for a certificate of public good to extend its lines from the existing VGS mainline at US 2 in Colchester to Vergennes and Middlebury. VTrans involvement is based on the VGS proposal to use the right-of-way of the Circ for the first 11 miles of the pipeline. We have been supportive of this effort and included language in the T-Bill that would allow this kind of development in transportation ROW to produce revenue for the T-Fund.

Noteworthy Speeding Case

DMV Capt. Jake Elovirta nabbed a 24 year old operating a Mercedes-Benz at 111 miles per hour on I-89 in Middlesex a few days ago. The speed, combined with unsafe lane changes will result in a Careless and Negligent Operation charge in Barre District Court next month and has already cost the operator \$830.00 in traffic tickets and seven points on his license.

State Plane

The newly refurbished aircraft should be available sometime next week, depending on the weather. The new engine needs a breaking in period of up to 30 hours where special operating specs are in play and passengers are not recommended by the FAA. Further, due to the lack of an aircraft during the rehab, our pilots are not current with the FAA and need flying time which the break-in period will provide.

It is highly recommended that appropriate staff from the Governor's Office, to include a representative of the VSP Security team, meet with our Aeronautics reps to go over the protocol for use going forward to ensure that there are no issues around weather, VFR minimums, diversions, billing, scheduling, etc. If everything is understood and documented, this should be a smooth operation going forward.

Privileged and Confidential
Memorandum

To: Peter E. Shumlin, Governor
From: Douglas A. Racine, Secretary of Human Services
Re: AHS Weekly Report
Date: August 30, 2013

Vermont Department of Health (VDH)

Vermont Awarded State Adolescent and Transitional Aged Youth Treatment Enhancement and Dissemination Grant:

The VDH has been awarded a four year (\$950,000 per year) federally funded cooperative agreement with the Substance Abuse and Mental Health Services Administration (SAMHSA). This funding will help the Division of Alcohol and Drug Abuse Programs (ADAP) embed evidence-based practices in youth treatment programs. These services will be available to young people who need a higher level of service as determined through screenings conducted by medical practices or school personnel. This grant will be a complement to the Screening, Brief Intervention, and Referral to Treatment (SBIRT) grant, which is primarily adult/young adult focused.

Patient Choice and Control at End of Life Act:

FAQs and Medical Examiner guidance have been posted on the Department's website.

Department of Mental Health (DMH)

Brattleboro Retreat:

The Brattleboro Retreat has received another extension of their deadline for the CMS Survey. It is now October 30, 2013.

Green Mountain Psychiatric Care Center (GMPCC):

The Joint Commission on Accreditation of Healthcare Organizations (JCAHO) has accepted GMPCC's Plan of Correction, and has given GMPCC JCAHO Accreditation. The next step is CMS deemed status.

Mental Health Oversight Committee:

Commissioner Dupre and Deputy Commissioner Reed have reviewed the emergency room data, staff injuries at GMPCC, housing vouchers, and Brattleboro Retreat contingency plans (for DMH adult clients) with the Committee.

Involuntary Medication:

Hospitals, families, and advocates shared views on the pros and cons of changing the law. This issue is becoming a big topic of conversation. Commissioner Dupre believes it will be a major topic of discussion at the next two summer study meetings on involuntary treatment laws.

VT Digger:

VT Digger is doing an article on the Mental Health Oversight Committee (MHOC) meeting. The reporter spoke with Commissioner Dupre and Deputy Commissioner Reed about GMPCC and the JCAHO Survey.

Vermont Public Radio (VPR):

VPR is preparing a program with Host Jane Lindholm on the new hospital. Deputy Commissioner Reed has been the point person on this.

Department of Disabilities, Aging and Independent Living (DAIL)

Health Reform:

The long term care network has contributed useful feedback to the proposed standards for the pilot Medicaid Accountable Care Organization (ACO) Request for Proposal (RFP) shared savings program. If accepted, it may mitigate though not eliminate some of their concerns. It is critical that the Medicaid ACO RFP contain incentives and protections for community providers and beneficiaries.

Adult Protective Services (APS) Settlement:

A settlement was reached on APS. Commissioner Wehry responded to press inquiries from Lisa Rathke with Associated Press and Kristin with WCAX. The talking points were unchanged: The APS of today is radically different from the APS we inherited in 2011. We are glad this long and expensive legal battle is behind us. We are proud of the unit we have today and the high caliber of the staff. There are strong monitoring protections in place through a review panel which will report findings to the DAIL Advisory Board. An interview with Nancy Remsen at the Burlington Free Press is scheduled for today.

Martha Heath interested in Choices for Care reinvestment decisions:

Commissioner Wehry met with Rep. Heath on August 27th to discuss Choices for Care reinvestments. She is being lobbied by Michael Sirotkin (COVE), John Shullenberg (AAA) and Peter Cobb (Home Health) and perhaps others to release funds for the moderate needs group (MNG) in advance of the Budget Adjustment Act (BAA) process called for in the Big Bill. Rep. Heath asks only that we consider it, which we are doing. The Commissioner presents recommendations to Joint Fiscal on September 11th. The Department will be seeking authorization to fund senior nutrition programs hardest hit by the federal sequestration

Therapeutic Community Residence Regulations blocked at 11th hour:

Final Rules were reviewed by LCAR on August 22nd. The DAIL and Disability Rights Vermont (DRVT) believed all outstanding issues were resolved prior to the hearing. Rep. Donohue and Laura Ziegler informed the committee of their continued dissatisfaction with the absence of

hospital level protections. DMH and DAIL attorneys are working hard to clear this impasse before the follow-up hearing next week. Failure to pass will jeopardize the secure residential facilities put in place by DMH.

Department of Corrections (DOC)

Food Gleaning Story:

The Burlington Free Press (BFP) is preparing to do a story focusing on going beyond just the gleaning of excess vegetables and fruits to build a consistent system that also includes processing and storage opportunities for the gleaned local food. This is being driven by Theresa Snow of Salvation Farms working in partnership with organizations and farms around the state (e.g. the Intervale Center, Rutland Area Farm and Food Link (RAFFL), and Vermont Works for Women in Winooski). Among Ms. Snow's projects is working with the Vermont prison system to involve incarcerated workers in the process, both gleaning and doing light processing. This story will run the week of September 16th.

DOC Town Hall Meeting:

The September 11th meeting will focus on the Vermont Treatment Program for Sexual Abusers. In addition, the department will share information about the wide range of services available to individuals when the offender in their case is in the custody of or being supervised by the Department of Corrections.

Commissioner Pallito - Vacation:

Commissioner Pallito will be away but available during the week of September 3rd. Deputy Commissioner Menard will provide coverage during this time.

DOC Population:

The incarcerated population averaged 2,087 for the previous week with 430 of this average being comprised of presentenced individuals. The female population averaged 153 and the male population averaged 1,934. The average for the out of state population is 472.

Department for Children and Families (DCF)

Progress with Run-Away Youth:

While doing an interview with WCAX on the Social Worker incident in Maine, Commissioner Yacovone was asked if progress has been made with children running away while in custody since the tragic Crystal Jones incident in 2001. Crystal was a youth in custody who ran away, was lured into a prostitution ring and murdered. Since that incident Vermont has made much progress, though more needs to be done. In 2000, 163 children ran away for an average of 57 days. Since then, protocols have been put into place including tracking from the central office. The number of children has continued to drop. In 2006, 97 children ran; in 2012, 57 children ran for an average of 11 days. The public is reminded that since you took office the first priority was to add more social workers to shore up this neglected area of state government. Twenty-seven social workers have been hired during your term.

Department of Vermont Health Access (DVHA)

Vermont Health Connect (VHC) Update:

Outreach and Education – VHC released its first phase of a new advertising campaign today illustrating the effort made “for Vermonters, by Vermonters” to establish the state’s insurance marketplace. The Vermonters in the advertising represent the wide range of people from across the state who will have access to quality health coverage through VHC. Over 60 volunteers participated in the making of the television and radio ads, which will begin to air statewide in early September to help broaden public awareness of the VHC marketplace, opening this fall.

Call Center Update – The VHC Call Center is prepared to go live on Tuesday, September 3rd. Expanded hours from 8am-8pm Mondays–Fridays and Saturdays from 8am-1pm, will provide improved access to help for Vermonters.

Vermont Chronic Care Initiative (VCCI) Update:

National Governors Association (NGA) policy staff have been conferring with VCCI leadership regarding our high risk Medicaid case management program design, operations, financial model and administrative support. Our holistic approach to complex care management, including the need to address the extensive and challenging socio-economic barriers to health, such as lack of housing and transportation, and collaboration with AHS and community partners, makes the VCCI unique in the national landscape. While many states are operating in functional ‘silos’, the majority of the VCCI field staff are co-located in AHS offices, and collaborate extensively with our Field Directors and sister department partners, to achieve common goals and sustainable results. Staff are also embedded in select high volume primary care provider practices and hospitals to facilitate early identification of, and outreach to, at risk individuals for case management services. This hybrid model supports mutual goals of Medicaid, provider organizations and the patient. The VCCI supports transitions in levels of care between hospital and outpatient settings; as well as between the medical home/CHT team providing disease management and care coordination, to the more ‘intensive case management’ (home visiting, socio-economic supports, care coordination, advocacy etc...) often required for our most complex Medicaid beneficiaries.

The NGA team was interested in VCCI support within the Governor’s Office as well as legislature, as evidenced by Act 191; 2010 expansion to include embedded staffing models with high volume providers: and flexible funding gained through our CMS 1115 Waiver and associated status as a public MCO. The VCCI’s clinical and financial results offered further evidence of the cost-benefit of the VCCI/Medicaid model for addressing the top 5% of high risk/high cost populations.

Update to Legislative Leaders:

Commissioner Larson and Robin Lunge provided an update to legislative leaders about VHC outreach efforts, operational readiness and system development.

To 116 STATE STREET
MONTPELIER, VERMONT 05620



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

Chuck Ross, SECRETARY

STATE OF VERMONT
AGENCY OF AGRICULTURE

Confidential and Privileged

TO: Gov. Peter Shumlin
FROM: Chuck Ross, Secretary of Agriculture
RE: Weekly Memo
DATE: August 30, 2013

Secretary's Top 5 Issues:

Constituent Issue: The Agency received a letter from Rep. Margaret Cheney on behalf of the Cook family of Post Mills. Their 16 year old son died last year after being struck by lightning while working at Crossroad vegetable farm in Fairlee.

<http://www.legacy.com/obituaries/timesargus/obituary.aspx?pid=158339748#fbLoggedOut>

The Cook family has asked Rep. Cheney to urge VAAFM to do more to promote lightning safety on farms. The Agency is convening a meeting on 9/30 with the Cook family to hear and respond to their concerns.

Vector management update: On Tuesday, the Agency of Agriculture in coordination with the VT Dpt of Health, oversaw the spraying of the Whiting Swamp area a second time (follow-up to the spray on Thursday Aug 22). The second spray was conducted in an effort to more fully break the EEE disease cycle and reduce the amount of viremia (quantity of virus in the mosquito and bird populations) present in that swamp. Survey and collection activities have continued in the greater Whiting/Brandon/Sudbury area, and analytical results to indicate low-levels of the EEE virus in swampy areas outside the treated area. The Department of Health has determined these detections do not constitute the health risk the detections in the Whiting Swamp did, as they are not repeating in the outlying areas, and so the risk level remains at moderate. Plant Industry will continue to intensify our survey efforts in these areas, and Health intends to continue to provide outreach and notification services to health officers and selectboards in the affected towns.

Vermont Agricultural Hall of Fame and Dairy of Distinction Awards, CVE Essex: Secretary Ross attended and spoke at both events on two different days; reasonably well attended. Emphasized the importance of the farm and food activities to VT's economy and community as well as Vermont's leadership regionally and nationally.

116 STATE STREET
MONTPELIER, VERMONT 05620



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

Chuck Ross, SECRETARY

STATE OF VERMONT
AGENCY OF AGRICULTURE

Confidential and Privileged

TO: Gov. Peter Shumlin
FROM: Chuck Ross, Secretary of Agriculture
RE: Weekly Memo
DATE: August 30, 2013

Status of Governor's Priorities:

Jobs in Agriculture

Press Issues/Releases/Contacts:

Media:

- Sec. Ross & Dr. Shelley Mellenbacher appeared on VPR Vermont Edition with Secretary Ross to discuss the Food Safety Modernization Act and the Produce Rule from the FDA. This was a good opportunity to briefly explain the rules and their potential impacts on Vermont while also stating that we support food safety as an Agency.
- Sally Pollack at the Free Press inquired about the state of the apple industry and was referred to Terry Bradshaw at UVM for in-depth info

Constituent issue: The Agency received a letter from Rep. Margaret Cheney on behalf of the Cook family of Post Mills. Their 16 year old son died last year after being struck by lightning while working at Crossroad vegetable farm in Fairlee.

<http://www.legacy.com/obituaries/timesargus/obituary.aspx?pid=158339748#fbLoggedOut>

The Cook family has asked Rep. Cheney to urge VAAFM to do more to promote lightning safety on farms. The Agency is convening a meeting on 9/30 with the Cook family to hear and respond to their concerns.

Summary of Key Agency Department Activity:

Administration

Marketing

NASDA 2014

Save-the-date materials for the 2014 National Association of State Departments of Ag (NASDA) conference are being produced.

Big E

Final preparations for the Vermont Building at the Eastern States Exposition are underway for the Sept. 13 start of the fair. The Agency is hiring building security for the first time this year to mitigate concerns from the town regarding the sale of alcohol in state buildings and is finalizing the contract this week. Long Trail will tap and sell beer in the Vermont Building for the 2013 fair. A new refrigerator and stove have been purchased for the vendor break

room. BGS is putting final touches on the new booth space and finalizing routine maintenance for the 2013 fair.

Agriview

The Agency shipped the August issue of Agriview, the Agency's monthly newspaper with a subscribership of 2000, and shipped it to the printer. The issue will arrive in subscribers mailboxes next week and is also posted to the Agency website.

Dairy

Production has begun on a series of industry-funded dairy promotion videos. The videos will highlight local cheeses in recipes prepared by local chefs. The first shoots occurred this last week at Consider Bardwell Farm and Commonwealth Dairy. Next up: Boston Post Dairy and VT Creamery on 9/5.

Maple

Alison Kosakowski is advising Sam Cutting and the VT Maple Sugar Makers Assoc in their search for a PR resource to assist with the maple grading change communications

Weights & Measures

The Weights & Measures team is creating a page on the Agency website to announce recurring infractions in the consumer protection division. Once complete, the Agency will engage in outreach to inform consumers of the services this division provides and alert them to the listings on the website, so that they can see which VT businesses are repeatedly out of compliance.

Made in VT Marketplace

The Agency participated in a meeting with John Boutin of VT Business Magazine, facilitated by the CMO's office. Boutin is interested in creating a "Made in VT" market at the Champlain Valley Expo in April. The show would be open to the public and feature VT products. Boutin is seeking state support for the project. No decision was reached. ACCD resolved to look into the opportunity, further.

Ag Development

Dep Sec LaClair attended the monthly VEDA/VACC board meeting – discussion/approval of 3 farm loans or loan modifications.

Working Lands: Prep for 2014 funding allocations underway, including development of a Financing Committee which includes board members from Working Lands Enterprise Board, VT Ag and Forest Products Development Board, VT Sustainable Jobs Fund, VEDA, Yankee Farm Credit and 2 private sector lenders. Committee will work to identify opportunities for leveraging grant funds through enhanced public, private, foundation partnerships.

Food Safety and Animal Health and Consumer Protection

Meat Inspection:

- Tangle town poultry farm in West Glover has requested an extra day of slaughter to be added to their normal schedule. This will tie up an inspector for another entire day since slaughter assignments require coverage from start to finish of operations. The activities require the inspector to be present for ante-mortem (before-death) inspection, review of humane handling procedures, dressing procedures, post-mortem (after-death) inspection of carcasses, viscera and major organs to determine acceptability as fit for human consumption, packaging and labeling as well verification of monitoring and recordkeeping for various critical control points.

For processing assignments, an inspector can usually cover up to three plants per day depending on location and stay within an 8 hour shift. The processing assignments are now being scheduled to cover four and five establishments due to lack of personnel and mandatory daily coverage resulting in more overtime and travel.

- Adams Poultry farm in Westford has also increased to an extra day of slaughter as well and will need slaughter coverage 5 days a week for half of October and November.
- Maple Wind poultry operation in Richmond is consistently slaughtering three days per week.
- The Burelli Farm in Berlin is also progressing with the construction of their state inspected poultry slaughter operation and hopes to be operating before this turkey season
- Green Pastures Meats in New Haven is steadily increasing the need for inspection since they are starting to accept request for slaughter and processing for others. This activity will allow more producers to access inspection and make more state inspected locally raised products available for consumers in Vermont. They are also looking for federal inspection to increase marketing of the products across stateliness. Initial conversations with USDA indicate that the state program will be asked to provide the inspection services under the 100% reimbursed cross-utilization program.
- Another processing plant in southern VT will be operating under the USDA inspection and the plant will be added to the current Black River Meats operating circuit which the state now covers under the cross-utilization program mentioned above

This week's operation schedule required supervisory personnel to cover the line duties of one establishment and the program also had to seek help from USDA to cover the current cross utilization assignment in southern VT.

The program also had to deny a request from USDA to provide relief inspection for Misty Knoll Farm in New Haven.

The program and Agriculture Agency officials are investigating all means of developing an extra position to be assigned to the meat inspection section to meet the needs of the establishments and thereby increase the availability of inspected and passed meat and poultry products.

Significant Events/Meetings:

Dr. Mehlenbacher and AH Program Coordinator inspected a farmed cervid facility in southern Vermont. The facility was found to be out of compliance with Vermont Rules Governing Captive Cervidae – lack proper animal identification, lack of herd inventory, and lack of CWD testing. AH is working with the producing to establish workable timelines that bring him into compliance. Inspecting cervids is a bit more complicated than other livestock as there are certain season in which a herd can't be worked due to animal characteristics such as the presence of racks and whether they are in or out of velvet.

Evolving Issues:

AH received an application from a delinquent livestock dealer that was returned due to lack of signature and lack of bond, as required by statute. The applicant was informed in writing that he has until 9/6 to return a completed application with proof of bond and schedule an inspection with an AH field inspector.

Summary of Key Agency Activity:

AH complete Animal Disease Traceability work and market reporting at Addison Co. Commission Sales; coordinated horse pull drug testing supplies for the Bondville Fair, and tested poultry for Avian Influenza and Salmonella Pullorum at the Champlain Valley Exposition.

Ag Resource Management

MFO and LFO Programs:

- Staff attended EPA CAFO inspections of two Medium Farm Operations (MFOs) in Franklin County on 08/20/2013.
- Staff responded to two AAP complaints. Both complaints were from neighbors regarding adjoining landowner's animal and waste management. Staff evaluated property boundaries and animal waste

management and also took a water sample for bacteria at one location in cooperation with Jeff Comstock, ARM Division Soil Scientist.

- Staff conducted 3 technical assistance visits to assist Medium Farm and Large Farm Operations (MFOs) with Best Management Practice (BMP) solutions, MFO and LFO Program rules and the Farm Agronomic Practices (FAP) program grants.
- Staff conducted 7 follow-up compliance inspections related to ongoing and potential enforcement cases.
- Staff is continuing to work with the Assistant Attorney General regarding the Nelson Farms. This includes gathering and reviewing information regarding our investigations of the Nelson's farms over the last several months. Compliance inspections were conducted at 3 Nelson facilities.
- Staff conducted an inspection at the Four Hills Farm in Bristol, which is a permitted LFO, due to concerns that the farm is installing multiple satellite manure pits in New Haven. The concern was from the Zoning Administrator in New Haven. A visit to the Four Hills farm was conducted in conjunction with NRCS to evaluate the pit locations.
- Staff received information that a LFO was potentially receiving unpermitted wastes into their waste storage structure. Staff are communicating with ANR and the waste generator to decide appropriate next steps for VAARM regarding the situation.
- Staff are processing payments for the Capital Equipment Assistance Program (CEAP).
- Staff finished processing payments and closed FY2013 grants for the Farm Agronomic Practices (FAP) program.
- To assist in the workload demands brought on by the current pesticide investigation, MFO/LFO staff are continuing to respond to all AAP complaints on small farms until further notice.
- Staff responded to two AAP complaints. Both complaints were from neighbors regarding adjoining landowner's animal and waste management. Staff evaluated property boundaries and animal waste management and also took a water sample for bacteria at one location in cooperation with Jeff Comstock.
- Staff attended a North Lake Partnership meeting to discuss the MOU and outreach strategies with partner agencies for conservation planning on farms.
- Staff are working on a water sampling initiative with ANR and MRBA (Missisquoi River Basin Association) in Godin Brook which is a tributary to the Missisquoi River.

CREP (Conservation Reserve Enhancement Program):

- Staff assisted MFO coordinators on farms to evaluate sites for grassed waterways and other ditch improvement projects.
- Staff evaluated a silage leachate treatment area where wetland plants were planted as part of the treatment area installation. The evaluation was conducted to look how the plants and system were functioning. Several wetland plant species were very abundant and successful in the treatment area.
- Staff attended a North Lake Partnership meeting to discuss the MOU and outreach strategies with partner agencies for conservation planning on farms.
- Staff is continuing to work on a potential invasive plant issue within CREP plantings.
- Staff is continuously working on project develop and management of CREP projects.
- Staff visited a farm to plan a CREP planting project in Fairfax.
-

Plant Industry Activities:

- Vector management update - Tuesday we sprayed the Whiting Swamp area a second time, as a follow-up to the spray even on Thursday Aug 22. The second spray was conducted in an effort to more fully break the EEE disease cycle and reduce the amount of viremia (quantity of virus in the mosquito and bird populations) present in that swamp. Survey and collection activities have continued in the greater

Whiting/Brandon/Sudbury area, and analytical results to indicate low-levels of the EEE virus in swampy areas outside the treated area. The Department of Health has determined these detections do not constitute the health risk the detections in the Whiting Swamp did, as they are not repeating in the outlying areas, and so the risk level remains at moderate. Plant Industry will continue to intensify our survey efforts in these areas, and Health intends to continue to provide outreach and notification services to health officers and selectboards in the affected towns.

- The shipment of sample to the VT DOH lab yesterday marks sample number 700 in our series of PCR analyses. Not a huge deal, but an interesting milestone. Samples are being sent to the DOH lab at least twice weekly now, and this week we have sent at least three shipments (so far), due to the increased load as a result of the intensified survey activities. Having the facility available in-state has been enormously more convenient for us, and the sample turnaround time has been considerably reduced (from two to one day).
- Ginseng season has opened, as of August 20. There has been interest in certification of green (undried) root, but as of 8/29, no material has been inspected and certified. Interest in the proposed rule change continues at a low level, with comments generally opposed to charging a license fee, and minor objections to increasing the harvest age to 10 years from the existing 5.
- Interviews for a replacement Forest Pest Outreach Coordinator have been taking place (to replace Rhonda Mace). We hope to have a candidate for this temporary position sorted out by the beginning of next week.
- We now have functioning wireless in the Berlin facility. The whole building is lit up nicely, so we will no longer have to scramble for active Ethernet ports when people come up and want to connect to the internet, and this will be of substantial value as part of the continuing operations plan should headquarters in Montpelier become unavailable (natural disasters, etc.). Thank you to Scott for helping get us Wifi service!

Secretary's Commentary:

Meetings/Events:

NASDA, Department of Agriculture, Raleigh North Carolina: Met with leadership team of NASDA, President Steve Troxler (commissioner of NC) and leadership for FSMA in FDA. Discussed the issues and opportunities of FSMA for states and possible role NASDA could play with respect to the drafting, education and implementation of the FSMA rules. The NASDA leadership made it clear that depending upon the final draft of the rules the states and NASDA could be helpful or very difficult opposition. It was agreed to explore how NASDA, states and FDA could work together to get the best outcome possible.

State Water Quality Partners, UVM: Met with many of the government organizations dealing with water quality to discuss how we could collectively set priorities in a resource constrained environment while trying to being as effective as possible in addressing water quality problems. Representatives from federal, state, regional and state wide not for profit organization were represented.

Vermont Agricultural Hall of Fame and Dairy of Distinction Awards, CVE Essex: attended and spoke at both events on two different days. Reasonably well attended. Emphasized the importance of the farm and food activities to VT's economy and community as well as Vermont's leadership regionally and nationally.

VHCB Conservation Committee, Berlin: Attended meeting where waiver for Roy Folsom, Cabot Farm, was considered and denied; discussed renewable energy and on farm housing practices on conserved properties and adjustments to OPAV policies. Concern

about lack of state enforcement of housing code for on farm housing came up as concern for migrant workers.

Irene 2 Year Remembrance, Rochester: Attended Governor's concluding event in Rochester.

FSMA briefing for Governor, Montpelier: Presented briefing of this emerging issue to the Governor; occurred after the time of this writing.

VPR, VT Edition, Montpelier: Discussed Food Safety Modernization Act – the visit of the FDA, the role of VAAFM/State, issues, concerns and opportunities of the draft rules

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

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

www.anr.state.vt.us



Deborah L. Markowitz
Agency Secretary

Justin G. Johnson
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: August 30, 2013
Subject: ANR Weekly Report

Governor Level Issues:

Vermont Yankee: With the exciting news this week that VY will be shutting down we are beginning to evaluate what impact this will have on ANR. We need to get more information about the cool down and closure process before we know whether it will still be necessary to issue a thermal discharge permit. We will also have some revenue impacts from the closure as they pay over 200,000 in fees that support our programs. Of course, there will likely be additional issues as we look at the plans to decommission the plant.

EVERYTHING ELSE:

Legislative Issues/Testimony:

Shorelands Commission Public Meeting in Rutland: The second Shorelands Commission meeting was well-attended and the discussion was animated. Our facilitator was challenged to manage the dialogue. The comments and questions were within the scope of what we have heard generally in the aftermath of the House-passed legislation from last session. A common theme was the lakeshore owners in attendance feel the state is not doing enough to control water pollution from other sources such as agriculture.

Algae Bloom in St Albans Bay: The Algae bloom in St Albans Bay was pretty bad last week. It is caused because of the extended warm weather we had – and we were surprised the bay was clear for so long. We have begun work on a St Albans Bay initiative to bring the various

constituents together to work on the water quality issues (an all-hands-on-deck approach.) If you would like, I would be happy to brief you on this.

EPA Grant Agreement Negotiations: Following the cuts to our current Federal Fiscal Year grant funding from EPA following sequestration, Vermont requested relief from certain grant obligations. Our rationale was that we should not have to do the same level of work for a reduced level of funding. Thanks to the help of EPA Region One Administrator Curt Spalding, we were successful in obtaining relief from several prior obligations. The changes were modest but this was a new approach and our goal was to establish the precedent for this approach. The outcome means that we have more flexibility to direct a small savings in staff time to higher priority work.

Fire Fighter: One of our employees from FPR, John Akielaszek, is helping the Forest Service fight forest fires in Montana. We are keeping him in our thoughts during the next several weeks while he is on this duty.

Personal note: My youngest, Ari, started Wesleyan this week. The president, Michael Roth, gave an inspiring speech about the value of a liberal arts education and the importance of finding the things we love to do, developing those skills and then using them to make the world a better place. What a wonderful school!

Press Issues/Releases:

Outdoor Wood Boiler (OWB) Change-Out Program: The Stowe Reporter contacted DEC's air quality compliance staff about the Outdoor Wood Boiler Change-out Program. The inquiry was made as a follow up to a previous inquiry to the Compliance and Enforcement Division regarding the Morin enforcement case occurring in Morrisville.

Act 148 (Universal Recycling and Organics Diversion Act) Public Conversation: DEC participated in an evening meeting in Montpelier to give the general public and other interested parties the opportunity to comment on the July 29 Draft Report entitled Systems Analysis of Act 148. Approximately 25 people attended with seven people commenting on the draft report. The deadline for written or additional comments is August 30. Justin Johnson discussed the report on VPR's Vermont Edition and Commissioner Mears appeared on the Mark Johnson show for the same purpose. Interest is running high on our efforts to implement this far-reaching and important law to reduce the amount of recyclables and organics (e.g. food and yard waste) going to landfills.

Vermont Biologist Tapped to Chair National Committee: John Buck, Vermont Fish and Wildlife's migratory bird project leader, will chair the Atlantic Flyway Nongame Bird Technical Section for the Atlantic Flyway Council. The Atlantic Flyway Council's membership includes wildlife managers from 17 Atlantic Coastal state fish and wildlife agencies along with the U.S. Fish & Wildlife Service, Puerto Rico, Quebec, Ontario, and the Maritime Provinces. The

Technical Section provides scientific advice to the council on issues pertaining to migratory bird conservation.

Significant Events/Meetings:

Lake Champlain Water Quality Plan (TMDL): Commissioner Mears is holding a series of small group meetings with various stakeholder groups to give them an update on the progress of our discussions with EPA regarding this topic. These meetings so far have included large municipalities, public works directors, VLCT, developers, regional planning commissions, and watershed groups. The purpose of these meetings is to get input on some of the options available to the state in terms of new regulatory, technical assistance and funding programs to reduce sediment and nutrient pollution into the lake. Public meetings will be held starting in mid-October.

Groton State Forest Tour: On August 27 the St. Johnsbury Forestry staff of Forests, Parks and Recreation hosted a public tour and discussion to highlight activities in the multi-use working landscape of Groton State Forest. The foresters introduced new signage installed around the forest to explain the management activities conducted within the 26,000-acre state forest. The signs point out how Vermont's forests respond to management activities to protect/enhance native biodiversity and wildlife habitats, how forests help provide opportunities for and enhancement of high quality recreational experiences enjoyed by more than 75,000 visitors each year, and how the products from this forest contribute to local and regional economies.

SUMMARY OF KEY DEPARTMENT ACTIVITY

Environmental Conservation

North East Materials Group: Air Quality division continues to receive multiple complaints from Graniteville residents regarding operations by North East Materials Group at the Rock of Ages Quarry. Complaints include excessive dust, asphalt and other unidentified odors, hours of operation and noise levels. The residents were instructed to contact Act 250 regarding the noise and hours of operations complaints. We will also perform an inspection to verify the alleged conditions.

Outdoor Wood Boiler Change-Out Program: We are in the process of securing supplemental funding for the outdoor wood boiler change-out program from the Agency of Human Services. Specifically, the Department for Children and Families has stated that additional funding to help economically disadvantaged homeowners with noncompliant outdoor wood boilers may be available through the fuel assistance and weatherization programs they administer, provided that the owners are eligible for the programs based on income. We are hopeful that this additional funding will encourage uncertified owners to participate in the change-out program and lessen the likelihood of situations needing to be referred for enforcement.

Capital Complex: A draft permit was issued to BGS for a temporary boiler at the Capital Complex to be used in the interim while the new wood fired units are constructed.

Troy-Jay Sewer Line to Jay Peak: The consultant on this project expressed his concern about delays in the project and possible actions he might take including contacting his attorney and local representative. Mr. Leach is concerned because the final design plans and specifications have not been approved by our Facilities Engineering office. Two weeks ago we sent him a draft comment letter on his last submittal outlining our continuing concerns over the project. In subsequent emails and phone calls this week we understand Mr. Leach will be responding to our draft letter and has agreed to meet with us to help resolve any differences.

Telecommunications Towers and Onsite Wastewater Permitting: Drinking Water & Groundwater Protection division met with ACCD and the VT Telecommunications Authority to discuss whether the onsite wastewater (septic) system permit process can be streamlined when it involves the leasing of land (which under the rules is a subdivision of land) for the siting of cell towers. The leasing of land is considered a subdivision of a parcel under the current rules and as such there are requirements that must be met by the landowner in order to get a permit. We are reviewing the rules to determine if there is some flexibility that can be applied when the leasing of land does not involve the siting/construction of a new wastewater system or water supply.

Fluorescent Lamp Recycling Meeting with NEMA: Environmental Assistance staff met with the National Electrical Manufacturers Association to discuss status of manufacturer-funded fluorescent lamp recycling program which is now just over one-year old. NEMA has concerns with large generators using the system and recycling large quantities of compact florescent light bulbs. The system was intended to serve residential and small business sources. They have suggested a numerical limit. This is an issue that will need to be addressed legislatively. They are also advocating for a front end or advance disposal fee approach to lamp recycling such as last year's paint product stewardship law.

RCRA Program Authorization: The Hazardous Waste Program submitted its application to EPA Region 1 for program re-authorization. Since last authorized, the program revised the Vermont Hazardous Waste Management Regulations (VHWMR) to include a number of new federal RCRA rules (including the Academic Labs Rule which is applicable to UVM) as well as Vermont-specific changes. The authorization application consists of the revised VHWMR (effective March 15, 2013), EPA program equivalency checklists, and an Attorney General statement which verifies that Vermont laws have adequate authority to implement the program.

Aerial Spraying for Mosquito Control: Watershed Management division worked with the Department of Health and AAFM to evaluate the water quality impacts of aerial spraying of adult mosquito pesticides in an area of Whiting, VT due to public health risk. This is already in the news. As this is an emerging practice with a chemical with potential impacts to aquatic biota, staff will be taking a look at a few sites, pre-and post. AAFM (and Dept. of Health) are authorized as co-permittees under the Pesticide General Permit for the proposed activity. AAFM was authorized last year, and that permit is still valid (until October 2016), particularly since the

proposed 2013 treatment area involves the same area as last year. We continue to coordinate with both parties' technical staff, particularly AAFM, to work towards a clear understanding of the obligations under the permit, none of which will impede the proposed aerial spraying as scheduled.

Haystack: Following extensive internal deliberations, Watershed Management informed a consultant working for Haystack/Hermitage Inn that we do not believe construction of new and modified snowmaking water intakes should be initiated this fall. Our concern is that the standard construction season for instream work ends on October 1, leaving barely 5 weeks to complete these projects. Further, permits necessary to initiate the project are still under review, including stormwater permits, and in at least one case, additional information is needed to complete the review.

Wolcott Pond: We held a public meeting to receive comments on a petition submitted by the Friends of Wolcott Pond seeking an internal combustion motor engine prohibition on Wolcott Pond. The public meeting was held at the Wolcott Town Offices and was well attended. Approximately 40-50 people were in attendance and approximately 25 people spoke. The positions were fairly evenly divided and discussions got heated at times. We will continue to receive public comments until September 1 and will address comments received in its final decision on whether to grant the petition's request and move into rulemaking proceedings.

Fish and Wildlife

Pearlshell Populations in Marshfield: Staff made a site visit to Winooski River in Marshfield to assess how habitat changes in 2011 are affecting the eastern Pearlshell population there. Heavy precipitation that year caused a great amount of sand to enter the stream, and many mussels were displaced. Now, it appears the sand is still impacting the habitat, though some areas are clear and supporting mussels. There are many empty shells in the river that were the result of the 2011 event. There are still pockets of good habitat where mussels reside. This habitat change appears to have caused a significant amount of mortality. Staff moved about 18 Eastern Pearlshell out of unstable (shifting sand) substrate and placed them with other mussels in nearby, better habitat.

State lands Management: Staff participated in a workgroup to develop riparian buffer guidelines for state land management. Riparian areas are critical for protecting water quality, aquatic habitat and temperature moderation, and they provide important wildlife habitat and travel corridors which should be accounted for when managing state lands.

Aquatic Habitat Protection and Restoration project: Staff drafted a portion of the annual report for the Aquatic Habitat Protection and Restoration project. This annual report will allow the federal government to evaluate whether their funds are being used appropriately and will serve as a record of tasks accomplished during the last fiscal year.

Forest, Parks and Recreation

Forest Legacy: We received a second phase of funding for the Northern Greens project in FY13 in the amount of \$2,720,000. The president's budget for FY14 has the Groton project in for \$1,605,000 as the 16th ranked project, and Windham in for \$2,185,000 as the 23rd ranked project. FY15 proposed projects will be reviewed by the Forest Stewardship Committee in October.

Summer Is Winding Down: As the park operating season approaches Labor Day weekend, some staffing changes typically need to be made as seasonal employees return to off-season work/school. Managers and supervisors are finding creative ways to share staff among parks and continue to provide thorough coverage and service. Most day use areas and half of the campgrounds will close down operations next week. The rest of the campgrounds, with about 1,000 campsites, will remain fully operational through Columbus Day weekend. Fall camping in state parks is a very different experience appreciated by a large number of visitors seeking a bit more quiet, tranquil, bug-free atmosphere.

Repairs to Camel's Hump Road: Essex district staff are working with the Town of Duxbury to utilize FPR's River Road gravel pit to extract gravel for repairs to the upper section of Camel's Hump Road. The section extends to the end of the Town's Class 3 road at the four-way intersection just below the State's parking lots. The Town has requested 300-400 cubic yards of material (about 15 truckloads) to repair damage from storms earlier this year. This office is also waiting for word from FEMA following site visits to forest highway sections that were severely damaged in that storm.



Privileged and Confidential

MEMORANDUM

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

From: Christopher Recchia, Commissioner

Date: August 30, 2013

Subject: Weekly Report

Governor Level Issues:

Status of Priorities and Cases of Interest:

VY: Following Tuesday's announcement of VY's plan to shutdown, VY filed for amended CPG to operate to the end of 2014 as opposed to 2032. We filed on 8/29 with PSB asking for a 30 day delay in CPG proceeding to assess options. PSD is in discussions with Entergy, AGO, and intervenors (VPIRG, CLF, CAN) regarding next steps in the docket. All agreed with the extension request. Direct briefs have been filed, and reply briefs would now be due October 11th assuming the PSB agrees. PSD is convening interagency meeting next week to follow-up on identifying issues and next steps.

Discussions with Entergy are ongoing. I understand that we'll be meeting soon with Entergy's CEO and you to kick off more active negotiations. I should brief you before then about discussions to date. I am working with Lawrence to identify town/community needs more firmly, and I am up to speed on main issue of dry cask storage, and I think there are promising options to move most spent fuel rods to dry cask well in advance of cool-down period and beginning of SafeSTOR.

Press has been focusing on decommissioning the last few days, pushing on what can and can't be accomplished in the PSB proceedings. I've stayed general and consistent with 3 points: 1) We're evaluating next steps in the CPG process; 2) we're engaging Entergy constructively in discussions; and 3) we'll actively participate in the NRC process and through these three paths we'll work to have the site decommissioned safely and as quickly as possible.

Net Metering: PSD has begun drafting legislative proposal, and sharing broad outlines of concept with key stakeholders to build support. In general, the proposal will be to raise the cap to 10-15%, and have it apply only to larger projects over 15kW (i.e. projects below 15kW would be allowed and not count toward cap), and to-date, we've had several meetings with solar businesses and stakeholders, who received proposal well. Our aim is to continue to refine proposal, and continue outreach, with a goal of aligning the developers, GMP, WEC and perhaps other munies, and publicly unveil it a month or two prior to start of 2014 session. VEC is going the other way, and will likely file a tariff with the Board to pay about 13 cents/kWh for all projects over the 4% cap. A ridiculous price and we will have to fight them with the coalition above.

I met with BGS on Wednesday and discussed how we can help with the state solar net metering. The list of corrections and state buildings projects are all in GMP territory except one – that is in VEC territory, and for the reasons above, it may make sense to go a bit slower on that one out of the gate.

Addison Expansion: At request of Senator Bray, PSD held call with Bruce Hiland, Chair of Cornwall Select Board, and Ben Marks an attorney assisting him. We discussed VGS spreadsheet on costs with, and without, IP involvement. He raised some of same concerns regarding analyzing Phase I and II separately as Bray has, and is opposed to the route through Cornwall. He believes PSD should analyze costs for re-routing, and has expressed same to Don Gilbert, who he said told him it would be \$15 million in additional cost.

Lowell Wind Noise Violation: – Docket 7628 – The Department submitted a brief to the Board requesting that the Board hold the penalties determination in abeyance and to direct GMP to explore the costs and feasibility of installing full-time monitoring equipment at the site. It also recommended a \$9,000 penalty for each of the six violations (\$54,000 total). I gave GMP a heads up. The brief also acknowledges that violations of the CPG sound limit present an unnecessary risk of adverse impact to human health. Reply briefs are due to the Board by September 6.

Significant Meetings/Events:

August 26: Chris visit to ROV in Brattleboro – they are looking to expand and gain relief from the Texas Compact costs.

August 27: VY announcement; Chris and Darren meeting with Mike Twomey; Darren meeting with Tuck Rainwater, Comcast

August 28: Chris meeting with BGS on state lead by example energy; Chris and Darren

meeting with David Blittersdorf and Andrew Savage RE net metering; Darren and Sean Foley call with Bruce Hiland of Cornwall RE VGS expansion; Darren meeting with James Moore RE net metering; PSD filing in Lowell wind noise violation due

August 29: PSD meeting with VELCO on regional transmission costs; Chris and PSD staff meeting with GMP on Lowell Docket and Net Metering; PSD meeting with Clean Energy States Alliance

August 30: Chris meeting with Jim Volz on siting commission recommendations

Next week significant events/meetings:

September 3: Chris and Darren meeting with Michael Dworkin and Kevin Jones of Vermont Law School

September 4: Interagency meeting on VY next steps

September 5: Chris meeting with Mary Powell, Lead by Example press conference

September 6: PSD meeting with EAN, ACCD, Senator Sanders office to discuss Clean Energy Summit follow-up

Media: Numerous stories on VY closing, Chris interview with WCAX. VPR ran story prior to VY closing on radiation monitor issues. We corrected Blomberg on how much energy VT gets from VY (zero), but Reuters' used the same EIA data from 2011 in its story. Chris has fielded calls over past two days with VPR, Rutland herald, Keene Sentinel, Burlington free Press, Statehouse News Service in MA, and a few DC energy newsletters.

Everything Else:

PERD

Total Energy Study

- Held TES focus group sessions #7 (Cost, Benefits and their Allocation) and #8 (Renewable Energy Generation, not focused on biomass).
- TES Sessions this/next week include "Alternative Fuel Vehicles and Infrastructure (Friday, August 30th) and "Electrification of all sectors" (Thursday, September 5th).
- "Capstone" focus group with big energy thinkers from around the state (including several members of the Governor's energy and environmental council) has been scheduled for September 16.

Other Items

- Staff convened representatives of ANR, VTrans, DMV, PSB, Tax, and JFO to discuss the Act 12, Section 28 report on the mechanics of collecting Transportation Fund revenue from drivers of electric vehicles. Consensus was reached to craft a simple report, relying heavily on the Section 39 Study that VTrans produced last year, with additional details where required (e.g. regarding the difficulty of collecting revenue via the electric bill).

Engineering

Vermont Yankee Operation

Final preparations are underway to have the new Station Blackout Diesel operational by September 1.

CAPI

CONSUMER COMPLAINTS

Complaint numbers for the period August 21st – August 27th are 112 calls and 65 complaints, with FairPoint and GMP leading in complaints. During this period, CAPI also took in 17 complaints regarding high speed internet. While many of those complaints regard availability (or lack thereof), a number of the complaints pertain to lack of promised speed and the price of what some consumers feel is a less than useful service.

Additionally, CAPI received complaints this week that include –

- *Low income assistance program fees charged by GMP and VGS
- *Solar generation
- *Energy Efficiency charge on electric bills
- *GMP's investment of the \$21 million
- *GMP transaction/convenience fee for paying by credit card
- *VGS line extension
- *Early Termination Fee for telecom service
- *Electric line extension

Post-CPG wind complaints

CAPI took in three complaints (from one consumer) regarding Georgia Mountain Community Wind, three complaints (from two consumers) regarding Lowell Wind, and one complaint regarding Sheffield/First Wind. Most of the complaints were not only about noise but also about health effects from the turbines. Additionally, both Lowell Wind and GMCW notified CAPI that they have begun their quarterly monitoring sessions.

OTHER CAPI ITEMS

- CAPI continues to work with GMP regarding the upcoming informational filing to the
- CAPI has begun preparing for the fall Energy/Heat Summit hosted annually by CAPI. This event brings together electric and natural gas customer representatives with the Department for Children and Families, CAP agencies, Area Agencies on Aging, 211, Efficiency Vermont, and other community agencies. The agenda is still in development and a larger location will be sought for this year's event, thanks to the increasing popularity of the event. The date for the event has been set for October 18th.

Public Advocacy

GMP Base Rates Adjustment filing – Tariff No. 8460 – A workshop was held on August 23 to

discuss GMP's proposed rate adjustment and the MOU between GMP and the Department in the context of GMP's alternative regulation plan. Board staff had a number of questions regarding the mechanics of the 2.5 percent cap for the 2015 rate year. As a general matter, Board staff's questions appeared to be addressed to their satisfaction. Following the workshop, the Department submitted its formal recommendation that the Board approve the base rate increase and the MOU.

WEC Point to Point Distribution Tariff – Tariff No. 8458 – On July 22, 2013, WEC filed a point-to-point distribution tariff to enable WEC to charge standard offer projects in its territory a wheeling charge. The Department filed a recommendation on August 20, urging the Board to open an investigation into the matter, but to allow the tariffs to go into effect, subject to refund, during the pendency of the investigation. The Board opened an investigation into the tariff filing and scheduled a workshop for August 30. The Board indicated that the investigation would look at whether it is more appropriate to bill a standard offer project that is wheeling its power through WEC (as WEC proposed) or whether it should bill the SPEED Facilitator for wheeling the power. On August 27, REV filed a letter asking the Board to postpone the workshop because it could impact all standard offer projects, which should be afforded additional notice in advance of the workshop.

VEC Specific Use Tariff – Tariff No. 8457 – On August 20, the Department recommended that the Board accept VEC's Specific Use Tariff, which establishes a new dynamic pricing rate schedule, under which formula rates would be revised annually. On August 22, the Board accepted the tariff. The Board noted that the formula rates in general raise novel issues, particularly with respect to how they will be handled in future proposals by coops or munis to increase rates. Therefore, the Board stated that it will have Board staff convene a workshop with coops, munis, and the Department to discuss this issue.

Vermont Gas Rate Design Changes – Docket 8009 – A proposal for decision (PFD) was issued on August 23. The proposal largely accepts VGS's proposed rate design (which was supported by the Department). However, the PFD requires that the rate design be phased-in over two years, over VGS's and the Department's objection, because it will result in rate shock to industrial customers. Staff is currently researching whether such a phase-in can be ordered by the Board in the context of a rate design case. (Phase-ins cannot be ordered in the context of rate increases.) The issue is whether it is appropriate to delay implementation of a just and reasonable rate design in a way that benefits one class of ratepayers (e.g., industrials) over another (e.g., smaller residential).

Cross Pollination Solar Project – Docket 7645 – Despite the fact that the Board's recent Second Order Denying Reconsideration put Mr. Madden on notice that any further filings will be reviewed by the Board for strict compliance with the rules of civil procedure and that the Board would consider imposing sanctions pursuant to said rules, Mr. Madden filed a "Response to Order." This filing states that the record shows that the project has an undue adverse effect on aesthetics and does not meet the criteria for a CPG. Mr. Madden included a compilation of documents that appeared to be copied, pasted and underlined portions of orders from

Vermont Supreme Court cases, the regional plan, the town plan, letters previously submitted to the Board, newspaper articles and Rule 60.

VTel Wireless Petition for ETC Designation – Docket 7966 – A status conference was held on August 28th. The Hearing Officer expressed concern that the disagreement expressed by the parties as to the applicable E911 requirements undermined the settlement presented in the MOU. The parties were directed to report back to the Board by September 20th providing further information and indicating whether the MOU still represents a complete agreement.

VGS Section 108 Petition – no docket – VGS has filed a Section 108 Petition requesting approval to issue first mortgage bonds in the amount of up to \$35,000,000 and for a three-year extension of its existing unsecured revolving credit facility of up to \$45,000,000. The Department's recommendation is due to the Board on September 23rd.

Demand Resource Plan (DRP) Proceeding – EEU 2013-01 – The Department participated in a Board workshop to discuss proposed modeling assumptions, budget and savings modeling scenarios and quantitative performance indicators for the DRP currently underway to determine budgets and savings goals for the 2015-2017 three year performance period for the State's EEU's. The Department proposed that the scenarios to be modeled include a level funding, moderate growth and aggressive growth scenarios; because we believe that this will provide the range of budget and savings projections to enable the Department to recommend an appropriate budget to the PSB for the upcoming three year budget cycle.

Revision of the Process and Administration document - EEU 2013-05 - The Department filed a memorandum explaining why the selection and funding process for GeoTargeting (GT) should be separated from the Demand Resource Plan (DRP) proceeding (the triennial budget and goal setting process for the State's Energy Efficiency Utilities). The existing Process and Administration document directs consideration of the GT process during the DRP. This aspect of the document needs to be changed immediately, as the second DRP is underway. During the inaugural DRP which took place in 2010, it became apparent that the Vermont Systems Planning Committee, which includes representatives from all of Vermont's distribution utilities, as well as VELCO, the state's transmission utility was the appropriate body to assess and recommend areas for geotargeting, due to their ongoing mission of identifying and addressing system reliability constraints and supply problems.

Green Mountain Power and Central Vermont Public Service Smart Meter Plans – Dockets 7704 and 7612 - The Public Service Board held a workshop on the Measurement and Verification (M&V) report template developed by the Department, GMP and CVPS to assess costs and benefits of utility smart meter projects. After filing the template with the Board in November of 2011, in July of 2012, the Department had specifically requested that the Board issue an order requiring the utilities to file quarterly M&V reports, but the Board had not responded. At the workshop the Board, Department and utilities discussed the template and agreed to refine the template in early 2014 to reflect the activities and costs and benefits that will be associated with the projects after completion of meter installation, which occurred in April 2013. The

Department had hoped for an earlier ruling from the Board on this M&V template, as it might have assisted the Department in gathering data from all utilities implementing smart meters for our 1/1/14 legislative reporting obligation on smart meter benefits, but given that the Board has not acted yet, we will be gathering the data through alternative means.

Telecommunications

VTel Wireless – The Board held a status conference to discuss VTel wireless bid for ETC designation, necessary for VTel to obtain a \$3M grant to provide mobile voice and broadband service to a set of rural census blocks. The hearing officer acknowledged that VTel and the Board had filed an MOU and a joint proposal for decision, yet noted that the parties have clear disagreement about the E911 requirements that would apply to the company; the PSD contends CMRS requirements apply (coordinates of the actual mobile location) while VTel claims that VoIP requirements apply (billing address). The hearing officer acknowledged that the parties suggest leaving potential litigation until the company actually offers service. He then requested that the parties consider the potential that if the PSD prevails, VTel could abandon the present ETC designation after receipt of federal funds to build the network. He requested that the parties consider this issue, and make an additional filing next week.

Vermont USF high-cost Phase II “Cost” report – Consultants for the PSD have amended the Phase II “cost” report to include minor editing changes requested by the Vermont ILECs, and the report is ready for circulation.

Broadband availability databases – VCGI has released the 12/31/12 data about broadband availability as of that date to the public website www.broadbandvt.org. The stoplight map that shows projects in process and areas that will remain without service has not been updated, and the map on the site is based on 6/30/12 data. The data used by CAPI to respond to consumer calls is also still based on the 6/30/12 data.

Finance and Economics

Electric

Ryegate - Investigation into the Establishment of a Standard-Offer price for Baseload Renewable Power under SPEED Program. The open question in the case is whether the Ryegate owner will install a selective catalytic reduction system (“SCR”) at the Ryegate generation facility and if so, who gets the RECs and who will pay for the SCR. The parties have reached a tentative agreement where the Ryegate owner will pay for the SCR provided it gets 90% of the RECs for the first 2 years, 50% for years 3-7, and 10% for years 8 through the end of the PPA. The agreement raises policy questions regarding the transfer of RECs to Ryegate. From an economic perspective the agreement appears reasonable given that the state will have more renewable energy and the Vermont utilities will have no risk or exposure in paying for the SCR. The Department’s comments are due on September 3.

GMP - Third Fiscal Quarter 2013 PCAM, GMP has filed for a rate adjustment increase of

\$2,890,142 or \$0.00282/kWh in the energy charge. Staff is reviewing the filing. The PSD recommendation is due September 13th.

GMP –Purchase or Lease of Generation Facilities-- staff completed a review of 3 contracts that were filed by GMP to give notice to the department and to the PSB related to the execution of contracts which are more than five years in duration for the purchase or lease of any electrical generation facility within the State under PSB Rule 5.202. These contracts are above the market cost of power and above the market cost of renewable power and are clearly not “least cost”. The prices average about \$16/MWh above avoided cost. GMP sees these projects as providing a cost effective, high value route to achieving its objectives related to the creation of the Solar Capital in Rutland. These costs could be disallowed in the course of GMP PCAM filing or Base Rate filing, or seen as pursuing the State’s renewable energy goals.

Gas

VGS---Alt Reg--- will file its 2014 base rates on August 28, where it looks like there will be a significant rate reduction in the neighborhood of 4-5%. Staff has been working with VGS and has identified three adjustments totaling over \$500k that will increase the rate decrease. Our recommendation is due September 15.

Financings/Mergers/Acquisitions/Consolidations

GMP – filed a petition for approval to issue \$75,000,000 of First Mortgage Bonds Pursuant to 30 V.S.A. § 108. Staff is reviewing the request. Our recommendation is due on Sept. 19th.

PSNH – Has requests approval and authority from the Board to issue up to \$315 million aggregate principal amount of long-term debt securities through December 31, 2014, \$282 million is to be used to convert current short term debt to long term. Staff has review the filing and recommended approval.

Regional Policy

Revised Winter Reliability Filing

- On August 27, 2013, ISO-NE filed the results of its revised winter reliability procurement process with FERC for approval. The total cost is \$78.8 million, for which for which the region receives just under 2 million MWh. Of that, 3,780 is demand response, with the rest either for oil-only units or for oil reserves at dual-fuel units. The per MWh cost is \$39. ISO-NE is proposing to accept 83% of the target of 2.4 million MWh, as the supply curve slopes up sharply after the 83% mark is reached. The total of all offers equaled \$114.3 million – in addition to price, ISO also indicated that it had some concern about the reliability of some of the higher-bid units.
- Green Mountain Power was one of the winning bidders and is expected to receive \$208,648 for its participation in the program. It’s unclear from the information that ISO provided as to whether GMP submitted bids for multiple peaking units (it has at least

the Berlin, Ascutney, and Winooski oil-fired units) or only one. GMP was one of the lowest bidders in the program

- So far, NESCOE is leaning towards continuing its position of not opposing the filing (with the exception of Maine that previously filed in opposition to ISO's filing with FERC). Although \$39/MWh is a fair amount given normal market conditions, the prices during the cold spells last winter were hovering around \$200-400. If you take into account those prices, the region is not paying all that much insurance for the increased reliability.
- We have started conversations with MA and CT regarding the infrastructure proposal, and also gotten them on board with the idea of VELCO presenting to the states how we've deferred T&D costs through better Load forecasting and NTA's.

Forward Capacity Market Proposed Changes

- CT provided some additional details on their alternative proposal to PI. CT is proposing that ISO develop a premium capacity ("PC") product that is tailored to the ISO's identified reliability concerns to avoid customers paying premium reliability services from all capacity resources, as required by ISO's PI approach. The PC product would be secured through a sealed bid prior to the forward capacity auction (The Installed Capacity Requirement would be separated with a PC capacity and rest of capacity secured in FCM). CT is also proposing changes to the FCM penalty structure to strengthen incentives to perform. In addition, CT suggests changes to the energy and reserve markets to allow day-ahead commitments to better track with real-time load.
- All states were supportive of exploring further the CT proposal. Questions were raised on the cost of the of the CT alternative, and whether it would be less expensive than the ISO PI proposal (to date CT has no plans to analyze cost of alternative proposal). Concerns were also raised that the proposal does not address renewables. CT suggested renewables could be addressed by reducing the FCM ICR by the amount of renewables purchased under state policies.

Memo



TO: Governor Peter Shumlin
FROM: Keith W. Flynn, Commissioner
DATE: August 29, 2013
SUBJECT: Governor's Report

Vermont Yankee's shut-down announcement will have little to no significant effect on the SFY15 RERP plan or budget (with the exception being discussions to ensue regarding the ARC 20% sheltering initiative). There are several questions regarding the shut-down and decommissioning of the plant regarding off-site planning requirements. DEMHS will work closely with the Department of Public Service, the NRC, FEMA, other state and local agencies and our neighbors in NH and MA as this process is understood and undertaken. Noticeable staffing changes (those with wholly RERP roles) will be seen in the SFY'16 budget.

In response to ACT 50 Section E.214, DEMHS submitted a reply to the legislature (due by 9/1/13) regarding the 20% sheltering initiative, whether the standard should be greater than 20%, what the cost might be and Entergy's position on a standard greater than 20% (which they oppose).

Deputy Commissioner Wood, Director Flynn, Colonel L'Esperance and LG Phil Scott attended a Border Threat Briefing at Border Patrol Station in Highgate, VT.

FY14 Financials: Trooper reclassification cost impact projections have been completed, we will schedule a meeting with Commissioner Reardon to discuss.

State Police

Assist to Orange County Sheriff's Department, the local Game Warden, and the Orange Town Constable re: complaints of people with ATV's and 4-wheel drive mud trucks partying, damaging property and trespassing in the area known as Orange Notch, assistance ongoing.

Two fatal accidents; one involved a male subject who had just been fired from his job 20 minutes prior and hit a tractor trailer head on in Coventry. There was no indication of braking by the deceased and circumstantial information indicating that it was intentional based on statements from the other operator and that he had just lost his job. The second fatal involved a motorcyclist riding in a group when he lost control of his motorcycle negotiating curves going down the mountain on Route 242 in Jay.

87 arrests this past week, 24 were for DUI.



State of Vermont
Agency of Administration
Office of the Secretary
Pavilion Office Building
109 State Street
Montpelier, VT 05609-0201
www.adm.state.vt.us

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

Jeb Spaulding, Secretary

PRIVILEGED AND CONFIDENTIAL MEMORANDUM TO THE GOVERNOR

TO: Governor Peter Shumlin

FROM: Secretary Jeb Spaulding

DATE: August 30, 2013

SUBJECT: Confidential Report to the Governor

BUILDINGS AND GENERAL RESOURCES

Status of Governor's Priorities:

- Governor's priorities remain intact, topped by the Waterbury renovation project kick-off.

Legislative Issues/Contacts:

- Talked to Sen. Hartwell and Rep. Botzow regarding the regional economic development grant program administered by BGS.
- Met with the son of Rep. Sharpe, a highly motivated and experienced solar engineer about solar PPA's.
- Met with former Speaker of the House Gaye Symington primarily about energy issues and the Deb Bordo position vacancy.
- Rep. Stuart dropped in for a conversation re: educational performance and the Connecticut River economy.
- Sen. Zuckerman contacted us for permission to fly the HEMP flag over State House on 9/17.
- Talked to Sen. Flory about the present status of the 20 Houghton Street St. Albans project.

Significant Events/Meetings:

- Discussed parking of fleet cars at National Life with a favorable outcome relative to the 10/18 fleet car removal deadline.
- Strategized on how to win approval for BGS's e-procurement plan from DII.

- Met with the state auditor to listen to and meet his space needs.
- Mike Stevens is concerned about when Waterbury will determine if they want Stanley and/or Wasson; late September is the earliest we will know.
- Berlin hospital and the 133 State Street. The most worrisome project is the heat plant presenting both budget and schedule challenges.

Evolving Issues:

- Met with Commissioner Recchia, PSD, regarding how BGS and PSD can work together more for the benefit of the State.
- The 20 Houghton Street project evolves every day....

FINANCE AND MANAGEMENT

Issues Update:

ERP System: We continue to work through post Go-Live issues with the system. Met with senior managers from the Agency of Natural Resources (ANR) on issues and concerns ANR still has with the ERP system.

A similar meeting was scheduled for this week with the Agency of Human Services, but was cancelled by AHS. We expect it to be rescheduled soon.

USDOL Wage & Hour Compliance Audit: Deputy Commissioner Zeller will be coordinating the efforts of FinOps Director Brad Ferland, the Department of Public Safety (DPS) Business Manager Joanne Chadwick and Human Resources Reporting staff to fulfill the audit information requirements for a US Department of Labor (USDOL) audit. There is an initial meeting scheduled for September 17th with the USDOL Auditor. At that time, much of the information requested will be available to the auditor, but the larger task of pulling and copying DPS paper timesheets for the past 2 years may take a bit longer. USDOL will be auditing wage & hour compliance – that is – are overtime (OT) and compensatory time paid/granted in accordance with the federal Fair Labor Standard Act (FLSA) by DPS.

Government Accountability Committee (GAC): Deputy Sue Zeller testified before GAC on Wednesday, providing the Committee members with a walk through of a crosswalk document that maps the Challenges for Change (C4C) outcomes to the Governor's Strategic Plan Priorities. In addition, she provided them with an update on the Joint F&M and JFO programmatic/performance measure pilot initiative for the FY 2015 Budget. GAC is trying to find a way to modify the C4C statutory language to provide a tie-in to the programmatic/performance measures budget initiative and the Governor's Strategic Plan, while still providing for legislative priorities contained in C4C.

Vermont G.O. Bonds: F&M is working on the vast array of information necessary to update the Official Statement for the next planned issuance of Vermont General Obligation Bonds.

Government Efficiency: Commissioner Reardon and Deputy Zeller joined Secretary Spaulding, Deputy Secretary Clasen, Deb Damore, Purchasing Manager and Maria Belliveau of the Joint Fiscal Office in RFP respondents' interviews for a Government Efficiency RFP issued earlier this year. Three respondents were interviewed between last Thursday and this Tuesday. The review team is now grading the respondents and deciding what the plan of action will be, if any.

FY 2015 Budget Cycle: Budget & Management is beginning to prepare the Vantage Budget Development System for the FY 2015 budget development cycle. Actual FY 2013 data has been loaded from the VISION statewide accounting system. The FY 2015 Budget Instructions are in draft form and once reviewed by Commissioner Reardon will be sent to department heads and business managers in September.

HEALTH CARE REFORM

Financing:

Health Care Finance Consumer Advisory Council: The Governor is forming a Health Care Finance Consumer Advisory Council. This is the companion group to the current Health Care Finance Business Advisory Council. We met with advocates and others to discuss potential candidates for the consumer advisory council, and I circulated a list of names and other considerations to Jeb, Liz, and Robin. The goal is to finalize a potential list for the September 5 meeting with the Governor.

Health Care Finance Business Advisory Council: We developed an agenda for the September 4th and October 21st meetings based on our pre-meeting with Jeb, Lawrence Miller, Robin, David Coates, and Don Mayer. The September meeting will focus on three issues. (1) Vermont Health Connect update. (2) Discussion of ERISA, with the goal of separating fact from fiction. (3) Open discussion with the Governor. Michael will also provide a brief finance plan update and preview of the October meeting. The October meeting will feature a robust dialogue on key decision points within finance proposals and the state of tax reform in Vermont. Should the Tax Commissioner be a part of this discussion?

Finance Plans: Michael developed five rudimentary financing options. He will continue to work through these financing options in greater detail, including pulling in staff from other agencies and consultants, until he has enough information to share concepts with the larger group.

PAI Health Care Reform Finance Group: Public Assets is likely pulling together a health care finance group. Paul Cillo is trying to recruit Deb Brighton, Deb Richter, Bob Gross (well-regarded retired Tax Department policy analyst), Tom Little, Mark Hage, Susan Mesner, Steve Jeffrey, Ham Davis, and Jack Hoffman. Paul invited Michael and Robin to speak at their first meeting.

State Level Single Payer Finance Plans: State level single payer finance studies are rare. Thus far, Michael found detailed, recent studies for Minnesota and Maryland. He is scheduled to discuss these studies with their authors and the group that commissioned them. One potential outcome is to identify other studies and work done by other states.

Hirschfeld Article on Taxes: Pete Hirschfeld's article, "Shifting tax burden to the rich: The fight isn't over," offered a reminder that the Legislature is not on the same page regarding tax reform/health care finance reform.

VHC:

Outreach: The navigators have been mostly trained and have begun outreach. I am working with the VHC outreach and education team to beef up their tracking of events done by navigators, insurers, and state staff, so that we know where we have been. I am also working with them on beefing up strategic

thinking about how to ensure the outreach efforts are effectively reaching the right people in the right way. At Liz's suggestion, we are also exploring a searchable event map. VHC is now doing weekly press releases listing the navigator events for the following week, which has already improved navigator's posting events to a shared calendar.

Operations & Technology: There was a delay in the internal testing environment from CGI and we will know today if this is back on track. It will mean that staff will need to do some testing on weekends in September. It does not impact on carriers or navigators. We continue to work with ESD weekly to ensure that their staffing will be sufficient and that they will also be ready October 1st.

Single Payer Operational Planning: I am working on a budget for what contracting and other resources are needed for moving forward with operational and other single payer planning. We've discussed short-term staff needs and I am working on job descriptions to flesh those out.

SIM Grant: We had our second SIM steering committee meeting and have submitted the operational plan to CMS. We have a "reverse site visit" in D.C. September 17th to go over the operational planning with CMS. We are in process of finalizing the workgroups and moving forward with the work for each. The Steering Committee had a walk-through of proposed Medicaid ACO standards, including highlights of areas that the workgroup did not have consensus around. The members have an opportunity to submit comments before the decisions go up to the Core Team.

Legislative Issues/Contacts:

Last week: Contact with Mike Fisher and Claire Ayer regarding Anne Donahue's concerns relating to BC/BS as the new state employer administrator.

August 29: We met with legislative leaders (Ashe, Kitchel, Ayer, the Speaker, Fisher, Ancel & Heath + Rebecca Ramos for Campbell) to update them on Vermont Health Connect and the financing work with JFO. The meeting was primarily focused on VHC status update with a long discussion about outreach and education.

August 29: Michael & Robin are meeting with JFO and UMass today to review questions relating to the UMass report.

Press/Media Notes:

VHC press sneak peak at ads - questions were primarily around cost of ads (broken down by production cost v. buy) and total media budget. There were a couple of national reporters on the line as well, who asked more basic questions. Hirschfeld asked about reuse of VHC for single payer.

HUMAN RESOURCES

Legislative Issues/Contacts:

General Counsel Collier spoke with Representative Shaw regarding the recent death of a DOC officer who had been placed on temporary relief from duty. This is the second call from Representative Shaw. Representative Shaw continued to express concern regarding the need to monitor the mental health of correctional officers, his own experience working for Correction and what he calls "corruption" at the

Newport facility. Responses to questions have indicated that the term corruption is being used in a loose way, and Representative Shaw is not aware of any fraud, discrimination or other actionable activity at the Newport facility.

Senator Kitchel contacted Commissioner Duffy to express her constituents' concerns about giving state employees Bennington Battle Day off as a state holiday. At her request, DHR intends to raise the issue in bargaining.

Press/Media Notes:

DHR worked with Deputy Secretary Clasen to prepare materials related to moves after and expenses related to Tropical Storm Irene. This material was provided to the Times Argus and VT Digger.

Significant Events/Meetings:

DHR attended a kick off meeting with Blue Cross Blue Shield (BCBS). DHR is satisfied with the initial commitment of resources by BCBS to assist in the transition from CIGNA.

Commissioner Duffy met with a representative of the Auditor's Office concerning the Express Scripts (ESI) contract. The Auditor's Office would like to audit the ESI contract and has asked the State to negotiate better terms in the new contract to permit greater access to information, including information unrelated to the plan adopted by the State. While this attempt will be made, DHR does not believe it likely that ESI or any carrier would agree to the request. Additional meetings will be scheduled with the Auditor's Office to discuss other concerns the Auditor's Office has regarding development of the State's drug formulary and what the Auditor's Office believes could be considered rebates that should result in plan savings. This appears to be a novel theory. Again, ESI is not likely to be responsive to this request.

Commissioner Duffy met with Secretary Spaulding and Chief of Staff Miller to develop bargaining proposals for the next contract negotiations with the VSEA. The State will present an aggressive set of requests, including requests related to reclassification, reduction in force, paid administrative leave, and changes in the step structure.

Evolving Issues:

DHR has provided VSEA with most of the information it requested in anticipation of bargaining.

CIGNA has filed a public records request to obtain bidding information. Most of the information cannot be disclosed, but a redacted version of the bid response by Blue Cross Blue Shield will be provided.

DHR has kicked off a business process review of the classification process. DHR anticipates this review could result in clearer expectations and greater transparency in the process.

Work continues on a supervisory training program to be delivered to all supervisors and managers this fall.

Issues surrounding the VTHR upgrade of the recruitment module remain, but the Recruitment Unit has initiated work arounds in business processes to compensate until the issues can be resolved, which will not occur until January at the earliest. As a result, complaints are being resolved, and the process is stabilizing.

DHR is working with DOC to develop an expedited process to fill vacancies at the Chittenden Regional Correctional Facility.

INFORMATION AND INNOVATION

Status of Governor's Priorities:

Healthcare: CGI has continued to have difficulty getting all of the server environments set up and configured resulting in a delay with the walkthrough of Iteration 2 and start of SIT/UAT. A plan has been developed and is in progress to address environment issues and proceed with testing and the walkthrough. Through our oversight by SOV technical resources, we feel that CGI is addressing this issue with appropriate attention and resources to resolve issues before they affect the schedule for Iteration 3. Iteration 3 development is still on track to the original schedule.

We are also working with our CGI partners on developing the detailed go-live implementation plan and plans for our "Command and Control Center" for implementation support and post-live operational support/stabilization. This implementation plan focuses on the final fourteen days before go-live and the first 14 days after go-live with day-by-day activity plans for who does what and when. Starting the day of go-live, the C&C Center will operate and be staffed 24/7 with a dedicated conference line for key stakeholders to call in for assistance.

Key focus issues for all the project teams and business areas have been operational readiness preparations, testing and training. Vermont Health Connect kicked off System Orientation training on August 21st with representatives from the Maximus Call Center and Vermont Health Connect Support Services. There are 12 additional sessions scheduled this week for Economic Services Division staff. The training included an introduction to Vermont Health Connect, privacy & security awareness, and a hands-on training session for Vermont Health Connect's new Customer Relationship Management (CRM) Solution.

All of these ongoing efforts tie directly into our preparations for the CMS Operational Readiness Review (ORR) taking place in Vermont on September 11 & 12 and in support of achieving go-live of VHC on October 1, 2013.

Significant Events/Meetings:

The Broadband committee created by Act43 of 2005 met briefly this morning to allocate the last remaining \$19,074 authorized by the legislature. With the committee's work completed, we voted to disband as the final act of this morning's meeting. These last remaining grant monies continue to be administered by the VTA as the vendors finish deployment to underserved areas.

Evolving Issues

Tax/ER: The ERP team continues to support VDT's database needs since the departure of one of our staff previously assigned to these duties. While we are ensuring that VDT pays for the time allocated by ERP staff (so they are not charged to ERP), concerns have been raised that this activity distracts our staff from solving issues with PeopleSoft. We will continue to watch this issue closely.

LIBRARIES

Significant Meetings/Events/Project Updates:

Vermont FiberConnect: Eleven public libraries are now up and running with their new fiber optic connections and are receiving internet service from the VTLIB Wide Area Network.

Libraries and Vermont Health Connect/ACA: 34 libraries participated in a Vermont Health Connect webinar with public libraries on August 15. Kelly Dougherty, Project Director of the Navigator Program, walked participants through the basics of Affordable Care Act, VT Health Connect and the Open Enrollment /Health Exchange process. She asked libraries to help get the word out and to guide citizens to appropriate sources of assistance. VT HealthConnect will have PR materials for libraries to offer and speakers available for library-hosted public programming. We will repeat the webinar in September.

Other:

VT Digital Economy Project: As part of this grant project (with VCRD), the VTLIB will host a workshop in October conducted by IBM on the use of social media in libraries for fund-raising and advocacy. The workshop is limited to 20 participants and we are inviting staff/trustees from selected libraries to attend, with a focus on libraries in communities that were hard-hit by Irene (the focus of the federal grant.) The first IBM workshop (for nonprofit organizations), "Harnessing Volunteers," will be held September 23.

Videoconferencing in Public Libraries: Google Grant: Lt. Gov. Phil Scott, Google rep. Matt Dunne, Mayor Milo Weinberger and librarians at 5 libraries around the state (Burlington, Rutland, Montpelier/State Library, Woodstock, and Brattleboro) held a Press Conference via Google Hangout on August 20 to launch the new videoconferencing network in 13 public libraries and the Department of Libraries. VTLIB used the \$77,000 Google grant to purchase equipment (large screen HDTV screens, laptops, cameras and microphones), provide staff training, produce PR materials and for programming stipends.

VSLA and VLA Board Retreats: Marty Reid attended the annual planning retreats of the Vermont Library Association (VLA) and the Vermont School Library Association (VSLA) in August. Some items of note:

- **VLA:** VLA is revitalizing their Government Relations Committee and expects to promote regional Legislative Breakfasts (public libraries) during the upcoming legislative session. These breakfasts have been a good source of information for local library services in the past, but have not been held for the past couple of years. There was a bit of talk about advocating for state aid to libraries. (Vermont is one of about 8 states which do not provide state aid to

libraries.) Marty met with the Committee Chair and asked that the committee work closely with her so that they are not at cross-purposes, and hopes they follow that lead. VTLIB is planning some much needed improvements to the resource sharing system (the top priority of VTLIB and the library community, based on a study done in 2012) and we don't want to see funding for that jeopardized by a push for state aid in the next couple of years.

- **VSLA:** VSLA is concerned that the newly proposed VT Education Quality Standards have not included school libraries. One Board member and Marty met with AOE's Jill Remick this week to talk about this oversight and she assured us that it was not an intentional omission and asked for suggested language. Marty will join other VSLA Board members at a meeting with Armando Vileseca and others at AOE to talk about the Standards and the inclusion of school libraries. The Board will also make a presentation to an upcoming meeting of the State Board of Education.

TAXES

Legislative Update:

Fall Meetings: Our outreach efforts seem to be gaining traction, since Department staff already have pretty full dance cards in terms of speaking engagements for the Fall. We also continue discussions with stakeholders on various issues that may come up in the legislature. Staff attended the first meeting of the legislative property tax exemption study committee (not clear that the committee was motivated to make any major changes). Next week we will be meeting with VLCT and the Listers' Association to discuss particular property valuation issues including properties that span town borders and municipally owned property in another jurisdiction (both resulting from recent court decisions).

JFO Data: The Commissioner met with Steve Klein to continue discussions on sharing data. We reviewed what data JFO was expecting for the upcoming session which the Department has provided in the past, and we discussed some possible improvements in that process. We discussed having Deb Brighton stay on as a part time employee specifically to field legislative requests, and had preliminary discussions how JFO would pay for this. Longer term, Steve still wants to explore purchasing the Chainbridge data model.

Operations:

RFP for Integrated Tax System: The Commissioner and Deputy formally interviewed a consultant to lead our negotiations with FAST for the ITS. This consultant, who specializes in contracting and managing complex IT projects, is uniquely qualified to assist the Department, since he is already engaged with MA DOR who is negotiating with the same players.

CONFIDENTIAL MEMORANDUM TO GOV. PETER SHUMLIN

From: Susan Spaulding
Date: August 30, 2013
RE: Boards and Commissions Update

APPOINTMENTS MADE August 28th:

Vermont Commission on Native American Affairs:

APPOINTED: Patricia Johnson, Essex (Missisquoi Abenaki)

REAPPOINTED: Andrew Beaupre, Hyde Park

REAPPOINTED: Lucy Cannon-Neel, Holland (Nulhegan Tribe)

REAPPOINTED: Shirley Hook, West Braintree (Koasek)

REAPPOINTED: Charlene McManis, Worcester (Grand Ronde)

Commission on Women:

REAPPOINTED: Laine Dunham, Manchester – Received emails and phone calls recommending her reappointment from Maryanne Carlson, Gretchen at Sen. Sander's Office, Rep. Jeff Wilson, and Sen. Dick Sears.

CONFIDENTIAL and PRIVILEGED

To: Governor Peter Shumlin
From: Michael J. Hogan, Commissioner of Liquor Control
Date: August 30, 2013
Re: Weekly Report

Status of Governor's Priorities: Working on preliminary information for FY15 budget.

Legislative Issues/Contacts:

- Reviewing draft changes to Department Regulations with AG's Office- mostly cleanup language and clarifying. Board review next and then on to ICAR and then LCAR.
- Continuing to work on regulation changes on break open tickets as outlined in the Executive Fee Bill.

Press Issues/Releases/Contacts: Nothing to report.

Significant Events/Meetings: Next Board Meeting 9/11 Enforcement Hearings.

- Department will have a booth at the Champlain Valley Fair. Lots of folks stopping by and asking questions on laws and regulations.

Evolving Issues:

- Working with vendor on contract for ERP/POS Project.
- Preliminary review of department processes for potential licensing and enforcement system. .
- Working on some regulation changes- draft document in house review.

Summary of Key Department Activity:

- August sales are still looking good: +4-6%.

Commissioner's Commentary: Have a great weekend.

Irene Recovery Situation Report 08/30/2013

IRENE RECOVERY OFFICE

- This is the final situation report from the Irene Recovery Office; all reporting partners and agencies have been notified that Irene-related updates should be included in weekly parent-agency updates.
- Two events were held to commemorate the second anniversary of Irene on 08/28/2013; the Governor visited the Town of Wilmington and Dot's restaurant for a press conference to release the fourth and final Irene Recovery Office status report, available at www.vtstrong.vt.gov; Governor hosted "Recognizing Our Progress" in the Town of Rochester for recovery leaders and affected business throughout Vermont – both events were well attended and received positive reports from news outlets.
- The Town of Jamaica Selectboard approved moving ahead with the buyouts of properties in a vote 3-0 on 08/26/2013.

Public Assistance

- FEMA Administrator Fugate visited Waterbury along with Governor Shumlin and Senator Leahy, on 08/29/2013 for the announcement that FEMA will contribute \$50million to the reconstruction of the Waterbury State Office Complex.
- A request for a 12-month additional time extension for expenditure of HMGP 404 funds from Tropical Storm Irene was submitted on 08/27/13.
- 51 applicants (including towns and state agencies) have submitted Requests for Public Assistance for DR4140.
- FEMA has begun obligating Category Z Project Worksheets, which will allow the State to draw reimbursement for direct and indirect administrative costs incurred to date for DR-4022.
- All PWs for DR-4120 should be completed by FEMA by the end of the first week of September.

HMGP

- Current status of buyout properties:

HMGP Purchased (75% HMGP, 25% CDBG)	25
HMGP Approved	70
HMGP Pending	15
Round 4	4
Round 5	8
CDBG-DR Only	13
Grand Total	135

Link to Map: <http://www.trorc.org/buyouts.html>

VTrans

Finance and Administration Division

- Transportation System Recovery Expenditures through August 29, 2013: **\$2,271,940**

	Totals	Federal	State	Local
FHWA-ER	\$109,261,479	\$102,288,904	\$4,700,633	\$2,271,940
FEMA – 4022	\$115,185,719	\$110,852,457	\$4,333,262	\$0
FEMA- RREW	\$2,866,205	\$0	\$2,866,205	\$0
	\$227,313,403	\$213,141,361	\$11,900,101	\$2,271,940

Operations Division

All District Irene Related FHWA ER Sites	This Week
Total sites	667
Total sites complete	493
Total sites under construction	52
Total sites awarded not completed	60
Total sites ready for bid	49
Total sites scoping/design complete	58
Total sites no activity	21
Total sites given to PDD	52
Total sites on hold ROW/ENV	25