

Minutes of the 3rd Quarter August 1, 2017, NCMAC Executive Steering Group Meeting,
Raleigh, NC

MEMBERS PRESENT:

George Breece, NCMAC Acting Chair
Frank Bottorff, Commissioner (BS&CA CMTE)
Joy Thrash, Commissioner (Econ Dev CMTE Acting Chair)
Sally-Ann Gupta, A/R for Commissioner Sen. Harry Brown (Leg Affairs CMTE Chair)
Kirk Warner, Commissioner (Quality of Life CMTE Acting Chair)
Terry Yonkers, Yonkers Group
Charlie Perham, Matrix Design
Kevin Felix, The Roosevelt Group
Secretary Larry Hall, DMVA (Department of Military and Veterans Affairs)
Asst. Secretary Joe Kelly, Military Affairs, DMVA
Kelly Barretto, Administrative Assistant, DMVA
Jamie Norment, ACT (Allies for Cherry Point's Tomorrow), *by phone*
Hugh Overholt, ACT, *by phone*

CALL TO ORDER, WELCOME

Acting Chairman George Breece called the meeting to order at 10:00am. He thanked all for their attendance and announced his role as Acting Chairman of the Commission (NCMAC) until the Governor names a permanent Chair. Having not been a part of the ESG (Executive Steering Group) in the past, Acting Chairman Breece requested that any possible missteps be excused.

CONSENT AGENDA, ROLL CALL

Acting Chairman Breece was not in attendance but read the minutes of the May 2, 2017, meeting of the ESG. He noted that in attendance today were others that were present at that meeting, and requested a motion to approve or amend the drafted minutes, following roll call.

Roll call was taken, and a motion to approve the minutes as written was requested by Chairman Breece.

Commissioner Warner so moved to approve the minutes, seconded by Commissioner Bottorff. All were in favor and the motion passed unanimously without discussion.

ADMINISTRATIVE UPDATE

DMVA Secretary Larry Hall greeted the group and noted his appreciation for everyone's attendance and for Acting Chairman Breece's past and present service to the Commission.

- New Legislation. The General Assembly passed legislation requiring an additional report to the Legislature by the NCMAC, due in November. All are urged to familiarize themselves with the legislation that modifies the duties and responsibilities of the Commission. The overall effect of SB 257 makes the Commission more responsive and responsible for what takes place in the future.

- Grants. The MAC will continue to be able to provide grants; Secretary Hall was not in his position when the previous community grants were awarded (3 grants to his knowledge) and a process for administration and monitoring those grants was not in place. Going forward, the MAC will need to establish a Grants Committee with a process to administer grants, or delegate that responsibility to an existing Committee of the MAC. The previous grant awards should also be examined for correct process. Grant applications must be screened, funding then provided under the grant, and the use of the funding must then be monitored. That process was not in place when the last grants were awarded. You will want to ensure this is done for reporting purposes. The legislation specifically notes that the Secretary will not perform any of the Commission's management functions, then delineates the support duties. The Department stands aside to allow the Commission to assume the responsibilities inherent with the new legislation.
- Appointments to the MAC and By-Laws. Appointments are currently under review. By-laws need to be reviewed to align with the Statute. Members are encouraged to look over the By-laws.

Assistant Secretary Joe Kelly added the following comments to the administrative update.

- The last brief given to the Commission noted that there was some \$190,000 remaining from the previous fiscal year, which is reduced by travel reimbursements and attendance at the ADC Summit in June. The balance is likely closer to \$180,000, now.
- The current Matrix contract has 2 one-year extensions (all that is permitted by State procurement process), so another request for proposal will have to be made. Unsure of the procurement timeframe. The services included in the contract will be decided by the Commission.

Mr. Perham asked if the procurement timeframe may result in a lapse in services. He recommends against a break in service as continuity is lost. Secretary Hall noted that this is a management function, and the Commission must put together a group or assign this to a Committee to determine desired services going forward, in light of knowing more about an anticipated BRAC at a specified time. This may change the parameters of the contract. Also, the Strategic Plan needing to be updated, and use of budget resources should be considered in that context.

Chairman Breece understands that a re-bid process is called for and noted that many remaining members were not a part of the original process. He hopes that Commissioner Warner and Commissioner Ratti may be willing to be a part of that, and may want to ask if Matrix or Roosevelt can provide suggestions as to how to refine, define and present an RFP that will attract the right candidates. Mr. Simmons suggested that Asst. Secretary Kelly speak with Admiral Harvey in Virginia who has experience in this area from having chaired their Commission and served as Secretary of their Department. Secretary Hall added that there is value in reviewing the last RFP and its responses to adjust a new RFP. Mr. Felix added that as they visit bases over the next 2 months, that may help shape what the RFP contains in the year or two solicitation. Jamie Norment added that ACT has assisted the past two governors with the RFP process and would be glad to help with the process. ACT has documents that they can share with Asst. Secretary Kelly. Acting Chairman Breece asked to be cc'd on that information.

PRESENTATIONS

Matrix Team Advisory Update: Mr. Charlie Perham referred to a power point slide deck handout to brief the ESG noting a smaller slide deck than normal.

Mr. Simmons will update the following at the upcoming full Commission meeting:

- The Defense Authorization Bill: Passed the House and though hoped for, will not be brought up on the Senate floor until they get back in session.
- Status of the Defense Appropriations Bill: the House was able to take care of this Bill. There is good news with respect to milcon.
- Two amendments have been floated about BRAC. Originally Senators McCain and Reid were going to include language drafted by Lucien Niemeyer (just confirmed) who will run BRAC in the Pentagon, but the language was withdrawn at the last minute to avoid a tough vote. Now there will be an amendment urging going forward with a BRAC-like process, meant to get something into the Conference Report. Sen. McCain's proposal includes a BRAC in 2021 that would not include a Commission but would allow the Services to go forward and make a list, share it with the White House, then communicate it to Congress who would have to vote to approve it. For states like North Carolina, this may be a good option. Your bases are relatively well known inside the Pentagon. Many have served at bases here and rotated through there and moved up; they've probably put together a good list. Mr. Simmons does not expect North Carolina to be on the losing end, it should be on the gaining end. There will be other states that will push back that are not as well known that will want a BRAC Commission, saying that not having an independent review or opportunity to provide meaningful community input and challenge the facts and have transparency. We will see where this takes it, but the idea is to get some sort of language into Conference Report.
- *CoDel Staff Changes* – There is a lot of churn. Senator Burr has a new Chief-of-Staff. Chad Sydnor left the Hill to work in the private sector; Jason Stedman is running things. Senator Tillis' new Chief-of-Staff, Ted Lehman is a former colleague from Akin Gump; there with the nomination of Robert Wilkie to serve as Under Secretary for Personnel and Readiness, have yet to see if they will hire another person or keep promoting from within and have Bill Boddie and others take over. If Jamie Norment has any other confirmation as to who will replace Robert Wilkie, that would be good to know. Rep. Rouzer's MLA left; he has a new staffer whom we met at ADC.
- *Bases* – Hopefully, we will get the Rouzer team and the Tillis team out and about visiting this fall.
- *Defense Budget* – A chart (slide) to show you why we are headed toward a Continuing Resolution or some magic budget deal that will happen in September. Congress must deal with debt limit increase, and sequestration. To get out of this, they would have to put in over \$100 Billion dollars (1/5 of the defense budget) into the OCO (emergency supplemental). It is unbelievable that Congress could spend that amount in one year. That's why the Authorization and Appropriation numbers are "fantasy" right now. They either must lower that number or arrive at a 2-year budget deal. Also displayed (slide) is milcon dollars in the budget – they are not yet earmarking but are taking projects off the unfunded priority list; Camp Lejeune is a benefactor of this with a \$64 million dollar authorized in the Senate Armed Services Committee. For that project to get funded depends on how much money they have overall, but that is about \$300 million dollars. We are most are most excited about money that had been in jeopardy for the lift fan facility for Cherry Point and the tanker truck delivery system for Seymour Johnson, which is critical to what they are doing with the tanker mission.

- Nominations/Confirmations – Only two confirmed. Secretary Mattis and Dr. Wilson. Now we have Deputy Secretary Patrick Shanahan. There are several pending confirmations that were reviewed by Mr. Simmons.
- NCMAC Engagement/Advocacy:
 - *Meetings* - Good meetings with leadership of all Services who are the actual civil servants or political leaders for determining Installations, Energy and Environment. All military support groups were invited to participate. Some good issues were discussed. We are still waiting for the *KC 46-A Record of Decision* – this is staffed and in Secretary Wilson’s lap right now. We will see her tonight at an AFA dinner and hope to find out when she will sign it.
 - *Adversary air opportunity* – Kinston was discussed as likely candidate for a bed down location. Mr. Simmons said “this is where Air Combat Command has said we have such a deficit of sorties and doing training, Seymour Johnson is on a Tier-2 level, they are willing to contract out with the private sector to go out there and put them on base in some locations and if they don’t fit at Seymour, you could have this private sector company pay to lease ramp space and operate out of a community facility.” With Kinston as a likely candidate, we need to put together a team. Mr. Simmons discussed this with General Holmes, twice. This is something we need to go after.
 - *Air Force Regional Range Consolidation*- there has been a lot of confusion about this going to 6 regional ranges in the Continental U.S. We did not say that was NCMAC – given all the consternation in the month of May and I know there was a lot of activity on Capitol Hill. We briefed all the facts we could and continued to engage at the Pentagon. We are waiting to hear back from Jack Cuddy’s folks at the Marine Corps to comment on this; they believe that locally, people would not be aware of this, but inside the Pentagon this is not an Air Force-centric effort. The Air Force is coming up with their investment plan of what they want to do, but they are looking at how to leverage other Services’ investments.
 - *Dept. of Navy* – there is a comment period open until the end of August on the Navy’s draft EIS for the Atlantic Fleet Training and Testing. I think it is a great opportunity for NCMAC to weigh in in coordination with the Base. There is a “no-action” alternative, a “preferred” alternative that maintains the same level of training activity on entire eastern part of the Gulf of New Mexico. There is also an alternative to do more training and testing. The comment period is through August 29. They are looking at impact on endangered species, but each opportunity to comment is an opportunity to highlight the military value of test and training ranges associated with our bases. Mr. Yonkers added that once you attend a scoping meeting or comment meeting, you establish a position. This is important because it makes you a player in the game vs. those who are not. Be involved, stay involved, Cherry Point, Navy Ranges, Air Force Ranges, are the life blood of the aviation sectors within the Navy and Air Force – without them you do not operate. Every chance you get, be proactive to promote the military as an established institution in the state but look forward to trying to influence the thinking of decision makers in the Pentagon about growing the mission in the East Coast as opposed to status quo. Mr. Simmons noted the alternative would be to allow them to do more training, with unmanned systems being discussed; the ability to spin up given world events; he would like to know from the base whether the current preferred alternative that is out there remaining politically correct, keep doing what we’re doing since 2009 and again in 2013 and going forward in 2018, OR, do they want positive comments about Alternative 2? Not that it

may change the result to show that we are capable of the technology, training, and testing, especially in looking to bring unmanned aerial systems in the future. This is a good topic for the Commanders' Council and local groups. Mr. Simmons sees this, at the least, as an opportunity to put *something* in.

Discussion by Group: Mr. Simmons asked Commissioner Bottorff if they are actively replying to this, Commissioner Bottorff stated the Chairman has been actively getting input for a response. To Acting Chairman Breece's knowledge, Commissioner Ratti is working on a response, possibly with Commissioner Dickerson, to develop language to come from the NCMAC. He has had three members ask if the Department of Commerce or someone else in the State going to also participate in this. Mr. Simmons added that the communities could be aggressive depending on the politics, as to "we can do this all", that there is a greater impact with Alternative 2: keep the status quo. That is for discussion. These opportunities can be used for documentation in terms of BRAC and bed down of other missions to show we can do this. Acting Chairman Breece stated this would come before the full Commission noting the short window of time within which to respond. Acting Chairman Breece asked Secretary Hall if he would find out if other state agencies like Commerce would lean in on this. Mr. Yonkers emphasized that when the communities come on board and positively state that they want a mission it has a tremendous amount of impact, citing an example at Eglin AFB. He stresses this as very important – a letter to SAFIE or the Army saying "this community is 100% behind this mission at this installation" carries weight. Mr. Simmons offered up the Groups' National Environmental Policy Act (NEPA) attorney to create the beginning and ending of the statement so that it is framed as an official response from NEPA. Commissioner Warner asked if this is something that should be fostered and fomented in the communities, i.e., like Goldsboro, Kinston, Wilmington, New Bern to solicit involvement. This is a good BRAC exercise, per Mr. Simmons. Ms. Gupta noted a narrow window for the public comment, and suggested we have draft language in place to share at the NCCC meeting, and within 10 days share with the chief POC's in support communities with a hard deadline to state their input or support for this draft, and assess responses received in that ten days. Acting Chair Breece said that the language is being put together and will be shared with the Members. Ms. Gupta suggested copying the pertinent state agencies for coordination purposes on the comment we propose to submit.

Mr. Simmons suggested speaking with the Governor's federal relations director, Jim McCleskey, to ask what has been done over the previous two administrations; he probably has a good opinion on who else to share the comment with.

Commissioner Bottorff noted that Commissioner Ratti is working on a suggested a letter from NCMAC, beginning with a draft for local community governmental agencies to modify and use with appropriate legal language. Mr. Simmons asked what MCI-East's stance is. Mr. Bottorff stated the military views this as perfunctory; the Navy goes through this process every 5 years for their training areas. Although it does bring up negative concerns about sea life, etc. more sea-borne than airborne concerns. Positive comments are needed to outweigh negative comments, which will occur. Having a draft letter to circulate will encourage comments.

- *Wind Legislation* – The NCMAC should ensure that their position on the 18-month moratorium is discussed and understood so that if it comes up in a couple of weeks, we know the marching order. This question was posed at the ADC Summit. Mr. Simmons asked what the Commission's position is, to be able to say what the State is doing.

Discussion by Group: Ms. Gupta answered that the General Assembly is commissioning an independent study to determine what if any areas would be impacted by wind projects and what the impact would be on military training routes. Their information was that this study could more than likely be completed in that frame of time and whatever the results are will stand as guidance for wind development in the future – where it is prudent and where it is not for military purposes and preservation our installations. Mr. Simmons asked what statement could be shared on the MAC’s behalf having received many questions and concerns about this. What is the NCMAC “paragraph?” he asks. Commissioner Bottorff remarked that our position has been consistent that we want to prevent any type of wind power development that is going to negatively impact our stations, ranges or MTR’s. That is our statement – not “no wind power needed.” That is not our lane, he said. Our lane is how it impacts the ability of the military to train in North Carolina. This is the Legislature’s study, not ours, but if asked to assist, we should, stated Commissioner Bottorff, because our goal is to come up with a definitive answer to “what does not impact mean?” How many miles from a range boundary, MTR, base? Although some communities have made strides in improving the process in the language to help prevent and protect the installations and training ranges. The goal is to avoid a weekly battle and establish definitive guidance. Mr. Yonkers stated the study being proposed is a point in time, possibly wanting to ratchet this down. When you begin to look at UAV’s and the line-of-sight and other kinds of electronics that go into monitoring and flying all-size UAV’s, 30 miles may not be enough. The statement you made about protecting military missions gives you enough wiggle room that, when things change, you can come back and say that a specific project based on a specific UAV mission at SJAFB five years down the road, e.g., is or is not compatible with that UAV mission. You cannot avoid looking on a project-by-project basis. Commissioner Bottorff stated we can first set guidelines that can be reviewed every few years, streamlining them in the future. Mr. Simmons surmised a summary statement: our goal is to protect the military training mission and come up with guidelines within the next 18 months. Mr. Simmons’ concern is when the Senate Armed Services is brought up on the floor, there is legislation being worked about wind turbines and military installations. This could come out – the Senator will vote on this, and we need to be sure the vote is consistent with the MAC’s position. Second is the Clearinghouse. Lucien Niemeyer takes the position that the Clearinghouse is not strong enough to lay down local zoning. Acting Chairman Breece asked Commissioner Bottorff to draft a statement for the NCMAC. Mr. Felix asked Ms. Gupta for clarification as to the end results of the proposed study and whether the objective is to create a red-green map or will there always be a place for companies to go to for permission. Ms. Gupta is not privy to an answer to that question. Commissioner Warner said clarification of “no effect is positive” “real effect and deterrence is negative” would be useful. He also noted one of our strategic goals is to preserve and protect the mission. Commissioner Thrash agreed with the importance to voice the same message that we are not opposed to wind except to the extent it impacts military. Mr. Yonkers stressed the value of a partnership with Lucien Niemeyer in the Department would be helpful. The Department of Defense does not speak for the State.

Secretary Hall noted there were two different ideas being discussed: what the public face is, and what the responsibility of the NCMAC is to get better determinations. He stressed that the ban on wind energy is statewide, not just around military bases. The MAC needs to make recommendations to the person conducting the study, because legislation does not specify limitations of the study results and who uses it, etc., is not specified. Asst. Secretary Kelly read aloud the State energy planning section from the Strategic Plan.

BRAC Amendments. Mr. Felix continued with the slides discussing the two proposed BRAC amendments, noted Secretary Hall's coverage of management functions as they relate to the MAC, State appropriations for Cherry Point in the amount of \$3 million dollars, a positive thing for the State. This Commission should make sure the money is successfully given to the Marine Corps to encourage like behavior going forward. Any help needed should be given to make this a successful project. Mr. Norment added that a preliminary kickoff meeting has taken place, ensuring the money goes to FRC-East that included the Department of Commerce, the Governor's DC office, staff from Senator Burr, Senator Tillis and Representative Jones, AS Balocki. We do and will need the Commission's and the Department's help to ensure it is successful. We have identified the statutory authorization and can move forward. He agrees with keeping this coordinated moving forward. Acting Chairman Breece requested Mr. Norment's cell phone number.

Matrix Priorities for NCMAC

Update SWOT for installations with new commanders – end of September, early October over a two-week period.

Secretary Hall asked if during previous visits the base priorities were being tracked and whether they are still current priorities. The consultants will ask that the bases update the data that the Matrix Team collected during the first SWOT analysis, continue to engage the bases to ensure the priorities are updated. Bragg said last year extending the runway was not a priority during the last visit. A visit to MOTSU to see if there is an opportunity to get the additional crane from milcon and make sure there are commercial opportunities, to bring in heavy lift items to the pier that does not interfere with our ability to ship weapons overseas, e.g. Mr. Yonkers proposed getting a schedule to the MAC for approval before the end of the contract. With new commanders, they could have a different view than the previous command. Getting their view is good BRAC insulation. Mr. Simmons noted the strategic defense review takes place in September informing a FIDP and produce an unfunded priorities list. This is how Congress added these projects to that list. The delegation should work together to get this done as DoD is putting their budget together this fall. Also, the next potential consultant can benefit from the updated SWOT. Commissioner Warner asked that the Chair include the NCNG TAG in the update.

Acting Chairman Breece postponed the scheduled break to proceed to Committee updates.

COMMITTEE REPORTS

Quality of Life

Acting Chairman Breece noted for the record that Commissioner Patricia Harris is assigned to this Committee. He gave some background on Ms. Harris and will provide her email address. He clarified to Commissioner Warner that present acting Chairs are asked to remain until otherwise replaced or reappointed.

Committee Chairman Warner gave an overview of the last meeting, recapping status of topics before the Committee from the last meeting agenda, with actions taken and recommendations for consideration by the full Commission.

- Crisis Stabilization Unit – recommend letter of support from NCMAC. Kelly Jackson of DMVA is in conversation with stakeholders. We will persist to try to identify grants, funding.
- Easing Transient Military Spouse State Professional Licensing Requirements-SB 8 was repurposed; we must look at that and make sure that it is easy for spouses to get their professional licensing. There is good legislation out there, but we must make sure that it is working, beyond anecdotal review.
- Association of Defense Communities Conference Report – John Simmons gave an excellent conference report.
- K-12 education Issues – Doug Taggart discussed establishing a Host Military County School Superintendents Committee, how we can coordinate that.
- **Recommendation:** The Committee recommends to the ESG that Wayne County Superintendent Dr. Dunsmore be re-invited to present to the full Commission. We believe it is beneficial to hear what he has to say, and perhaps extending those invitations every meeting.
- Military Representatives to Local Boards of Education in High Density Military Communities – there are anecdotes from Elizabeth City that they tried to get an ex-officio Coast Guard member on the Board of Education, and the Board said no way. It would be nice to get garrison commanders on the local school boards at least a liaison to provide subject matter expertise, needs, desires and crisis issues to those Boards. We would like to present this at the NCCC meeting.
- Report from the regional military family group about the four, funded state military liaisons who advocate for military family students throughout the state, and to make sure everyone is aware of those advocates.
- NC4ME – Stuart Ruffin briefed the Quality of Life Committee on the program.
- DoD Supported Best Practices for States Desiring to Improve Military QOL – will be speaking with NC Commanders to see if quality-of-life surveys are conducted and what data is available. This data should be included in a SWOT analysis by the consultant team. Issues such as cell phone and wi-fi on-base enhancements as they relate to quality of life were discussed. (See Fayetteville State for data on why individuals exit state).
- Veterans Treatment Courts – Mark Teachey briefed on this topic, the success and savings to the state and AOC, positive impact for the state. There is a new VTC in Forsyth County, with requests for more in Guilford, Brunswick, Moore, New Hanover, Wayne and Onslow, that will marry up with treatment centers in VAMC's.
- Real ID – Jim Semmens of Motor Vehicles briefed on the status of compliance, deadlines, mobile units being made available throughout the state to avoid backlogs in DMV offices. This will be discussed at the Commanders' Council.

Mr. Simmons commented that Robert Wilkie as Under Secretary for Personnel and Readiness can be helpful in many of the areas discussed by Quality of Life Committee. His confirmation hearing has not yet occurred, so contact now is ideal. Also, Senator Tillis is the Chairman on the Personnel Subcommittee on the HASC. Sen. Warren of Massachusetts is also an advocate for education issues.

Legislative Affairs

Sally-Ann Gupta briefed on behalf of Senator Brown and provided updates on the status of military- and veteran-related legislation. The General Assembly will reconvene on Thursday to address veto overrides.

- **S8 – Ease Occ. Licensing Burdens on Military Families** – signed into law.
- **S62 – Veterans' Affairs Commission/Strategic Plan** – signed into law.

- **S63 – Military Affairs Commission/Strategic Plan** - signed into law.
- **S64 – Veterans’ History Awareness Month** – signed into law.
- **S130 – Provide Funding/NC Military Business Center** - appears to be in Senate Appropriations Committee, and not included in the budget.
- **S403 (H489) - Child Abuse & Neglect/Military Affiliation** – in Senate Rules Committee.
- **S366(H470) – Responsible Wind Energy Implementation** – in Senate Rules Committee
- **S57 - Purchase Pistol Permit/Retired Veteran ID** – in Senate Judiciary Committee.
- **S129 - Track Outcomes of Veterans Programs** - in Senate Commerce Committee.
- **S153 - Military State Income Tax Relief** – passed the Senate and is in the House Finance Committee.
- **S12 - Veterans Memorial/Funds** – in Senate Appropriations Committee and does not appear to be included in the budget, although Sally-Ann has heard otherwise.
- **S125 - Children of Wartime Veterans Modifications** – passed the Senate and is in the House Rules Committee.
- **S131 – Regulatory Reform Act of 2016-2017** – signed into law. Established Sentinel Landscapes Committee and requires a report to the MAC by 9/1/17.
- **S419 – Planning/Development Changes** – passed the Senate and is in the House Rules Committee.
- **H488 (S401) - Early Rental Termination by Military Members** – passed the House and is in the Senate Judiciary Committee.
- **H681. Teacher Licensure/Military Spouses** – Passed the House, and is in the Senate Rules Committee.
- **H574 - Wind Energy/Consistency With Military** – in the House Committee on Homeland Security.
- **H326 - Military College Plates/Reduce Applications** – in the House Finance Committee.
- **H484 (S405) - Servicemembers Civil Relief Act** – was taken off the House twice and re-referred to Judiciary I.
- **H483 - Vet. Posttraumatic Stress/Mitigating Factor** – passed the House and in the Senate Rules Committee.
- **H711 - Increase Hate Crime Punishment** – in House Judiciary I.
- **H746 - NC Constitutional Carry Act** –passed the House and in the Senate Rules Committee.
- **H66 - Veterans Plates/Vehicle Weight Restriction** – in the House Transportation Committee.
- **H487 - Nat. Guard Reemployment Rights/Definitions** – presented to the Governor and awaiting a reply. Secretary Hall understands that this bill was signed by the Governor.
- **S331(H465) - Military Operations Protection Act of 2017** - included in H589 (with an adjustment specifying an 18-month wind moratorium) and awaiting a response from the Governor.
- **S257 – 2017 Budget**
 - Section 11.1(c) in Governor’s Budget does not appear to have made it into final budget.
 - Section 12(B).2(l) is included and appears in Section 11B.3.(k)
 - Section 12J.1.(aa) is included in Section 11A.14(e). The sum of one million six hundred twenty five thousand dollars (\$1,625,000) for each year of the 2017-2019 fiscal biennium and the sum of one million six hundred thousand dollars (\$1,600,000) in Section 11L.1 of this act in Substance Abuse Prevention and Treatment Block Grant funds in each year of the 2017-2019 fiscal biennium to Triangle Residential Options for Substance Abusers, Inc. (TROSA) to assist individuals with substance abuse addiction. TROSA shall be required to seek future funding through the competitive grants process in accordance with subsection (b) of this

section.

Acting Chairman Breece noted that Commissioner Chris Rey has been assigned to the Legislative Affairs Committee.

Economic Development

Acting Chair Joy Thrash briefed on matters before the Committee.

- Nimasheena Burns, OEA Grant Coordinator, briefed the OEA Supply Chain Mapping study program status at the April meeting.
- Discussed Manufacturing Corridor being developed that impacts Cumberland County, Greensboro Aerospace Corridor with more research to follow.
- Workforce initiatives discussion – notwithstanding NC4ME’s effectiveness, there is still a need. On average, once a week a company tells me they are having difficulty connecting with exiting military for new hires. We should attain a better understanding in practical terms what NC4ME does.
- NCMBC and DefTech – should be assessed and considered in list of priorities.

Base Sustainability & Community Affairs

Commissioner Frank Bottorff briefed on behalf of Committee Chairman Dickerson in his absence.

- Real ID presentation by Jim Semmens of DMV – **recommend adding this brief to full Commission meeting agenda.** This impacts installations this year.
- ADC Conference – Range discussion. A paper was written to the Air Force that included the Air Force initiative for regional ranges and investment. Commissioner Bottorff was strongly opposed to this being briefed outside of the State, and was overridden. Commissioner Bottorff emphasized that, (1) we should not address matters that the NCMAC has not approved, especially when a community dissents. We need a methodology to approve what we lobby for in advance. This was a more complex issue than people think, and an issue on which the Marine Corps will at some point have an opinion. What is important is that we agree on what is brought to DC and other places. We need a process by which we review what we lobby and legislate for under the NCMAC label. The ESG is a potential starting place, but Commissioner Bottorff does not necessarily agree with the ESG. Because of how the By-Laws are set up as being made up of the Committee Chairs, two communities are not represented on the ESG: Cherry Point and Goldsboro, two of the most at-risk communities with the most to win or lose. (2) we should think about how we will review things and/or whether we should change the ESG to include a representative from each community. Chairman Breece agreed. Commissioner Bottorff cautioned to be sure to incorporate language into the next consultant contract that could be construed as a conflict of interest. He presented a hypothetical scenario where the issue was not briefed under the NCMAC flag, but John represents Goldsboro and Virginia. If we have an issue we agreed not to move forward, John could continue to go to anyone in DC with a different hat on and push for the same issue. Commissioner Bottorff added he did not think John did anything wrong. Mr. Simmons gave the example of Ward and Smith representing ACT, who competed against Matrix Team twice and lost, would have been representing ACT and us – our getting on Goldsboro was 2-3 years in Seymour

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Johnson terminated Cassidy. Mr. Simmons agreed that if the NCMAC as a group votes, then he agrees. Mr. Simmons then shared an email from Mr. Chupein, Deputy Chief, Operational Training Division, Training Systems & Infrastructure. Mr. Simmons expressed that this is a follow-on operation from letters that have been signed, letters that have been pushed by the same Member then who you approached, Walter Jones, to try and have it taken out. Even Walter Jones admitted, it's probably good language, but because they have a letter from a local person, maybe they do it. He stressed that this is report language, not legislation. Commissioner Bottorff noted there could be beneficial aspects to the report, but that we did not have the information we needed to know whether it was good or bad. In his opinion, there are both good and bad things when you read it, depending on how the specifics roll out in the long term. He maintains his objection to it, today. We needed a process – when you have an objection, you should not do it under a North Carolina flag. You said we did this last year – we did not. What we did was support the investment of a single emitter to try to get funding. The cross-service investment in this emitter is part of the whole picture. There is range information that needs further explanation. Mr. Simmons reiterated that the rules were followed in sharing the information with their office, and with everyone, but things were dysfunctional the last few months, e.g., what meetings to attend, etc. and stands behind the letter. He referred to letters going into range enhancement, Razor Talon, but what has happened over those three years between legislation that was put in last year at the request, they briefed the Hill. The Hill came back and said we're consolidating from 32 ranges down to 8, 2 overseas, 6 in the US. We are making decisions on where to put our ARTS and joint threat emitter, here is our draft plan – we like the east coast, but that coast goes from Rhode Island through Florida. So, once they briefed the Hill and our Members, we went to Air Force Combat Command and said it looks like you're pushing this way out to the right, and was told you have to have more than just emitters; you have to have realistic targets. But we are working this- I'm getting together with Fleet Forces, but we understand it is valuable air space. Mr. Simmons continued, we want this to be viewed as a great opportunity for that type of training, because the only base that did not have aircraft if we had BRAC in 2019 is Cherry Point. Mr. Simmons asked that their briefings be moved up on future agendas while Commanders are present. When it was brought up in our briefing on the 23rd three hours into the meeting, there was not much feedback.

Commissioner Bottorff stated part of the range issue was the formalizing of the Razor Talon battle space into the east coast regional range for the Air Force. The air space they use for Razor Talon is 95% Navy/Marine Corps and 5% Air Force. When you talk about institutionalizing Razor Talon air space, the Air Force only owns 5% with the other services owning the rest. So, it gives the impression that the Air Force regional range really encompasses everyone else's ranges. That is where the concern is.

Mr. Simmons clarified that we are asking that the exercise be institutionalized, i.e., please fund the exercise. They [Air Force] use it 4 hours a month.

Acting Chairman Breece interjected that with no disrespect to anyone in the past, the perception of dysfunctionality ends today. We have to put together a process. I would ask that Commissioner Bottorff to work on that with the Secretary and Joe and this group so that we do not have issues like this. He added that the consultant team works for us, and are good people. Any miscommunications have happened, moving forward we need this taken care of in a clear way.

Commissioner Bottorff added the last thing we want in an organization is for two communities to be pitted against each other by a real issue or a misinterpretation or misunderstanding of an issue. A process will help avoid this.

Asst. Secretary Kelly asked if this is something being looked at strategically on a national level for the different Agencies? Mr. Simmons replied just the Air Force – Air Combat Command is specifically deciding we can't afford to outfit 32 ranges with expensive emitters; one of the things we wrote in with Lucien Niemeyer's help, is look what the Navy and Marine Corps have done, can't you leverage that? Ask to use their emitters?

The east coast working group lead out of Seymour Johnson includes the Navy and Marine Corps. As they continue on the working group, 12 months down the road they will probably have (or not have) an agreement on those things they are willing to work together on, and there will be much more clarity and less controversy on the issue, per Commissioner Bottorff.

Asst. Secretary Kelly added, that apart from the Department of Navy and Department of Air Force, and regarding input from North Carolina – the MAC's charter defines them as advisor to the Governor, the General Assembly, and Secretary of Military and Veterans Affairs. With regard to comments at that level and a process, in my opinion, the process should be advice from the MAC through the Secretary, to the General Assembly and to the Governor.

Commissioner Bottorff noted that there are many discussions to be had about this and other matters. He noted that there is funding for lobbying in the budget intended for that use. They would not approve money for that purpose without our ability to lobby. Discussions need to be had internally and with the Secretary's office, especially when it comes to budget.

Asst. Secretary Kelly's thought is that lobbying is to be in support of State efforts and priorities – he would think those come from the General Assembly and the Governor.

Mr. Simmons also noted that anything that conflicts with the MAC, if for example Seymour Johnson were a conflict, the MAC supersedes Seymour Johnson in our efforts. He believes that ultimately the priorities would not conflict. We set priorities in the fall to be able to talk to the Hill by the end of the year and be ready to go. Unfortunately, we were not under contract for 6 months. Make sure the MAC has their priorities by October, in any event.

Secretary Hall noted that the service of the MAC is valued, any member of the MAC can work on any issue of the Commission and volunteer to do any work – there is no restriction on that; it's according to the effort the member wants to make. We had a Chairman who resigned before his term expired by his personal preference, reached down and assigned someone temporarily who did a great job and the process was open. As we discuss this process, when we discuss the MAC's position, we need to have a process and a better understanding but continue to encourage members to step forward and be involved in the process. They are already empowered by the by-laws. Thank you to those who stepped up with little notice. The MAC is a continuing organization that is morphing into what it does, we must live with the legislation that created it. Prior to that, Governor Purdue created an advisor position to work on BRAC at that time; now legislature has evolved it into a Commission that will change as technology changes, policies on wind and training

areas, will change based on aircraft characteristics and warfare tactics. Secretary Hall spoke with Gen. LaCamera who brought up the fact that Fort Bragg has said we have nowhere to locate a wind farm because of an insufficient air pattern and it would not bring revenue, but we are also heavying up on drones and drone warfare, but you would not normally think about air power other than the lift capacity to take out airborne troops. They are spinning up drone air craft warfare and utilization. Sometimes we are fighting a war of the past as opposed to the future. Again, this is something the MAC must do. I do again express appreciation for everyone stepping forward whenever changes come about. We are going to get staffed up and get people in permanent positions, and in the meantime, as the Chairman said, if you are here and in a position, we understand from your By-Laws you can maximize your participation in that position until otherwise notified.

- Sentinel Landscapes. North Carolina did well: \$5.8M for the Air Force and \$3.4M for the Marine Corps.

Secretary Hall said that funding must be obtained; it was not in the budget to create a match. Sally-Ann Gupta said there were enhancements to Clean Water Management Trust Fund (CWMTF) and knows that there have been media reports, that Commissioner Troxler did not see an outright appropriation of matching funds, but what did happen were enhanced appropriations made to other revenue sources that Agriculture can tack to match those funds. It may require a competitive grant process to get the matching funds, but the money is there to be utilized. It just needs to be applied for that purpose. Commissioner Bottorff commented that 2 or 3 years ago, they included \$1M in CWMTF and \$1M in the ADFP Agricultural ___ Preservation Trust Fund specifically for military-related projects because they were not competing that well out of the regular money. That money did not get re-appropriated this year, clearly disappointing, but what it comes down to is what is in the language and how they can compete effectively.

Mr. Simmons asked about the administrative costs; Commissioner Bottorff does not recall the number. Ms. Gupta does not know that there is any appropriation for those costs. Secretary Hall added the funding issue is not clear as we would hope. Commissioner Bottorff asked if someone could report on what is available. Maybe Robert Hosford can brief on this at the FC meeting. Mr. Simmons noted this is a priority, and the ball must not be dropped on this.

Commissioner Bottorff asked about a working group that will get together with DMVA to figure out a budget and what administrative support they will provide. We can't execute anything. Also, there were 2- and 3-year grants, like the EDPNC position. We approved one year, this became three years. Who is approving this? How is money getting distributed and being overseen? Is this an administrative function of DMVA, are we evaluating a process to report to DMVA? There are a lot of working group-type responsibilities around authorities, money, etc. who is evaluating that process? We have authority to authorize expenditure but can't expend money – it has to be through DMVA. We would have to hire our own financial staff, and I don't think that is the intent of the law. It is one of the "other administrative duties" in Commissioner Bottorff's opinion.

Commissioner Thrash asked about funding for DefTech and NCMBC to be restored to previous levels. The money that was approved for DefTech runs out and they request additional funding to help sustain them pending the upcoming short session for \$42,232 to continue to run the

program. Is leftover money able to be used? The Commission needs to look at this request before the upcoming meeting so that they will know what to do with the program. Secretary Hall commented that we are trying to provide some financial assistance to manage these accounts; we do have some responsibility if we do let any funding go. Commissioner Dickerson mentioned this at his last meeting when another request came forward for \$50,000 without competing against anyone else, no matching fund program, no sustainability, so you end up shoveling money out of the door – if you can show sustainability, it was an investment, if you don't succeed it's wasted Commission money. We must do due diligence as a financial agent – you are better off getting your budget in place and requirements for people to get finances from your budget.

Secretary Hall continued to say that the EDPNC position funding has not been provided. Matrix will tell you that when we came in we started to try to more clearly identify we were receiving value for the Commission money that is being spent; Matrix has gone through a lot of trouble to change the way they document their funding. We are hard-pressed to find benefit from the EDPNC position, and are reevaluating the MOU to make sure we plus it up so you can see the value that comes from it. Commissioner Thrash added a Budget & Finance Committee may be needed so that the Commission can evaluate the value as well.

Acting Chairman Breece discussed a note from Scott Dorney that he will share with all about the issues. Acting Chairman Breece adjourned the meeting for a brief break at 12:22pm.

Acting Chairman Breece reconvened the meeting at 12:40pm calling it to order. He apologized for the meeting running behind noting the necessity of the discussions that were had.

NEW BUSINESS

Finalized Agenda for Full Commission Meeting

Quality of Life: Acting Chairman Breece asked what issues from Quality of Life would he like on the Agenda. Commissioner Warner asked for Dr. Michael Dunsmore, Wayne County Superintendent of Schools, to be added to the agenda for 15 minutes. He will include other Committee items in his report, including the Child Crisis Stabilization Unit. Also Commissioner Warner would like to share suggestions for the NCCC to consider on their agenda with the Commission's consent. Commissioner Warner will send Agenda items to Kelly. Also, the Real ID issue will be presented.

Legislative Affairs: Ms. Gupta will abbreviate the presentation by making a list of potentially eligible legislation for the upcoming session, and would like to see Legislative Affairs Committee look at what did not pass and what is eligible in the short session, and see if there is anything of interest to Committee members that they would like to see elevated, and at following full Commission meeting, see if they want to encourage passage of that legislation. She will use a bulleted format and the short title.

Acting Chairman Breece told Secretary Hall that he is receiving a large amount of email regarding tax exemption on military retiree tax and the status of that legislation. Ms. Gupta will speak to Senator Brown and Representative Cleveland, who will hopefully be at the upcoming meeting and

can give a sense of the status of that legislature's appetite for that is. There was some optimism, but ultimately did not pass.

Economic Development: Commissioner Thrash will give a standard update and would like to be able to respond to the DefTech funding need, reiterating the potential need for a budget and finance committee to review this. She would like to be able to get Mr. Dorney a reply, does not know if we will want to discuss this at the next meeting, but would like direction on how to respond to his question.

The letter received from Mr. Dorney asks for a second grant from the MAC for DefTech in the amount of \$42,000+. The MBC intends to request additional money from the General Assembly for FY18-19. When asked about follow-on funding thought to be available, Assistant Sec. Kelly said of the budget request, there were only 3 specific funding items initially listed that had gone forward: Sentinel Landscapes, EDPNC and NC4ME. This doesn't mean the money necessarily goes to those Agencies, however, that was part of the original request that went through the budget process. There was no follow-on funding specifically listed in our request that supported DefTech. It was a one-time funding effort that was voted on from the Commission as a whole when the budget was put in prior to Governor Cooper's command. Per Commissioner Bottorff, we would have to pull the minutes, but I believe it was one-time funding to bridge and put in a request through the Community College System. Mr. Dorney thought he understood from another commissioner that additional funding was available. Asst. Secretary Kelly clarified it was not specifically requested nor approved by the Commission. This gets back to Secretary Hall's earlier comments about a better process, rules, ethics, legal considerations, because it is still state funding. That is where the suggestion to have a Finance Committee to take a look at this is valid. Commissioner Thrash asked if she can let Scott know the answer is neither yes nor no, but that a determination by a Finance Committee has to take place? Commissioner Bottorff stated until a budgetary plan is in place, we likely will not approve any one-off grants until we have a plan, which would not be by the 15th. Acting Chairman Breece agreed.

Commissioner Thrash recommends inviting MC Andrews of Vianovo and consultant to Lockheed Martin to brief the Commission on the F-35 program, particularly on its impact to our State as far as suppliers and economic development in the Cherry Point area. Acting Chairman Breece asked if anyone objected. None was indicated. She will have ten minutes on the agenda.

Commissioner Warner asked for clarification regarding the money and Scott Dorney's request, which is not grant money for DefTech. There was discussion about the distinction between community grants like the ones for Cherry Point JLUS implementation for map overlay and Lejeune area for wells, and there were separate grants. The next series of grants needs to be a reinvigorated process for selection process, distribution, oversight in accordance with state law for both new and existing grants.

Asst. Secretary Kelly added that the community grants were published and competitive.

- Matrix Team presentation for ten minutes (legislative and base visits)
- Real ID presentation for ten minutes
- Sentinel Landscapes – available funding, federal and state – Rob Hosford for ten minutes

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- NCMAC Issue Vetting
- Base Sustainability will likely cover census, basic law enforcement training in their Committee report
- Dr. Michael Dunsmore, Wayne Co. Supt.
- By-laws at the end

Mr. Simmons had to leave the meeting. Mr. Felix added that issue with Pope Extension – understand there is no champion – we think we should table it. Secretary Hall added that the Commanders have said this is not a priority for what it would cost. Mr. Simmons stated Sen. Tillis would not be pushing this.

Acting Chairman Breece acknowledged that some work would go into the agenda, and maybe a preliminary discussion on the By-laws relative to the legislation should occur before the 15th and be included on the agenda.

Commissioner Bottorff made the motion to adjourn, Commissioner Thrash seconded the motion, passing unanimously. Acting Chairman Breece adjourned the meeting at 1:02pm.