



NORTH CAROLINA MILITARY AFFAIRS COMMISSION

Minutes of the 2nd Quarter April 21, 2020 Base Sustainability and Community Affairs Committee Meeting, Microsoft Teams/Conference Call # (515-604-9063)

MEMBERS IN ATTENDANCE:

Frank Bottorff, Chair
David Myers
Paul Friday
Stan Walz
Scott LaFevers

NOT IN ATTENDANCE:

Mayor Chuck Allen
Wesley Meredith

ADDITIONAL ATTENDEES:

Ron Massey, City of Jacksonville (by phone)
Dewitt Hardee, Department of Agriculture (by phone)
Will Best, Department of Commerce
Marc Finlayson, ACT
Bryan Ayers, MCI-East
Jamie Norment, ACT
Dennis Goodson, Deputy Cmdr, 4CES SJAFB
Gregg Fambrough, Deputy Director, 4MSG SJAFB
Kelly Jackson, DMVA

CALL TO ORDER, WELCOME REMARKS: CHAIRMAN FRANK BOTTORFF

Chairman Frank Bottorff called the meeting to order at 9:31 am. He took a roll call of the attendees at the meeting. There was a quorum with 5 of the 7 members in attendance.

CONSENT AGENDA AND MINUTES:

Chairman Frank Bottorff said that he wanted to approve the consent agenda and draft minutes dated January 28th, 2020. Paul Friday made a motion to approve, seconded by Dr. Scott LaFevers. Chairman Bottorff asked if there was any discussion on the minutes and there were none. The consent agenda and draft minutes passed by unanimous vote.

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

Kelly Jackson gave an update for the Department of Military and Veterans Affairs (DMVA). The department has been very busy during this time. The NCMAC will continue to have their quarterly meeting using Microsoft Teams and the conference call number. The DMVA will be hosting a Virtual Roundtable for Hometown Strong on Wednesday, April 24. Secretary Hall will be hosting a Virtual Military Child Tribute on April 30th in support of the Month of the Military Child. We are also hosting a Virtual Military Spouse Appreciation Tribute on May 10th, 2020. The DMVA has a new temporary employee, Paul Berry. He will be working in the Installation Coordinator position. He comes to the department from the USO of North Carolina and from the Marine Corps.

GRANT STAUS: FRANK BOTTORFF

Chairman Bottorff said that the current grants have 2 awardees, the City of Jacksonville for monitoring wells for the aquifers and Allies for Cherry Point's Tomorrow (ACT) for military overlay districts. These grants should be wrapping up shortly. He said that we need to get an update from both of the grant

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awardees before the NCMAC meeting on May 19. Kelly Jackson said that the new community grant application had been sent out. Due to the COVID-19 and unknowns going forward the application due date has been extended from April 6 to October 5. This information has been sent out to all of the individuals that received the original information as well as the groups that had shown interest in applying for the new grant. She said that she has heard from 4 groups about the application process.

BUDGET/LOBBING/BY-LAWS: FRANK BOTTORFF

Chairman Bottorff gave an update on the budget to committee members. The only update is that all of the expenditures are as planned. The expenditures to date are \$722,452.37. If we finish out the year as expected which would be 2 more months of lobbying expenses and we continue to get work out of our lobbyists. We should start the year with approximately \$950,000. Since we did not get a budget from the General Assembly last year, we did not get any additional funds this year. If we assume that we are not going to get any additional funding before next year, he is looking at next years budget starting at \$950,000. Our standard expenses are lobbying service (\$336,000) which would leave us with \$614,000. Community Grant (\$225,000) which would leave us with \$389,000. Our highest priority for normal expenditures is Sentinel Landscape (\$150,000), EDPNC (\$120,000) and NC4ME (\$40,000) for a total of \$310,000 which would leave \$79,000 in the bank for administration, travel, conferences and stipend. So, as a Commission we tried to add a couple items such as marketing and strategic planning which we could not pay for or any new starts would not be there. If we don't receive any new funding we will need to go back to the drawing board and decide what we are doing what we want to be doing. Is the community grant program something we want to do, or do we decide that strategic communications is a higher priority? We can always review are budget priorities.

Expenditures 2019-2020

| <u>Item:</u> | <u>Spent:</u> |
|---|----------------------------------|
| Cassidy and Associates (Lobbying Service) | \$ 255,000 (July – April) |
| Dr. Kathy Sturgis (Facilitator Svc) | \$ 4,640 (August – September) |
| EDPNC | \$ 120,000 (July- April) |
| NC Military Foundation (Cluster Analysis) | \$ 140,000 (July- March) |
| Sentinel Landscapes | \$ 150,000 (February) |
| NC4ME | \$ 40,000 (March) |
| Temporary Solutions (Stipend) | \$ 508.80 (September- January) |
| Office Supplies | \$ 274.51 (September-March) |
| Travel | \$ 9,491.91 (July –March) |
| ADC Fees | \$ 2,096.50 (October – December) |
| Misc. | \$ 441.25 (April – October) |
| TOTAL | \$ 722,452.37 |

Paul Friday asked what were the odds of anything happening between now and the new year starting July? What are you hearing? Frank Bottorff said that he is not hearing much at all. He would say that the chance of us getting anything between now and July are extremely remote. The real question is are we going to get something next year? He does not know on that one. The only way he thinks that we will get anything next year is if the legislature includes us one of their must funds things and not discretionary. Our funding is non-recurring and if they change us to recurring and add us on to one of

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their bills then maybe. Hugh Overholt said that Frank Bottorff was right. He is looking at it from an NC Department of Transportation (DOT) perspective. It is very unlikely to get anything between now and the end of the fiscal year. Next year is going to require some effort by the Commission and friends to make this an item of priority for the next fiscal year. He can discuss that with Frank Bottorff off-line. He has been tracking this from the DOT perspective and has some big requests in there. Frank Bottorff said that he appreciated that information and maybe they needed to talk and then get with Chairman Martin about this. If we want to get something into one of the special legislations, they will need to do some work.

The State of NC is struggling with budget issues the same way that municipalities are. His experience is at the municipalities level so some of the studies that they have been getting have been based on different formulas. With the reduction in sales and everything else because the stay at home orders. What we are looking at is sales revenue. The sales tax revenue for municipalities in his case is between 20-25 % of their annual revenue. So, when you look at March – June of this year the models are showing a 20-25% reduction in sales tax during that period for sales tax collection. The worst case scenario could be 25%. That is for 4 months, so that means about 7-8% of reduction for the year. For the first 3 quarters we were probable ahead of the predictions. Then this year will not be terrible. But, depending on the impact of sales going into next year and how many months it is reduced based on what the plan originally was, you can see next year 3-20 % reduction in revenue depending on the model. Which could be fairly significant. Then you look at how they distribute sales taxes. All sales tax revenue goes to the state and then they send a portion down to the county and then the county to some of the cities. That is how his city gets their 20% and some of their revenue which is part of their budget. Fuel consumption has also gone down and the state is not collecting the same amount of fuel tax that they did before that goes to the Department of Transportation. The bottom line of all of this is the state has had a significant reduction in revenue and so has the counties and the cities. The legislature is looking for ways to figure out their budget and one of the ways is they could adjust the amount of revenue that goes down to the counties and cities. As the State goes through their next budget year and tries to figure all of this out, they will probably be doing a stingy review of where they are spending money. It is going to be a hard discussion and we know they didn't pass a budget last year and we didn't make the cut and get any funding. I just want to bring a little perspective to some of the other challenges that are going to follow us into the next budget year.

SENTINEL LANDSCAPES: DEWITT HARDEE, NC DEPARTMENT OF AGRICULTURE

Dewitt Hardee gave the members an update on Sentinel Landscape. See the quarterly report submitted by Dewitt Hardee for October – December 2019.

Military Affairs Quarterly Budget Report (January – March 2020)

NC State University Project

The NC State University Project convened two coordinating committee meetings (Readiness & Environmental Protection Integration (REPI) Proposal and Annual Reporting) on January 17th and conducted two coordinating committee calls on January 10th and February 14th, 2020. They are also continuing to support NC Department of Agriculture & Consumer Services (NCDA&CS) in the development of a REPI Challenge Grant (Pre-Proposal submitted January 2020; Formal Proposal will be

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submitted April 24th, 2020). Work is ongoing with the NC Forest Service in the development of thank you letters for landowners that utilized the Prescribed Fire Program initiative (from January – February). Members from this project also attended the March 3-5, 2020 Southeast Regional Partnership for Planning and Sustainability (SERPPAS) Meeting and are conducting follow up with the American Forest Foundation on national initiatives suitable for North Carolina.

Reporting of and accountability and evaluation of the Partnership's strategic deliverables are being done through ongoing qualitative and quantitative measures and reporting, including reporting for the NC Sentinel Landscape Committee on March 3rd. A meeting was held on January 17th to complete the national reporting process to the Federal Coordinating Committee of quantitative and qualitative metrics. A Building Capacity for Emerging Forests Leaders grant was also submitted to United State Department of Agriculture (USDA).

NC Foundation for Soil and Water Conservation Project

During the 1st quarter of 2020, the NC Foundation for Soil and Water Conservation provided assistance to participating conservation districts. They held leadership roundtables and outreach meetings in several counties, including the following:

Hyde County – January 23 and 24
Jones County – January 27 and 28
Washington County – February 3 and 4
Craven County – February 25 and 26

Due to the Coronavirus outbreak, no meetings were held in March. After each meeting, the NC Foundation for Soil and Water Conservation sought input from agency and military participants.

Administrative Report

- Dick Fowler – Consulted with eight landowners in Beaufort and Wayne counties.
- Rodney Woolard – Consulted with the following private landowners in Beaufort, Duplin, Hyde, Tyrrell, Wayne, Jones and Washington Counties: Jamin Simmons, Giles Stallings, Van Johnson, Tommy Phelps, Overman Farm, and Foscue Farm. Rodney also worked on USDA eligibility for Rick Webb entities, prepared option form for Prince Family Farms LLC, and associated Ann Williams and Angie Quinn on ALE applications.
- Joe David Austin- Participated in a public workshop and attended presentations within the Sentinel Landscape region. Joe consulted with 17 landowners in Johnson, Craven, Cumberland, Beaufort, Jones and Onslow counties. He worked with the following individual farms: Wagner, Tyson, Garris, Lovett, and Overman.

| <u>NCDAs Outreach</u> | <u>Quarter 1 Expenses</u> | <u>Hours Worked</u> |
|-----------------------|---------------------------|---------------------|
| Dick Fowler | \$1,072.00 | 32.00 |
| Rodney Woolard | \$2,064.60 | 62.00 |
| Joe David Austin | \$2,397.60 | 72.00 |
| TOTAL: | \$5,534.20 | 166.00 |

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| <u>Project</u> | <u>Quarter 1 Expenses</u> |
|---------------------|---------------------------|
| NCSU Project | \$14,016.13 |
| NCFSWC Project NCDA | \$19,018.16 |
| Outreach | \$5,534.20 |
| TOTAL: | \$38,568.49 |

| <u>Project</u> | <u>YTD Expenses</u> | <u>Balance</u> |
|----------------|---------------------|---------------------|
| NCDA Outreach | \$31,564.85 | \$118,435.15 |
| NCSU Project | \$34,096.92 | \$45,903.08 |
| NCFSWC Project | \$32,671.42 | \$37,328.58 |
| TOTAL: | \$98,333.19 | \$201,666.81 |

| <u>NCMAC/NCDA MOU</u> | <u>Appropriated Funding</u> |
|---------------------------|-----------------------------|
| MOU dated 8/31/2018 | \$150,000.00 |
| MOU dated 11/13/2019 | \$150,000.00 |
| TOTAL: | \$300,000.00 |
| Less Expenses | \$ 98,333.19 |
| Balance 11/31/2019 | \$201,666.81 |

.DEPARTMENT OF COMMERCE (DOC): WILL BEST

Will Best gave an update from the Department of Commerce (DOC). He said that the State of NC has delayed the project with Seymour Johnson and the Dare County bombing range. They were awarded the funding from the Department of Defense (DoD) and the Office of Economic Adjustment (OEA). They have selected the Matrix Design Group to conduct the implementation of those recommendations. Recently he was informed that the Secretary of State's (SOS) office and the Board of Engineering and Surveyors told Matrix Design Group that their DVA listing had expired and someone else had come in and taken Matrix Design Group as their name in the state. They had to re-register their DVA and then some employees from the SOS office decided that Matrix was an engineering firm, and this sounded like an engineering project. Now Matrix has to register to this convoluted process to get a blue tag Engineering firm to work in NC. He has conveyed to them that engineer and engineering is no where in the scope of work or the Request for Proposal (RFP) that went out. He has made this clear to people at the SOS's office that this is not an engineering project and he was notified that the public access to the SOS's office and all of the boards and commission would end effectively March 20th, 2020. We are yet again delayed, and he has talked to DoD and OEA and they received a directive straight from Office of the State Department (OSD) stating that there would be a tremendous amount of flexibility to grantees. He has been in contact with Mike Hrapla with MATRIX and they are in a holding pattern pending the award and a move forward. At the same time, the communities that they are working with in the past regarding the bombing range, they have other priorities now. The delay in one things but we are not pushing something that they can't give their attention to. This is not a total lose, otherwise I would not be able to get the attention we needed. In addition to that project, working with the DOC we are also providing support and demographic data and research to the Readiness and Environmental Protection Integration (REPI) Challenge grant and Sentinel Landscapes. He will be working with them to provide population data and growth trends that depicts the potential for development encroachment around MCI-East, the Dare County Range and Eastern NC. Frank Bottorff asked if all Engineering Firms have to

register if they are doing an Engineer project? Will Best said he did not have an answer to that question. He is assuming that if your company is registered and you do engineering, they want you to pay the fee and get approval from the Board of Engineering and Surveyors. Jamie Norment said that Will Best is right. The Board of Engineering and Surveyors is very difficult to deal with. If Matrix gets stuck in that maze, it will be a long time before they get their license. The only way left for them to do this, unless you have an Engineering who is living in the state and working for you, is to go out and buy a NC Engineering firm that already has a NC license. He just helped a client do that. That is a mess. You are now talking 12 months before they can start doing the project. Will Best said that he was trying to get the Adjudication Board together so he could appear and show them that this is not an engineering project. The person who read this did not read the Scope of Work. They hear airspace and aircraft and they think it is engineering. We will continue to try to do something.

STRATEGIC PLAN: FRANK BOTTORFF

Chairman Bottorff said that we put in an unofficial request in to see if we could do something other than a completely new strategic plan. When he talked about the budget he did not talk about additional funds for a new strategic plan and a consultant. The original strategic plan that was completed by Matrix design group costs about \$200,000. What we have proposed is to take the strategic planning event that was completed a couple months ago and continue our review of that document and add our implementation ideas that we have started to discuss. Then formalize the document and add an introduction and other things. Then use that as our current Strategic Plan Initiative that we are required to do for the state. If that is acceptable to the State, and we had not gotten an answer on that yet. What he is going to do is reenergize the review of that document. We had general categories that we thought are important and now we have to decide on how to implement those things. He will be working with Paul on this project and Paul had sent him some good notes on this matter. Once that is done he will send it out to this group for their review. He would like everyone to review this document and give any comments that they have. If you have nothing to add, please let him know that. Once he has BS&CA plan, he will get all of the other committee's plans and put them together and get the entire strategic plan out to the entire commission for review input. Then we will take this consolidated plan and send out to the communities for their review and comments. We want and need the input from the communities. We hope this will meet the requirement for the strategic plan for this year.

NEW BUSINESS: FRANK BOTTORFF

Chairman Bottorff asked the committee members if there had any new business for the group.

Stan Walz said that there was nothing new on the Eastern front. The budget problems throughout the State and now for the Federal government is going to impact their plan to improvement or rework the runway. Chairman Bottorff said that was going to be a number of unintended consequences.

David Myers said that he appreciated the information about the budget. His intel tells him that the state is going to focus on some COVID-19 bills and not a lot more than that. You talked about the reduction of 20-25% and the fuel costs with the unemployment rate. He lives in a rural area and he does not know where they will get the sales taxes with so many people not working. Chairman Bottorff said that this is a big problem and if history repeats itself the state will balance their budget and potentially at our expense which will make our problem worse. David Myers said that he had sent a letter to the

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Governor last week giving him his thoughts on what he needs to know right now and how he plans to reopen the state. As a Mayor, he needs to know sooner than later, what is the end state. He told him that it needs to be condition based and easily understood. He has not heard back from the Governor. He would like to talk to Frank Bottorff about the priorities. He had to work on things like this before in California about wind turbines and oil rigs and how they fixed things like that for MCI-West.

Chairman Bottorff asked Ron Massey about the Census. Ron Massey said that as of last Thursday the General's and their Sergeants Major taped Census messages along with Mayor Phillips. They are going to share that information with the Chain of Command at Camp Lejeune and MCI-East. They are targeting the military and their families living on and off base. The count on the group quarters has been pushed back but as soon as things open up the Census will work with each base to get that group quarters count. We continue to keep this information in the minds of everyone and ask them to complete the forms. Chairman Bottorff asked Ron Massey if the messaging that has been done can be shared and put on the City Face Book pages. Ron Massey said that was the intent of the messages and he would get that information to Chairman Bottorff.

Will Best asked Frank Bottorff and Ron Massey if they had current population figures that possible show the growth trends for their areas or municipalities? Ron Massey said that the information that they depend on comes from the State Demographer's office. He is trying to put information together for the REPI Challenge. Chairman Bottorff said that their numbers have gone down the past couple of years.

ADJOURNMENT:

Chairman Frank Bottorff adjourned the meeting at 10:20 am.