



NORTH CAROLINA MILITARY AFFAIRS COMMISSION

Minutes for Executive Steering Group (ESG) Meeting, 2nd Quarter, May 5, 2020

Microsoft Teams/984-204-1487 Code: 205 377 666#

Members Present

Grier Martin, Chairman
Frank Bottorff, Base Sustainability, Chair
Kirk Warner, Quality of Life, Chair
David Hayden, Economic Dev, Chair
Paul Friday, Installation Area
Sally-Ann Gupta A/R Sen Brown,
Legislative Affairs Chair
Sec Larry Hall (by phone)

Additional Attendees

Larry Coleman, NC National Guard
Chad Sydnor, Cassidy and Associates
Ron Massey, City of Jacksonville
Dr. Washington, Councilwomen Jacksonville
Jamie Norment, ACT
Nimasheena Burns, DMVA
Robert Jones, DMVA
Kelly Jackson, DMVA

Members Not Present

Senator Harry Brown
Hon Chuck Allen, Installation Area

NCMAC Members Present

Rep George Cleveland

OPENING REMARKS: CHAIRMAN GRIER MARTIN

Chairman Grier Martin called the meeting to order at 10:04 am. Chairman Martin welcomed everyone to the Executive Steering Group (ESG) meeting and took a roll call of attendees. Kelly Jackson said that they had a quorum for this meeting. She reminded everyone to mute your microphone if they were not speaking so that there were fewer outside noises. She asked if there was anyone on the phone. The people on the phone could use #6 to mute and unmute their phone.

CONSENT MINUTES: CHAIRMAN GRIER MARTIN

Chairman Martin asked for a motion to approve the minutes from the 1st Quarter meeting held on February 4, 2020. David Hayden made a motion to approve the minutes. Frank Bottorff seconded the motion and it passed by a unanimous vote.

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS (DMVA) UPDATE: SECRETARY LARRY HALL

Secretary Hall said that he thought that the Commission may want to have an update on COVID-19 developments. He could share the information from a State government perspective and what they knew. The Department has been in contact with the Military Bases and we are on the second round of Requests for Information (RFI) and also coordinating with the National Guard as well. The updates will be from the second round of RFIs on COVID-19, budgetary concerns and special policies for deploying units. Also, other developments on economic impacts or other needs that surround the communities

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may have. He will have the information circulated from the RFIs and then you can see what progress has been made by any of the bases on issues that they have or best practices that they have developed.

Chairman Martin asked Secretary Hall if he could give that update during his time on the NCMAC agenda? Sec Hall said that he could do that and have Kelly Jackson share that information prior to the meeting. Sec Hall said that COVID-19 has taken up a lot of time and energy from a lot of people. It is important to be aware of the budgetary side of this for when we do business, the great amount of distance or communication that we are doing now both on Microsoft Teams and conference calls. It seems like with Kelly Jackson's help the NCMAC has kept on pace with having their meetings and getting the work done. Some other organizations have not been able to do that. We are changing the way we do business and keeping an eye out on how we can translate those efficiencies into more productivity. He hopes that everyone is thinking that was as we move forward.

Kelly Jackson said that the DMVA has done a few events virtually. They honored the Military Children on April 30, 2020 as April was the Month of the Military Child. On May 8, 2020 they will be hosting and event to honor Military Spouses. The DMVA is trying to embrace technology and honoring our military families.

David Hayden asked Sec Hall if he had any insight on what decisions the Governor could be making in the near future? Sec Hall said that he assumed he was talking about transitioning back into the different levels of operations and economic opportunities. He said that the Phase I details would be issued this evening or in the morning. He said that the amount of testing that they are trying to reach is 17,000 per day. That is an achievable goal but because testing is only a snapshot in time and those businesses and industries that have to continue to test, people are going to have to understand that there is going to be a continual testing cycle. There is not a one-time test and you are good to go. That public health concern continues to be a constraint on what we can do. At our nursing homes we have had a number of casualties as a result of COVID-19 but that has been minimal in regard to the number of residence that we have. We have a great relationship with the VA Medical Centers that are close by our facilities and they are giving our nursing homes immediate testing when necessary and immediate responses. We have been able to keep our residence and staff up to speed with the changes that they continue to face. Opening businesses without employees and safe customers is problematic. We don't want to slip backwards.

QUALITY OF LIFE (QOL) COMMITTEE: KIRK WARNER

Kirk Warner said that the QOL had a great meeting on Thursday, April 23, 2020 and 24 attendees. They had an update from Rollie Sampson on the Purple Star Program. There have been 121 schools awarded the Purple Star designation and that designation would be put on their Report Card. They are not sure when the schools will be awarded this designation, but it had been planned for the end of April. There were 130 schools that completed the application from all over the state but 121 were selected. That is a good showing for the start of this program. Chairman Warner is sure we will have more next year. NC is the 7th state in the Country to have the Purple Star Program. Next we got an update on Remote Registration by Valerie Nasser. That is done through PowerSchool and is ready to be used. We need to be mindful of the Permanent Change of Station (PCS) process will be a mess this year. The process will be staggered due to COVID-19. The PCS's could go into September and October and affect many

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families. This could affect the Remote Enrollment process and needs to be communicated to incoming families. They have asked the North Carolina Commander's Council (NCCC) to look into this and see how they can get the word out to families as soon as possible to use the remote enrollment. They also talked about housing on and off base and how we can help with issues that come up about housing for our families.

Next they transitioned to what is going on in the schools. They received a presentation from LaTanya Pattillo, Teacher Advisor to the Governor. She talked about the Executive Orders from the Governor reference education. She also talked about the food distribution and taking food to the school children. They even have the yellow school buses taking meals to the students. This is a success story and they have served over 11 million meals over the past month. They also had a presentation from Hailey Young and Madhu Vulimiri from the Department of Health and Human Services (DHHS). They talked about other initiatives but also about on the Educational and Nutritional Working Group efforts. Especially in the school nutrition area. Then they talked about the QOL priorities and he thinks they are doing well with those. Paul Friday said that it seemed like his committee and others are concerned about the PCS backup and the issues that will have on the system.

Kirk Warner asked Chairman Martin when he wanted to talk about the letter from Dr. Washington. Chairman Martin said that this was a good time to talk about that topic. Chairman Martin told Kirk Warner that it sounded like they had a good meeting and was there anything from his meeting that the General Assembly should look at doing since we are in the short session and still somewhat focused on response to the virus. Kirk Warner said nothing that he saw but it was nice to hear that the Purple Star Program and Remote Registration are working. We do need to get a Military Liaison Officer (MLO) at the State Level for Department of Public Instruction (DPI).

Kirk Warner talked about a Letter from Dr. Washington. The letter is about a nursing aide training program that is for juniors and seniors in high school. That program is hand on and when they complete the program they get a certificate as a nursing assistant. This a vocational program for nursing aide. The issues are that they are close to being done but have not completed all of the requirements. They have to complete a couple more courses in and check the block. There are 4 or 5 stakeholders and they are aware of this situation. We need to do what we can to facilitate what we think is the right outcome. He thinks the resolution is for a waiver, so these students have not wasted 2 years of their lives and no nursing aide certification.

Dr. Washington is the manager of this program. She will speak on behalf of the Camp Lejeune High School and other students in NC. She wrote this letter as an elected official and also as an employee of the Department of Defense Education Activity (DoDEA) employee. She is the nurse aide program coordinator for the Camp Lejeune High School. She started the program 10 years ago and it is the first DoDEA High School in the United States with this program. She is very passionate because it is her baby that she started from the ground up. This program trains these high school students in a career and technical education with a focus on the nurse aide training program for students who want to go into health care and particularly a nurse or physician. The reason that she brought this to this committee is right now in NC, if our students don't have the ability to finish all of the requirements, all of there hard work will be in vain. That means they will not be able to complete the program and take the

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national test to become certified as a nurse aide in the state of NC. The other downside is that they would have to repeat this course all over again. She is working on behalf of her students and other students in NC for this committee to work with the State of NC to set a precedence like the state of Michigan has done. Their Governor has signed an Executive Order. She is seeking that due to the pandemic and because of the fact that it happened in the middle of our students' academic year, for NC to relax their rules and regulations as it pertains to certification. That NC can say that for these High School Students that are enrolled in this nursing aide program for the 2019-2020 school year. That NC will allow these students to receive a waiver of completion for this course. We would like them to receive a waiver so they can receive a certificate of completion and not be required to take the national nursing aide exam to receive their certification. As of yesterday, the teachers in NC received a notice that the company that owns the nursing aide examination program, testing has been suspended until June 2020. For her military students whose parents may be required to Permanent Change of Station (PCS) there are limited other programs like this one. Those students could be at a loss. Also, not all states have reciprocity with NC and some students could have to retake this program. Some states have that when there is a pandemic or an emergency state of crisis within the health care field the rules and regulations can be relaxed. Her students have completed all but 5 hours of this training. As of May 1, the director, Mr. Brady issued a letter that indicated that their schools with the exception of Korea would be closed for the remainder of the school year. She has no way to bring her students back to teach them the remaining 5 hours of training. When it comes to demonstrating nursing aide skills, the student has to perform those skills with the teacher beside them. Due to the social distancing, this is not possible. Bottomline, her students have met all of the requirements except the final 5 hours.

In the state of NC if you want to become a nurse, you must have your nursing aide certificate. For those potential nursing students, they would have to duplicate this class which is anywhere from 270-300 hours. We do have some options, but they are very limited, and they cause a ripple effect. Since this is a state of crisis these exceptions would allow them to have a waiver to suspend the testing and grant the certification for these students. Not suspending the testing and granting a certification would be a disservice to the students.

Chairman Martin said that since they had received her letter he has checked with certain agencies in the State Government. He asked Kelly Jackson what new information she had on this topic. Kelly Jackson said that she had a conversation with Charlie Council and Todd Curkendall both from the DoDEA schools. They did not have a lot of awareness of this topic, but Todd Curkendall said that he had a conversation with Julie Fulton, Camp Lejeune Military Liaison Officer. Kelly Jackson said that she had a conversation with Julie Fulton prior to the ESG meeting and Julie Fulton had left a message for Ashley Orr, Department of Public Instruction (DPI). Ashley Orr is working on a waiver for this matter. There are people from DPI working on a solution for this issue. Julie Fulton will update Kelly Jackson as soon as she receives that information from DPI. They are working on a waiver of assessment for this issue. Kelly Jackson will also reach out to Doug Taggart from DPI to see if he has any update on this topic.

Chairman Martin asked Dr. Washington if this waiver that DPI is working on will meeting the needs of her students. Dr. Washington said yes it would if the waiver comes through, then that means that in lieu of the 5 hours, the State of NC will recognize everything that her students and other high schools students in NC will have a certificate of completion and then a waiver of not having to take the National

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nursing aide exam would be acknowledged. The students will be granted their nursing aide certification for the State of NC. That is what she is looking for. She said that Julie Fulton is at Camp Lejeune and Mr. Curkendall is the Community Superintendent for Camp Lejeune. Dr. Donato Cuadrado is the District Superintendent and stationed at Fort Bragg.

Chairman Martin asked if the members had any questions. Kirk Warner asked if the National testing and certification staff on board with a waiver from taking the exam? Dr. Washington said that would be something that the State of NC would need to work on. But looking at the State of Michigan, there were things that they worked on reference to this topic and given a waiver from the National testing. The National Test can't be done online. It is a 2 part test and must be done in person (written and skills). Frank Bottorff said that the students were missing 5 hours of training. What was the total number of hours for this course? Dr. Washington said that the total hours of her program 115 hours of classroom theory and 115 hours of nursing aide skills for a total of 230 hours. Then they have 40 hours of hospital clinical training. Since then the State of NC has adjusted those hours. Now the hours are 115 hours classroom and 25 hours clinical. She was able to complete 20 hours of the 25 hours required for the clinical training at the Naval Hospital before they were mandated to remote learning and the Naval Hospital suspended the clinical training. The theory hours were completed but they are missing 5 hours of clinical training. Frank Bottorff asked about the testing. Is there any data on the passing test rate? Dr. Washington said that for her program the National Test scores range from 92 -100%. She normally has 10-13 students in her classroom. The state of NC pass rate is 76% and based on the past years data. The private schools have a pass rate of 78%. The high school passing rate is 77%, the community colleges 76% and the universities at 72%. The high schools have the second best pass rate in NC. Sally-Ann Gupta said since this is a nationally administered exam, is there any sort of guidance from the national level headquarters on what they would recommend? Dr. Washington said not that she knew of and that there are several different companies that administer this exam within the United States.

Chairman Martin said that he wanted to propose something at this time. He said that Kelly Jackson had said that she was waiting on information from DPI. We need to continue to monitor that information and hopefully we can report to the Full NCMAC that this issue has been resolved. Then we can see if there is anything the NCMAC may need to do going forward. There was no further discussion.

LEGISLATIVE AFFAIRS COMMITTEE: SALLY-ANN GUPTA

Sally-Ann Gupta said that Legislative Affairs committee did not meet this quarter. She said that everything that this group had previously discussed did make it into a bill. The bill is entitled Educational Changes for Military Connected Students. It combines the substance of the 3 resolutions that the NCMAC passed at the last NCMAC Full meeting. The bills are Senate Bill 706 and House Bill 1047. She said that Senate Bill 706 has been referred to the Rules committee on May 1, 2020 which is Chaired by Senator Raybon. Rep Cleveland said that the House Bill is sitting in their committee. As soon as they are permitted to have a committee meeting they will get it to the floor.

David Hayden asked about the Military Retiree Tax Exemption. Has there been any movement on any of those bills? Rep Cleveland said that he has talked to people in the house and getting agreement to see some movement and then we had the pandemic. At this point he does not see any movement until we get an understanding of where the state's finances are.

ECONOMIC DEVELOPMENT COMMITTEE: DAVID HAYDEN

David Hayden said that they met on April 14, 2020 via Microsoft Teams. He knows that the group will be talking about the Strategic Plan later in the meeting and he was successful in getting information/feedback from his committee. He has their final goals and the steps to achieve the goals. The Economic committee received a budget update from Frank Bottorff. The NCMAC is funding a position at EDPNC and also funding the Cluster Analysis and also considering follow on funding for further work related to the study. That is temporarily on hold until we have funding from the legislature. We don't have any funds to support any good ideas at this time. The committee received an update from Jamie Norment about Marine Corps Air Station (MCAS) Cherry Point and the Fleet Readiness Center East (FRC-East). There continues to be construction for the F-35 Hangar. The Air Show scheduled for May 2020 has been cancelled. The committee also received an update from Arnold Gordon-Bray and Rodney Anderson about Fort Bragg. There is some impact for Fort Bragg from COVID-19. We also received an update from Scott Dorney from North Carolina Military Business Center (NCMBC). He gave a presentation about the funding that they had received and also did a comparison in contracts NC has received in government contracting FY 2019 vs FY 2018. The amount increased over \$1 billion in new construction over the last year. We have a lot of effort focused currently with NCMBC on the Hurricane Florence recovery and military construction projects. They had \$1.7 billion of new construction for Camp Lejeune, New River and Cherry Point. They are still in the process of soliciting bids or analysis bids that have been submitted. That is moving forward and hopefully that will support the economy in the Eastern part of NC with military construction. The NCMBC is hosting bi-weekly webinars and had Senator Tillis speak at one of those webinars for the defense industry of NC. We also heard from Will Best, Department of Commerce. He talked about their focus on their recovery efforts, especially in the rural communities. He thinks that one thing that will come out of COVID-19 is that we need to improve internet access in the rural communities because that is a shortage that we have in NC. He knows that there are a lot of initiatives being looked at in the General Assembly on those in underserved communities do have better access.

The committee did meet with Chris Chung and have him speak about the position that is funded by the NCMAC for the Economic Development Partnership for NC (EDPNC) by Denny Lewis. We went over the impact of that position and Chris Chung gave us his perspective. Chris Chung talked about NC tourism and how that has been affected by COVID-19 and their efforts on this by EDPNC. He had other observations on the impact of COVID-19 and attracting new businesses. We did specifically talk about the effectiveness of the position that the Commission is funding at EDPNC. We needed to review this position due to the budget constraints that we could be looking at in the next fiscal year. We had a good open discussion with Chris Chung about how that position has evolved and how it has been effective or not effective. We did a 360 analysis of whether we are getting our bang for our buck. We also asked how the NCMAC could support him and this position better. They are currently using that funding of \$120,000 to fund Denny Lewis part-time. We did not get into the weeds on that issue because we know that Denny Lewis does a lot more than what that specific position is funded to do. The purpose of that position is business development in the defense industry. Chris Chung said that Denny Lewis not only performs a function in their business development department, but he is also a defense industry Subject Matter Expert (SME) for all of the other employees at EDPNC. The conversation we had was very helpful and let Chris Chung know that we are looking at that position and the funding tied to

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that position. We are asking some tough questions. There will be more discussion on this topic going forward.

We also had a discussion with Crocket Long about how his business was going. They are all taking a hit due to the stay at home order. Crocket Long said that he would be losing approximately 20% of his business now and didn't know when he would come out of this. Larry Coleman from the NC National Guard Association said that the National Guard Association of the United States (NGAUS) convention scheduled for August 2020 in Boston had been cancelled due to COVID-19. Not sure if they will do something Virtual. He attended a National Rotary conference by a Virtual platform and many other organizations are going the same thing.

Chairman Martin asked about the EDPNC position and if there needed to be a better reporting process put into place. David Hayden said that we were receiving quarterly reports from Denny Lewis but had not gotten one for the last meeting in April. He did inform Chris Chung that there needed to be a quarterly report given to the Economic Development Committee and how the funds are being spent. Paul Friday asked about the comment that the funded needed to be permanent in order for them to have the assigned body working in the area they felt could be of high use. David Hayden said that Chris Chung had said they were a long term investment organization and they plant seeds to grow the contacts with companies. Like everything in government and the non-profit world, permanent funding is not always an option. So, if he is not adequately and effectively using that position, then we don't give him the funding. I would have expected him to ask for permanent funding no matter what.

BASE SUSTAINABILITY AND COMMUNITY AFFAIRS (BS&CA) COMMITTEE: FRANK BOTTORFF

Frank Bottorff said that the Base Sustainability and Community Affairs Committee met on April 21, 2020. We went through a couple of items. One of them was the current grants and their status. We did not get an update from Jacksonville or Allies for Cherry Point's Tomorrow (ACT). We did talk about having them give an update at the NCMAC meeting on May 19. This is anticipated to be a close out briefing for both of the grants. We did talk about the new grant and that we had extended the date for the applications until October 5, 2020. We also had an update on the budget and will update this group on the budget later in the meeting. There was also an update from Commerce and Will Best said that the Seymour Johnson Air Force Base and Dare Bombing Range Joint Land Use Study (JLUS) implementation contract with Matrix has been put on hold. There is an issue with Matrix engineering approval through the Secretary of State's (SOS) office and that had expired. There is nothing in this contract that is engineering related but because they are an engineering firm, everything is on hold due to this approval from the Board of Engineering and Surveyor. They will need to get this approval from this board before Matrix can start for the JLUS implementation. This approval could be a lengthy process. We also got an update on the Census and some of the response rates have been low. Ron Massey said that he recommended that we get an update at the NCMAC about the status of the Census. We need to keep pushing this information out about the Census. Frank Bottorff said that he recommends that we have an update on the Census for the NCMAC and NC Commander's Council meetings.

BYLAWS TASK FORCE (TF): KIRK WARNER

Kirk Warner said there was nothing to report on the Bylaws. Kelly Jackson said that the Bylaws had been posted on the Department of Military and Veterans Affairs (DMVA) website under NCMAC section.

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FINANCE AND BUDGET TASK FORCE: FRANK BOTTORFF

Frank Bottorff said that this is the updated expenditures to date. He said that he had sent out an update copy of the expenditures. .

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

FY 2021

\$ 893,597.38

Cassidy and Associates (Lobbying Service)	\$ 306,000	
Additional Travel for Lobbying	\$ 30,000	
EDPNC	\$ 120,000	
Sentinel Landscapes	\$ 150,000	
NC4ME	\$ 40,000	
Community Grants	<u>\$ 225,000</u>	
	\$ 871,000	\$ 871,000
Temporary Solutions (Stipend)	\$ 508.80	
Office Supplies	\$ 274.51	
Travel	<u>\$ 9,491.91</u>	
	\$10,274.62	\$ 10,274.62
		\$ 881,274

Remaining:

\$ 12,323

Frank Bottorff said that the expenditures continue this year as expected. At the end of the year the estimated expenditures will be \$773,702. The remaining balance will be at \$893,597. The second page is just for next year. If we start the year with \$893,597, our normal expenditures are Cassidy and Associates (\$306,000 and added additional funds for additional travel \$30,000) Department of Commerce (\$120,000); Department of Agriculture (\$150,000); NC4ME (\$40,000); and Community Grants (\$225,000) which is a total of \$871,000. That will leave about \$20,000 to \$22,000. Then if you look at our normal expenditures for this year and we did a couple conferences and normal administrative expenses which for this year is about \$10,000. So, if we do the normal things that are listed there, the

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\$871,000 plus the administrative items, we will have about \$12,000 remaining. There will be no money left for any good ideas next year. That will not cover any funding for strategic plans, marketing or anything else. As we look at this, \$893, 597.38 is the estimated starting balance, \$871,000 is the amount we will spend if we do our normal funding and that will leave us with no discretionary funding. This is where we are until we get any additional funding.

Kirk Warner asked if we had set money aside for marketing? Frank Bottorff said we had put money in for marketing as a place holder but since we did not receive any funding this fiscal year and not sure we will receive any funding in the next fiscal year, there is not funding for discretionary items. He said that the commission did put \$200,000 against marketing but there is no funding at this time for marketing. We will end this year with approximately \$893,597 and these are the normal expenditures that we could have for next year. The Commission can vote to eliminate any of those normal expenditures.

Chairman Martin asked if we are at a decision point at this time? Frank Bottorff said that he did not have any recommendations, but it is up to the Commission to decide if the items that we have funded consistently for years are the ones that are still our priorities. If we desire to have a discussion on priorities, this would be the time to have that discussion. Do we want to continue the agreements with the Department of Commerce (EDPNC) , Department of Agriculture (Sentinel Landscape), Community Grants and NC4ME. The contract with Cassidy and Associates was just renewed in April of 2020 and approved by the Commission. So, if we want to cancel any of the above and use that funding for another priority like marketing, we need to do that sooner than later. Chairman Martin said that he would recommend a budget discussion at the end of the NCMAC meeting.

INSTALLATION COORDINATOR UPDATES: CHAIRMAN MARTIN

Chairman Martin asked the Installation coordinators if they had any comments.

Marine Corps Base, Camp Lejeune: Paul Friday said that they had their phone call/virtual meeting last week with Camp Lejeune and MCI-East personnel. Mike Scalise gave then a rundown on what they planned to talk about at the NCCC meeting scheduled for May 19, 2020. They talked about the following topics. An update on the Special Forces aggregation at Camp Lejeune from the West Coast and where everything stands on that topic. They are going to provide an update on construction and those efforts for the renovations post hurricane. There are a lot of moving parts on affect not only Camp Lejeune but also New River. They will also brief on Southeast Regional Partnership for Planning and Sustainability (SERPPAS) and the event that the state will be hosting in the Fall. The issues with PCS's did come up and the issues that have about getting moving companies to go to the rural areas and adequate moving capacity. They did talk about COVID-19 issues and lessons learned from the logistics base Albany, GA issue.

Fort Bragg: Kirk Warner said that he did not have anything to add. He had not heard anything more about the tax center at Fort Bragg. Arnold Gordon-Bragg is looking at housing issues and priority of housing.

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Marine Corps Air Station. Cherry Point: Frank Bottorff said that the priorities remain the same for Cherry Point. They are still trying to work on funding for Fleet Readiness Center-East (FRC-East) and the Maintenance Hangar for the F-35. Also continuing on with the priorities for implementation for the Air Station F-35 construction. He thinks most of that is ongoing. COVID-19 does have some effect on the base. For FRC-East, those that can telework, are doing that but some of the employees must be at the facility are at the facility. They are flying on a regular basis and operations are continuing. One of the bigger discussion points has been that the Navy and the Marine Corps have done a strategic structure review. The implications of that will be some potential restructuring of where certain units go and potential will impact Cherry Point over the next 10 years. As they not only do a strategic restructuring, the Marine Corps is talking about some significant changes to their structure, with significant reductions or elimination of things like tanks, artillery and then moving some aircraft around depending priorities. We will see what that has for Cherry Point and try to mitigate any impacts that there are for Cherry Point.

Seymour Johnson Air Force Base: No update.

STRATEGIC PLAN UPDATE: FRANK BOTTORFF

Frank Bottorff said that we are attempting to take what was our Strategic Plan and Initiatives and turn it into our Strategic Plan. He has gotten some help from David Hayden to come up with a format. We will take the information that we got from the strategic planning priorities and then add the strategic initiatives for implementation. He said that David Hayden had completed his implementation plan and he will share this information with the other groups. He thinks that Kirk Warner and Quality of Life will be fine but the other 2 groups Legislative Affairs and Strategic Communications will be a little harder. He will be sending the Legislative Affairs information to Sally-Ann Gupta and Mayor Lewis. He will also send the Strategic Communications information to ET Mitchell for implementation ideas. We need to get something on paper and then send that out that document to a wider group. First to the Commission members and then to the other non-commission member participants. At the end of the day, if we have our strategic priorities, our implementation things will be excepted as our strategic plan and then add an introduction letter from the Chairman. We will then put a cover sheet on this document and that will be our current strategic plan. That is the concept as it is today.

CASSIDY AND ASSOCIATES: CHAD SYDNOR

Chad Sydnor from Cassidy and Associates gave the members a lobbying update. He said there was a lot going on in the lobbying world. He has been trying to keep the Commission members informed about the Cares Act and the Corona Virus packages. The Phase 3 package included \$10.5 billion for the Department of Defense (DoD) and a lot of that money in Operations and Maintenance (O&M) for all of the services and components. The Department is having a bit of a time executing all of that money. Congress appropriated money to plan for the worst and hope for the best type of deal. The example he would use is the USS Mercy. It went up to New York and it takes a lot of money to operate that hospital ship but thankfully it was not utilized to the extent that they had planned for. So, not executing all of that money, Congress is breathing down the Department's neck and asking how you are going to get that money out of the door. The last thing he had heard was that they had executed only about \$1 billion of the \$10.5 billion they had received. Just like the National Guard setting up that hospital, the money that they would use to operate them is not being executed. We are looking at a Phase 4

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Package at some point in time. There is some type of disagreement on what that will look like at this time. Secretary Esper came out yesterday and said that they do plan to ask for supplemental funds to try to keep the supplier base within the defense industrial base healthy. The third tier type of supplier, farther down on the supply chain and ensuring that those people have some cash flow and stay as healthy as they can be. The best performing company on this is Lockheed Martin and they are relying on the primes who utilize these suppliers to push money down to them. The Department is happy with Lockheed Martin and they are leading the way on this process. Boeing has about 17,000 suppliers, commercial and defense and getting money down to them. More to follow on this topic.

There was talk about Sustainment, Restoration and Moderation (SRM) Military Construction (MILCON) money being added to these type of things. He will talk more about this with current budget execution because that is a big issues there.

The National Defense Authorization Act (NDAA) is proceeding and everything is moving to the right in terms of markups and both Chamber are struggling some to figure out what this is going to look like and how they conduct these markups. The House Armed Services Committee has 62 members and when they have meetings the room is packed. They will have to figures out a better way to do this. The Senate is saying they will markup the NDAA the second week of June. That is all tentative. Appropriations is continuing on their path as well, but things could slip to the right.

One Appropriations issue and most of you are aware of a runway issue that is in a state of disrepair is in Elizabeth City and the Coast Guard Station. It has been in a state of disrepair for a number of years and maybe over a decade. There has been a push by the University system to get it fixed. Elizabeth City State University using this runway for their aviation program. It does not really affect the Coast Guard and this runway is more susceptible to crosswinds. There is a lot of support in Congress and Mr. Price our only appropriator who is on the Homeland Security Sub-Committee has put in a request and the Coast Guard managed to get this on the unfunded requirements list. Congressman Price has asked for \$25 million to fix it. Senator Tillis has also asked for the \$25,000 and is one of Senator Tillis' top priorities. Congressman Murphy has sent a letter to his Republican colleagues saying I want this to be a bi-partisan issue. Congressman Price has asked for this and he also sits on the Sub-committee, so he thinks this is in a good place. The runway issue for Elizabeth City is a foundational issue. They have a Depot there that services every Coast Guard aircraft in the inventory. There is growth potential there but the foundation of getting some of those new facilities and adding jobs is that you need a fully function airfield. He thinks we are in a good place there.

At Fort Bragg there is a Build Grant going in from the State to the US Department of Transportation (DOT) to bring the roads up. We got letters of support from the Congressional Delegation and 18th Airborne Corps, Lieutenant General (LTG) Kurilla. Hopefully the State and NC Department of Transportation get the grant from the federal government.

Fiscal Year 2020 budget execution is a big thing to talk about. He is talking about Operations & Maintenance (O&M) funding. If you look at the Army's O&M account, there is a line in there or a sub-activity group for \$1.4 billion. It is labeled Travel of Persons. We all know that there is a stop movement order going on. Those accounts, exercises, training and travel of persons, all of these things are being

under executed. The question becomes and he has been saying that they will not be able to spend all of that money. You have a PCS backlog and other things going on. There is going to be a significant amount of money from all for all of the Services that they will not be able to execute. That money will expire on September 30, 2020. He has been looking at the accounts that they normally fund at 100% and one of those that is of interest to us and any state that has military bases is SRM account. That is never funded at 100%. If they are looking for a way to get money to go out the door and use it for an issue such as the Airfield at Pope. That airfield is not in a good condition. That SRM money could go to Pope airfield and make the improvements necessary. The SRM money could go to a lot of installations with the exception maybe being Camp Lejeune because of the amount of emergency appropriations that have already gone there due to Hurricane Florence. He has talked to Jamie Norment about this for Cherry Point and also our Congressional Delegation to start thinking about this. Congress could extend the life of that funding that is to be seen. He hopes they will shift some of the funding to SRM and they plan to advocate for that to happen. He said that Frank Bottorff alluded to the Marine Corps Force Redesign and he has been talking to Congressman Murphy's office about that. The Marine Corps says that the total impact to NC would be a decrease of 2535 Marines. Almost all of those are at Camp Lejeune. The only impact to Cherry Point that he is seeing is that the Marine Wing Support Group 27, a total of 46 Marines would be eliminated and everything else would be at Camp Lejeune. He has talked to the Chairman about this and he will continue to monitor this. This is a plan, and no plan survives the initial contact. The idea that the Marine Corps is going to shutdown units in the Continental United States and ship them over to Okinawa is politically going to be a difficult sell. We will see how all of this shakes out.

We have received some Requests for Information (RFI) back reference Cherry Point and Fleet Readiness Center-East (FRC-E) and he has sent all of this information to Jamie Norment. This is about the conflict between the Marine Corps and the Navy and who pays for FRC-E. We have both Ellen Lord, Under Secretary of Defense for Acquisition and Sustainment and Admiral William, Assistant Secretary of the Navy (Nominee) to answer questions that it is the Navy's responsibility to pay for FRC-East as a Naval Air Systems Command (NAVAIR) facility. The Navy and the Marine Corps are working on a plan for modernizing these Fleet Readiness Centers.

The good news that was sent out was for MILCON projects for Camp Lejeune and KC46 and Adolf facility at Seymour Johnson Airforce Base have been restored. The Secretary of Defense did that by shifting money from overseas military construction projects to Continental US projects. One item of interest that has not occurred yet, Rep Cartwright, Pennsylvania Democrat introduced the Camp Lejeune Justice Act, and this goes back to the contaminated water situation at Camp Lejeune. The avenues for military families and veterans to address grievances is through the Department of Veterans Affairs. So, Department of Navy civilians, Marine Corps civilians and mainly families have been barred from recovery due to the Federal Torts Claim Act. Mr. Cartwright's bill has the support of Mr. Murphy, Mr. McHenry, Mr. Meadows and others. This would create a cause of action basically to allow people harmed by the contaminated water situation and give them a very narrow window to sue the Department of the Navy. There has been a big lobbying effort around this topic by some high paid trial lawyers.

Frank Bottorff said that one thing reference Cherry Point about the F-35's is there was a reduction of the total number of F-35's. The units didn't change but the number of aircraft per squadron was reduced on

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some of the squadrons. Chad Sydnor said that he had been talking to people at Lockheed Martin that are concerned about the total number of aircraft within the program of record. The Marine Corps has come back and said that they don't intend to change the program of record but intend to reduce the number of aircraft per squadron. He knows that prior to the force redesign there was a change at Cherry Point to ship some of the F-35's to the West Coast. We are continuing to monitor this topic. The Marine Corps is trying to politically navigate this without getting into a big fight.

Chairman Martin asked if there is anything actionable for the NCMAC at our upcoming meeting? Chad Sydnor said that the thing that is most pressing is the comptroller, McCusker has sent out a note, the Department does a big OMNIBUS reprogramming every year. Each Service figures out how they want to move money around. He has talked to those folks at the installations and having those folks talking to those people at the Headquarters (Army, Navy, Marine Corps, Air Force) and telling them that they are going to move this O&M money and try to steer to the places they can execute the money.

NEW BUSINESS: CHAIRMAN MARTIN

No new business

AGENDA FOR FULL NCMAC:

DMVA Update	Secretary Larry Hall (15)	
Committee Updates	Committee Chairpersons (10 each/40)	
Budget Update	Additional time for budget (20)	
Task Force Updates	Task Force Chairpersons (10 each/20))	
NCCC Update	Michael Scalise (10)	
Census update	Bob Coats (5)	
DC Update	Chad Sydnor/James McCleskey (15)	ESG
Grant Updates	Ron Massy and Marc Finlayson (10 each/20)	BS&CA Committee

NEW BUSINESS: CHAIRMAN MARTIN

Kelly Jackson mentioned that the Commission meeting for Monday May 4, had been cancelled due to not being able to get the leadership together for this meeting. The Chairman has resigned and they this position is appointed by the Governor. She asked Chairman and Sec Hall to consider reaching out to the Board & Commissions staff to see if they are close to appointing a new Chairman.

Chairman Martin said that he wanted to thank all of the committee chairman and members of the ESG

ADJOURNMENT: Chairman Martin adjourned meeting 12:04 pm.