



NORTH CAROLINA MILITARY AFFAIRS COMMISSION

Minutes of the 4th Quarter October 25, 2018 Base Sustainability and Community Affairs Committee Meeting, Goldsboro City Hall, 200 N. Center Street, Goldsboro, NC

MEMBERS IN ATTENDANCE:

Frank Bottorff, Chair
Hon Chuck Allen
Steve Ratti (by phone)

MEMBERS ABSENT:

Sonny Roberts

ADDITIONAL ATTENDEES:

Ron Massey, City of Jacksonville (by phone)
Robert Hosford, Department of Agriculture
John Nicholson, Department of Environmental Quality
Will Best, Department of Commerce
Paul Friday, MCI-EAST
Erin Adams, MCI-EAST
Carolyn Outten, ACT (by phone)
Dennis Goodson, SJAFB (by phone)
Marc Finlayson, ACT
Kelly Jackson, DMVA

CALL TO ORDER, WELCOME REMARKS: CHAIRMAN FRANK BOTTORFF

Chairman Bottorff called the meeting to order at 9:31 am. He welcomed everyone to the meeting. He said he appreciated everyone attending the meeting. Everyone has been very busy since hurricane Florence and the hurricane recovery.

CONSENT AGENDA AND MINUTES:

Chairman Bottorff requested a motion to approve the consent agenda for the 3rd quarter meeting minutes and the agenda. Hon Chuck Allen made a motion to approve the agenda and the 3rd quarter minutes, seconded by Steve Ratti and passed by unanimous vote. Frank Bottorff reminded the committee that they have only 4 members at this time. He also called for a roll call of attendees.

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS (DMVA) UPDATE: KELLY JACKSON

Kelly Jackson said that the Department of Military and Veterans Affairs (DMVA) appreciated everyone that attend our 3rd Anniversary celebration. It was a wonderful event. Kelly Jackson also talked about the budget items that she is working on since the last North Carolina Military Affairs Commission (NCMAC) meeting. She is working on the Memorandum of Understanding (MOU) with Department of Agriculture for Sentinel Landscape; and the MOU with Department of Commerce (DOC) for Economic Development Partnership for North Carolina (EDPNC). She has requested any changes or corrects to the MOU for EDPNC from the Economic Development Committee. Once the changes have been received she will sent that information to Beth Friedrich, Deputy Legal Counsel for DOC. She has asked Chairman Martin for a legal review of the Community Grant Application. She has only received the supporting

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documents for the sole source items for NC4ME and the Cluster Analysis. She has completed the justification letters for the NCMAC Chairman to sign. These documents have been sent to Chairman Martin to review and approve. Once the documents have been reviewed and signed they will be submitted to the Department of Administration, Purchasing Officer. No further discussion from DMVA updates.

BUDGET/LOBBING/BY-LAWS: FRANK BOTTORFF

Frank Bottorff reviewed the budget document with the committee. The purpose of the budget discussion today will be about the Fiscal Year (FY)2019-2021 submittal. Let's talk about the FY 2018-2019 remaining budget. There may be some expenditures that have occurred since I completed this budget sheet. Kelly Jackson said that that an invoice for EDPNC for \$60,000 had just been approved and had been sent to finance to be paid. This is for the 1st and 2nd quarter 2018. That was the only funding items since that has NCMAC meeting. Frank Bottorff said that there will be some minor changes to the FY 2018-2019 remaining budget sheet.

They reviewed the budget request for FY 2019-2021. They looked at what we would have at the end of this FY and some of that will depend on the Request for Proposal (RFP) for the Lobbying contract and the Grant Application process. We will have a good amount of carry forward funds into this FY. With the funds we have remaining, I thought that we may want to request less than the \$2 million for FY2019-2021 budget. I don't know that we want to have our fund balance too high. I have the request at \$1,600,000 but that amount needs to be discussed. We also need to talk about requesting an increase in the Community Grant program amount that we can grant each year. The legislation currently states, "up to \$225,000". So, the \$1,600,000 consists of the following items: Administration \$40K, Conferences \$40K, Contracted Services \$600K, Minor Contracted Services \$30K, NC4ME \$40K, MOU/EDPNC \$260K, MOU/Sentinel Landscape 300K, Community Grants 250K. Frank Bottorff said that he thought the carry forward amount would be approximately \$1,200,000. Hon Chuck Allen asked if the Cluster Analysis Refresh project was a one-time initiative and Frank Bottorff said that was correct. Steve Ratti asked about the Dorothea Dix Unit at the Betsy Johnson Hospital briefing that the NCMAC members received in Aug. I know that we can't use our funds for construction. Has there been any more discussion about how we can use our funds to help this worthy project? Frank Bottorff said that the legislation spells out how we can and can't spend our funds. He said that they could look at the Community Grant process to see if that could be helpful. He will reach out to Kirk Warner to get an update on this project. Hon Chuck Allen said that he thought that we needed to request funds that will support our requirements for a 2-year cycle which is \$2 million. Frank Bottorff said that he did not agree but if we do that, we may need to talk to the Legislative Affairs Committee about the language and how we can spend these funds. We may want to have the language more flexible and beneficial to clearly state what we can and can't do. Hon Chuck Allen said that he agreed and then we can have the discussion of whether the NCMAC can hire an administrative person. Frank Bottorff said that he would work on the new budget requesting the \$2 million for the 2-year cycle and what some legislative language to give to the Legislative Affairs Committee for their assistance. Hon Chuck Allen said that we can also set up a meeting with Rep Cleveland, Sen Brown and Sen Meredith to talk about the budget. Frank Bottorff said that the Community Grant Funds was up to \$225,000 for the 2-year spending cycle and we may want to increase that amount. Both the Hon Chuck Allen and Steve Ratti thought that was a good idea. They decided to ask for the Community Grant funded amount to be increased to \$400,000

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for the 2-year cycle. Paul Friday commented that it is important to request what you need to support this Commission for the 2-year cycle. The Commission should always be forward thinking.

Frank Bottorff said that there was a meeting between himself, Kelly Jackson and Meredith Swartz, Department of Administration (DOA) Purchasing and Contracting office about the Lobbying Request for Proposal (RFP). I have not been able to work on it since Hurricane Florence. We hope to have this out on the street by 1 February 2018. Hon Chuck Allen said that he appreciated the work that has been done on the RFP, but we need to develop a better way to get RFPs done. We need this RFP completed so we can have a Lobbying company working for the NCMAC. There must be a better way to get this done.

Community Grants needs to get a legal review. Frank Bottorff asked Marc Finlayson if he remembered what the reporting requirements are for the Grants. Marc Finlayson said that it was a quarterly reporting requirement to the NCMAC. Frank Bottorff said that he would be putting that requirement on the calendar. He thought that both awardees should give an update to the NCMAC in November. Marc Finlayson said that their RFP has been prepared and will be advertised next week. No further discussion on the budget.

WIND ENERGY UPDATE: PAUL FRIDAY (46)

Paul Friday talked about wind energy. There are 3 levels of activity which are Federal; Federal/State interface; and State. At the Federal level there continues to be a refinement of the policy. That has a lot to do with the Federal Aviation Administration (FAA) clearinghouse on how the process works for proponents of projects that either affect the FFA clearinghouse. There are policy letters and directives on how the clearinghouse intends to interface with a proponent on a project. For example, there has been an expansion of the types of structures that have been covered. The proponents are now understanding when they need to go to the FAA. Erin Adams is working on the Marine Corps side to help us to have a consistent process in are region. We want to have a good working process moving forward. There is a very efficient IT based process for getting the word out when something comes into the clearinghouse. How this process impacts all of us comes to us at the State level. The Air Force does get an announcement if there are to be the lead Service for a location or project. All this information is shared with all the Services. The Air Force is notified because they are the lead, but every service has someone on that list. We talked about an extra step at the NC Commander's Council to ensure that all the Services are informed. When information is shared with the Lead Service, they will share that information through the Secretary of the NC Commanders Council (NCCC) and they will share that information with to all Services. Now there is a double tape on the information so that nothing slips through. At the State level beyond NC in the Southeast are groups being formed to address energy issues. Most of the States in the South except Florida don't have an Energy office. We are going to see much more from states in the South on how they want to deal with energy issues. Do they want to leave it at the Federal level or do they want the state to get into the permitting business? It doesn't matter what the energy issues is, whether it is an off-shore platform or wind there are decisions that need to happen. The clearinghouse and other Federal players are all monitoring what is going on. So, you as a Commission, may be asked by Commissions in the Southeast to find out what you are doing on this topic. North Carolina is well known on the East Coast for having the only State Statue on this issue. Proponents want it all at the clearinghouse and the States must determine if that is how they want to deal with it or have more control over the matter. That will be a state by state decision. Now the

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Federal/State interface. The only role that we have for the NCCC is that each Service has their own way and process. Then there is a process from the Service chain of command to the clearinghouse. Most states are trying to find out how the Services talk to each other. We are all concerned about things falling through the cracks. The last comment that I will make is that the Services working through a General Services Administration award to AECOM. We were comfortable with this because of the person doing that job. They had worked for the Geographic Information System (GIS) shop before and familiar with military mission stats. We got good feedback from Seymour Johnson Air Force Base, Navy and Army that it was a great exercise. But you get what you ask for. The General Assembly did not ask for a specific product. We know that Will Best, Department of Commerce (DOC) is trying to help make sense of this information. He is also trying to set up a meeting to have the Services get together to talk about the information and data. Will Best said that DOC want to make sure that the information that DOC puts out is correct from the Services standpoint. We want to reflect accurate information. Hon Chuck Allen said that as it relates to the AECOM stuff? Will Best said that was correct. Frank Bottorff asked what is accurate, the data or the recommendation? Will Best said the data to support the State's recommendation for their Economic Development perspective. Paul Friday said that the State may have an Economic Development perspective that we did not have. Frank Bottorff asked who was involved in this conversation? Will Best said that the group involved was the Legislative Services Office (Paul Coble), Chuck Hefferon from that office, and the installations that we reached out to that provided data to AECOM. We will be meeting in early November with AECOM. Frank Bottorff said if the NCMAC could participate in that meeting? Will Best said that he thought a member of the Base Sustainability & Community Affairs Committee could be part of that meeting. This meeting is for everyone to provide feedback. John Nicholson ask what is DOC's lenses on this? Is it Economic Development opportunities? Will Best said we see this as an Economic Development tool. We will provide recommendations whether it's a pause or a stop to move forward. John Nicholson said that if they see an energy element to let Department of Environmental Quality (DEQ) know. Will Best said that he would do that. Paul Friday said that at the intent at the end of the day is to have something that has the State lenses on it, the attributes and values of the state. Hopefully in a useable format. I think the discussions will be very important. Hon Chuck Allen agreed that the NCMAC should be a part of this. Paul Friday said that it was unclear what they did want out of it, but we knew where the Service are on it. We never saw the guidance that went out. Will Best said that the study has been completed and they are fine tuning the data and platform for an everyday user. We are working with the Legislative Services office about the meeting, but it will be hosted by DOC at the General Assembly. Erin Adams said that from a preliminary look at it, it appears to be much more useful but generally incompatible for development. We are going to incorporate it with the implementation funding from the Office (OSDA) grant funding and increase that in the future. (22) This will be part of a formal Department of Defense (DoD) funded set to support the platform. Paul Friday said that he thought the NCMAC has talked about the moratorium on wind energy. This will help on the perspective of allowing more people to understand where caution is needed. No further discussion.

SENTINEL LANDSCAPES: ROBERT HOSFORD

Robert Hosford presented for Sentinel Landscape. He said that the Department of Agriculture was still very busy with issues from Hurricane Florence. The trust fund software capability has been updated with a program called Foresight. We have enhanced this IT capability to respond to farmers. This enhancement will allow the farmer to go into this system and report the losses that they have. The

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Sentinel Landscape staff are all trained to respond to the farmers. We are working on getting the help needed out to the farmers. The state had a significant loss of \$1.1 billion in the agriculture community. The live stock losses are now increasing. Our department is working with the farmers in 2 ways. One of the ways are what the State House and the General Assembly has done and the \$250 million that they signed off on. Then the Commission of Agriculture has charged the federal side of department to get \$1 billion from the United State Department of Agriculture (USDA) for existing programs. We hope we don't have to go back to the Legislature, but we may need to. The Sentinel Landscape committee continues to meet quarterly. We are focused on recovery. Frank Bottorff said that some of the things that he has read we may have lucked out some from the other Southern states. Robert Hosford said that we are in contact with the Southern states Agriculture departments as they are all trying to work with the same federal agencies. We are concerned about the farmers that took out loans after Hurricane Matthew and now we have Hurricane Florence. Do those farmers incur more debt or do they sell out? We have a good mix in NC of small, medium and large farms. If we lose the medium size farms, what does that do to small towns and communities. Another issue that we are looking at is the mental health of our farmers. Paul Friday said that they discovered in the last hurricane that if we think we have enough outreach personnel to reach out to the land owners we are mistaken. I know that NC is more progressive than other states but limited in those resources. We need the Services to be a part of this outreach. I encourage you as you look at your budget to put something in for outreach. That is one area that we are lacking in. Robert Hosford said that some of the Sentinel Landscape funding from the NCMAC was for outreach. Frank Bottorff said that we may need to look at increasing the funding for Sentinel Landscape. Paul Friday said that was good and then to challenge the Services to also be a part of that effort.

Hon Chuck Allen asked about the Readiness and Environmental Protection Integration (REPI) funds and the timeline. Robert Hosford said that with the REPI funds, once they were announced they have 5 years to encumber those funds and we are making progress on that matter. The state funds will just sit there until we have federal matching funds. We continue to move forward on the process. No further discussion.

NEW BUSINESS: FRANK BOTTORFF

Frank Bottorff asked if there was any new business that this committee needed to talk about?

John Nicholson gave an update for the Department of Environmental Quality (DEQ).

November 14th – Raleigh, NC: Regional Environmental Coordinator meeting on November 14 and anyone from the NCMAC is invited.

November 20th – Washington, NC: Discussion on Off-shore Wind and NCMAC is invited.

DEQ is working on the Fishery Disaster Declaration. This relates to the damages to the industry and the fish houses. The declaration is for the Communities.

WRAP-UP: FRANK BOTTORFF

Frank Bottorff went around the group for any additional comments. No comments from the group. He said there were a couple of due outs. He would refine the budget and get that out to the committee.

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ADJOURNMENT:

Chairman Bottorff requested a motion to adjourn the meeting. Mayor Allen made a motion to adjourn the meeting and passed by unanimous vote at 10:24 am.