



NORTH CAROLINA MILITARY AFFAIRS COMMISSION

Minutes of the 2nd Quarter Meeting of the NC Military Affairs Commission (NCMAC)

Tuesday, May 19, 2020 via Microsoft Teams/Conference number

984-204-1487/Code 361 282 367#

MEMBERS IN ATTENDANCE:

Hon Grier Martin, Public Member
Rep. George Cleveland, NCGA
Col. Frank Bottorff, USMC Retired, Cherry Point
Julie Daniels, Seymour Johnson AFB
SgtMaj William Hatcher, USMC Retired, Camp Lejeune
David "Crockett" Long, Public Member
ET Mitchell, Cherry Point
MG Rodney Anderson, USA Retired, Fort Bragg
Timothy McClain, Public Member (by phone)
COL Kirk Warner, USA, Retired, Fort Bragg
MG Gerald A. Rudisill, Jr, USA Retired, National Guard
Patricia Harris, USA Ret., Public Member
COL David Hayden, USA Retired, Public Member
BG Arnold Gordon-Bray, USA Retired, Public Member (phone)
Paul Friday, Camp Lejeune
MG Edward Reeder, USA, Retired, Fort Bragg
Wesley Meredith, Fort Bragg (by phone)
Col. David Myers, USMC Retired, Camp Lejeune
Sally Ann Gupta, A/R for Sen. Harry Brown
Stan Walz, USCG Retired, Coast Guard
John Broome, A/R for Rep John Bell

MEMBERS ABSENT:

Hon Will Lewis, Cherry Point
Sen Harry Brown, NCGA
Hon Chuck Allen, Seymour Johnson AFB
Sen Norman Sanderson, NCGA (Non-voting)
Dr. Scott LaFevers, Seymour Johnson AFB
Rep John Bell, NCGA (Non-voting)

EXOFFICIO MEMBERS:

Larry Hall, Secretary DMVA
Will Best, Commerce (DOC)
Greg Lusk, Public Safety (DPS)

NCCC:

Mike Scalise, MCI-East
Bryan Ayers, MCI-East

ADDITIONAL ATTENDEES:

Ron Massey, City of Jacksonville
Chad Sydnor, Cassidy & Associates
Ed Turlington, Brooks Pierce
Marc Finlayson, ACT
Larry Coleman, NCNG Association
Scott Dorney, NCMBC
Manley James, Selective Service
Doug Taggart, DPI
David Baker, NC National Guard
Iris Pierce, Fort Bragg CYS/SLO
Valerie Nasser, Craven Cty Schools
Jamie Livengood, Goldsboro
Jamie Norment, ACT
Bob Coats, OSBM
Denny Lewis, EDPNC
Rhonda Murray
Rollie Sampson
Malcolm Charles
Keith Wheeler
Jim McCleskey
Howard Lattimore
Christy Agner, Hometown Strong
Elizabeth Braswell, DMVA
Ariel Aponte, DMVA
Paul Berry, DMVA
Robert Jones, DMVA
Kelly Jackson, DMVA

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CALL TO ORDER, WELCOME REMARKS:

Chairman Grier Martin called the meeting to order at 12:32 pm and welcomed everyone to the meeting. There were 19 voting/non-voting members via Microsoft Teams/phone for a quorum. Chairman Martin welcomed MG Todd Hunt, Adjutant General for the NC National Guard. He asked MG Hunt to introduce himself to the Commission members. MG Hunt said that he appreciated the Commission's hospitality and had attended the NC Commander Council (NCCC) meeting prior to this meeting. He was sworn in on December 1, 2019 as the Adjutant General for the NC National Guard. He has been in the National Guard for many years. He is glad to be engaged in the process and is here today to listen and participate. Chairman Martin also welcomed the newest members to the Commission Col (Ret) David Myers, representing Camp Lejeune and Mayor of Madison, NC. David Myers said that he liked being a Colonel more than a Mayor. He is glad to be back in the fight. He has spent a lot of time on the West Coast, Middle East and Far East. He was the Deputy Commander of Marine Corps Installation -West (MCI-West) and other locations. He is glad to be a part of this Commission.

CONSENT AGENDA AND MINUTES:

Chairman Martin asked for a motion to approve the 2nd Quarter 2020 NCMAC meeting minutes dated February 25, 2020. A motion was made by David Hayden, seconded by ET Mitchell, and passed unanimously without discussion. He also asked for a motion to approve the 2nd Quarter 2020 Legislative Affairs meeting minutes dated January 21, 2020. A motion was made by ET Mitchell and seconded by Rep George Cleveland and passed unanimously without discussion by the Legislative Affairs committee.

PUBLIC COMMENTS/OPEN ANNOUNCEMENTS:

Chairman Martin called for public comments and announcements. Scott Dorney asked to make a comment. He wanted to take the opportunity to thank the NC Military Affairs Commission for their support of the NC Military Business Center and the expansion of funding in the Community College system budget. We have been working very hard over this time to open new business development offices per the plan that we presented you. Those locations are Hendersonville, Research Triangle Park, Wilmington, and Morehead City. We also hired a new business development manager and opened an office in Hickory at the Catawba Valley Community College. During this COVID-19 period, we have hosted 20 federal contractor and agency web conferences. Many in partnership with many State agencies. We have had federal agencies such as Naval Facilities Engineering Command (NAVFAC), Corps of Engineers, Wilmington and Savannah Districts, United States Army Special Operations Command (USASOC), Defense Logistics Agency (DLA) Aviation. We have DLA Clothing & Textiles in a web conference tomorrow with over 100 businesses attending at 11 am. That series will be continuing with future web conferences with the Fort Bragg Mission and Installation Contracting Command (MICC) and the Marine Corps Warfighting Lab and other federal agencies. Please visit our website and join in any of these web conferences. The federal government is buying a lot and the third and fourth quarters are going to be very hot. The Hurricane Florence Recovery program at Cherry Point and Camp Lejeune are full speed ahead with all of the prime contractors selected for all 7 packages. That is a \$1.7 billion construction program. There is a lot of federal activity and a wild ride into the third and fourth quarters. Again, thank you for the support of the NC Military Affairs Commission.

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

Secretary Larry Hall gave an update on the DMVA. He said that he appreciated the opportunity to speak

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to this group about the COVID-19 issues and other regular business going on at the DMVA. He wanted to thank the Commission members for taking the time to read all of the information that is shared with them and using this new technology to have our meetings. First of all, he wants to talk about the COVID-19 issues that are on everyone's mind. Please keep in mind that as you hear information, it will depend on the knowledge base you have to understand what people are saying. He will be giving a thumbnail sketch of some of the things that are going on.

NC DMVA 2nd Quarter Review: NCDMVA COVID-19 Response (MAC UPDATE)

Veteran Affairs Division Update:

Current Positive Cases

1. Fayetteville State Veterans Home: 9/290
2. Salisbury State Veterans Home: 39/292
3. Kinston State Veterans Home: 2/128
4. Black Mountain State Veterans Home: 0/12

Number of positive cases/Number of tests given. Remember that they are testing frequently and the more tests they give the more responses that they get positive. If they get a positive test, they do a follow up test which adds to the total number of tests. We also get some false negative readings. We report what is happening at our State Nursing Homes to the County Health Directors. How they report and what goes in is what goes into the State totals.

Protocol

1. Testing 100% frequently w/VA assistance
2. Employees temp checked (2) x a shift
3. Patients temp checked (4) x daily
4. Employees wear full PPE i.e. Masks, Gloves, Gowns,
5. Isolation Wing
6. Sterile Transition Room – Negative Pressure
7. Air Sterilization
8. Pulse Oximeters Use

The testing program has been moved to 100% so you will see these number increase for the next quarter. We will be testing our population whether they show symptoms or not. If you are in the facility you will be tested. This is an agreement with the Veterans Administration (VA), VA hospital and medical centers that are located in close proximity to our facilities. We get results in 24 hours.

Military Affairs Division Update:

Marine Corps Installations East

1. Preparing for Hurricane Season while meeting COVID-19 restrictions.
2. Freeze on PCS moves will lift 30 June. USMC is executing a time phased, tiered PCS plan.
3. Recommended procedures with Dept. of Environmental Quality for monitoring and management.

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Seymour Johnson AFB

1. Monitoring Personnel Readiness for staff who cannot travel to Womack Amy Hospital.
2. Suspension or slight delay in a small number of construction projects due to COVID-19.
3. NCCC will review NC General Statute §160A to address SJAFB recommendations.

Fort Bragg

1. The nations Rapid Response Force and Special Forces remain at a high level of readiness.
2. 20 May Hurricane Preparation Table-Top Exercise.
3. 42% of positive COVID-19 cases were medical staff.

North Carolina National Guard

1. A marked increase in request for mental health services. The needs are being met with partnerships with the VA and NCServes.
2. No longer shipping recruits to Basic Training. Monitoring long term impacts.
3. Soldiers currently assisting with food banks and PPE delivery.

Military Ocean Terminal Sunny Point

1. No significant impacts to operations and readiness.
2. Testing takes place at local medical treatment facilities.

Coast Guard Base Elizabeth City

1. No significant impacts to operations and readiness.
2. The Aviation Technical Training Center has seen some minor impacts due to smaller class sizes. Some training has been delayed or reschedule.

Coast Guard Sector North Carolina

1. No significant impacts to operations and readiness.
2. Testing takes place at local medical treatment facilities.
3. Minor impacts to current construction projects.

US Army Corps of Engineers-Wilmington Sector

1. Conducting Hurricane Season Preparations.
2. Currently opening some locations and conducting assessments. News release was issued to the public on 12 May.

NC DMVA COVID-19 Way Ahead:

- Continue active engagement and collaboration with Veteran Affairs Partners
 - Data management of nursing homes and cemeteries i.e. Pruitt Healthcare, UNC System, VA
 - Interactive engagement with Veterans Service Organizations i.e. VAC, NCACVSO,
 - Continued collaboration with Federal, State, and Local government agencies i.e. VA, DHHS, EM
- Sustain collaboration with NC Installations, Cabinet Agencies, and Council of State
 - Continue information sharing between NC Installations through NC Commanders Council, Reserve Component Commanders Council and NCMAC

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- Sustain Military Affairs Working Group with Cabinet Agencies and Council of State partners
- Maintain data inquiry between NC Installations and State of NC to better define the operational environment
- Active Outreach with NC Veteran and Military Community
 - Expand veteran and military community outreach through Multi-County Virtual Roundtables
 - Health and Wellness check and Veteran Claims through Veteran Service Officer
 - Virtual Tributes for Significant Military and Veteran Holidays

Questions: Arnold Gordon-Bray asked what the Commission could do to help on any of these affairs? He is going to the Housing and Urban Development and will be part of a taping that the Veterans Infinity Group is going to do a send out. What can we do to help our Veterans and your department to share a different flavor to these events? Sec Hall thanked Arnold Gordon-Bray for his service and all that he is doing. He said there were a couple things that could be done. Anything that impacts your communities, impact Veterans as well. Especially housing and access to housing spaces. This economy and COVID-19 impacts are causing the displacement of many people. We can better deliver our services and assistance we give to Veterans if they are in a stable housing situation. Veterans who have an interruption of income whether they are receiving Veterans benefits or not, are subject to other problems as well. So, if you can emphasize that housing has a significant impact on our Veterans. Another item is testing. We have a great relation with the Veterans Administration (VA) impart because of the location of our nursing homes and they are close to the VA. We work with the Regional VA on testing. If we can find out in the process early on that someone may have been infected with the virus and before they pass it on to other people within the nursing home. It is critical that we get support for more funding for the testing, the kits and lab capacity. Finally, Personal Protection Equipment (PPE). We have changed the way we do business. The consumption or burn rate in our nursing homes or across the state has increased as a result of COVID-19. The manufacturing and distribution of that type of equipment is vital. We have a lot of nursing homes in our state and we are not far off pace from where we normally are for deaths in our nursing homes. He said that he could have Kelly Jackson share that information about the pace that we were last year before COVID-19 and the year before. We do have residents die in their 90's and 100's. We have not had a significant increase because of the special relationships with the VA and the priority they have been able to give to our employees through the state labs to keep them safe. Every nursing home cannot do that and not every Veteran does not stay in our State nursing homes. We need to ensure those Veterans are getting the same services (testing and PPE) that the Veterans in our facilities are receiving. We want all of our Veterans to be safe. Arnold Gordon-Bray said that he had sent a letter from Dr. Crawford to Sec Hall and Rep Martin.

David Myers said that he had read the Early Bird this morning and others may want to look at it also. It mentioned that the VA is going to start treating patients with a prostate drug called Firmagon. This could be a solution for COVID-19. He said that he knew it was a couple of months before colleges will be starting again but he is getting questions from Veterans about insurance. Are their children going to be able to stay on TRICARE if their child is not going to be going back to school. Conducts the virtual classes that they have been attending, doses that meeting the criteria to stay on TRICARE. Sec Hall asked David Myers to send this information to Kelly Jackson so they could be researched.

Chairman Martin thanked Sec Hall for his hard work during this time and turned over the meeting to Vice Chairman Frank Bottorff as he had to leave the meeting to attend a Legislative meeting.

NORTH CAROLINA COMMANDER'S COUNCIL (NCCC) Report: MIKE SCALISE

Mike Scalise from Marine Corps Installation - East (MCI-East) gave the members an update from the North Carolina Commander's Council (NCCC). He said that they did not have an NCCC meeting this quarter because the Adjutant General for the NC National Guard had 2 good commander's meetings. They asked the same questions for the installations and what they were doing for COVID-19. So, with these meetings MG Alford opted not to have the NCCC this quarter. These were great meetings and MG Hunt was able to get Governor Cooper and other Secretary Level staff involved in the meetings in addition to the installation commanders. The installations are working through the COVID-19 issues and working closely with their communities and the state. They are working to see where these cases are impacting readiness. The Marine Corps bases in NC are working with their municipalities very closely and where possible we are linking with the state. In some cases where we have deviated from that, we did so very thoughtfully and wanted to ensure that we were not impacting readiness. We are opening some gyms, barber shops and other facilities but by enlarge when it comes to the big picture type items we are in sync with the state.

The Florence Recovery project and the effect from COVID-19. The Florence Recovery construction efforts are broken up into 2 areas. The first area is military construction packages which is 7 packages between \$200 - \$500 million each. Then you have the Facilities, Sustainment, Restoration and Modernization (FSRM) package which is, especially the repairs. Things that you are able to repair such as an existing building. Both of those are continuing to press. The FSRM was impacted slightly but that money is going to be spent but there are issues with contractors getting on board the installation because of COVID-19. This made MCI-East reprioritize those repairs to ensure that the roof repairs are completed by the end of the 1st of June in preparation for the hurricane season. So, if you come to Camp Lejeune and New River after June 1 and see a blue tarp on a building, that means those buildings are subject to demolition. All of the other maintenance is tracking. The military construction, \$1.8 billion is on track as well. The timelines have shifted to the right, about 3 weeks and the bidding process was widened to absorb any delays. Currently, 4 of the 7 packages, the bids are in and being considered. We hope to have the first package awarded in July. Then the remaining packages awarded between July and September of this year. That is all good news. If we learned anything it is to put resiliency in the new construction. If you look at where the damage was for these 3,800 buildings, the ones that had the most severe damage were built prior 1940-1950. The newer constructed buildings built in 2008 that had damage was very minor. We have adjusted to new UFC standards so they can withstand greater winds and new elevation requirements have been established. Also, for FSRM, we have lowered some of the roof repair triggers, which means upgrades and repairs to roofs will be more frequent and sustain better.

The last issue was the movement of Marine Forces Special Operations Command (MARSOC) which has been confirmed by Headquarters Marine Corps and the Special Operations Command (SOCOM) level. The end state will be that you will have a consolidation of all MARSOC with the exception of a few liaison that are still out there. The majority of MARSOC will be aboard Camp Lejeune and shifting a large portion of about 881 marines from the West Coast (Camp Pendleton) to Camp Lejeune. That will allow

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MARSOC a more efficient application of command and control and ease of forward deployment. The plan to move was broken up into 3 phases. Phase I is the planning phase, Phase II and Phase III is the movement in the applicable Fiscal Years (FY). Phase II in 2021 (Ranger Battalion, a couple of Companies and Headquarters element, 440 Marines) and Phase III in 2022 (Remaining Headquarters and 441 Marines). At the end of FY 2022 the stand up of most of the capabilities. They will be aboard Stone Bay and the municipalities that they have talked to are in Onslow County and Pender County. They have talked to both of these school districts and worked with the real estate groups in these areas. They feel they have the capacity to be able to absorb approximately 1600 folks. There is some construction for schools that will be happening in Onslow County, so allowing that extra year will allow them to increase their capacity. This is going to be a good thing for MARSOC and the community. There has been a lot of work done at the local level and continues to be done at this time.

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

Frank Bottorff reported on the 2nd Quarter Base Sustainability and Community Affairs Committee meeting that met on April 21, 2020. Most of the items they discussed are on the agenda today.

1. DMVA Update: Kelly Jackson

- All NCMAC committee and Commission meetings will be via Microsoft Teams
- 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.
- Virtual Military Spouse Appreciation Tribute on May 10th, 2020.
- DMVA has a new temporary employee, Paul Berry.

2. Grant Status: Frank Bottorff

- Current grants have 2 awardees, the City of Jacksonville for monitoring well 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 form both of the grantees.
- Community Grant Applications: Due to the COVID-19 and unknowns going forward the application due date has been extended from April 6 to October 5, 2020.

3. Budget: Frank Bottorff

- Expenditures listed below.
- Decisions will need to be made at the NCMAC meeting about how the Commission moves forward if they get additional funding or if they do not get funding.

Expenditures 2019-2020

Item:

Cassidy and Associates (Lobbying Service)

Dr. Kathy Sturgis (Facilitator Svc)

EDPNC

NC Military Foundation (Cluster Analysis)

Spent:

\$ 255,000 (July – April)

\$ 4,640 (August – September)

\$ 120,000 (July- April)

\$ 140,000 (July- March)

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Expenditures 2019-2020:

| | |
|-------------------------------|----------------------------------|
| 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 |

4. Sentinel Landscapes: Dewitt Hardee (January – March 2020)

- NC State University Project This NC State University Project convened two coordinating committee meetings (REPI Proposal and Annual Reporting) on January 17th and conducted two coordinating committee calls on January 10th and February 14th, 2020
- NC Foundation for Soil and Water Conservation Project: During the 1st quarter of 2020, the NC Foundation for Soil and Water Conservation helped participating conservation districts. They held leadership roundtables and outreach meetings in several counties.

5. Department of Commerce: Will Best

- 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). The company that had been awarded the contract was Matrix Design Group. Working on correcting the issue with the Secretary of State's office.

6. Strategic Plan: Frank Bottorff

- There has been an unofficial request to do something other than a complete new strategic plan
- They will take the plan that was completed a few months ago and continue the review of that document and add implementation ideas to that document.
- Then formalize the document and add an introduction page and other things.
- Then use that as our current Strategic Plan Initiative that we are required to do for the state

7. New Business: Frank Bottorff

- Stan Walz said that there was nothing new on the Eastern front. The budget problems for the State and the Federal government are going to impact and improve the runway in his area.
- 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.
- Ron Massey said that as of last Thursday that General Alford and his Sergeant 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.

QUALITY OF LIFE (QOL): KIRK WARNER

Kirk Warner reported on the 2nd Quarter Quality of Life Committee meeting that met on April 23, 2020. There were 24 in attendance for the meeting and great discussions.

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1. Purple Star Program: Rollie Sampson

- 7th State with a Purple Star or Military-Friendly School Designation
- Number of Applications: 130
- Number of Awards: 121
 - 112 Public Schools
 - 9 Charter Schools
- Awaiting Guidance from NC DPI & NC Governor's Office
 - Timelines Impacted by COVID-19
 - Promotion/Press Release – TBD
 - Awards Ceremony; Originally April 27, New Recognition TBD
 - School Report Card – In progress
 - Physical Awards/Banners – TBD

2. Remote Enrollment: Valerie Nasser

- Remote Enrollment needs to be promoted due to COVID-19 issues and concerns.
- Craven County added the PowerSchool add on and they will be rolling out the Virtual Remote Enrollment on May 4th.
- Julie Fulton said that the June 30th date for Permanent Change of Station (PCS) is a starting date and is re-evaluated every 15 days. It could back up and start sooner. We are looking at families that will PCS into September and October and the regular Summer moves. We are going to have some unique registration issues, especially with high school students.

3. Interstate Children's Compact Commission (MIC3) meeting would be held Virtually on May 4 at 9:45 am.

4. QOL Priorities were talked about with the members.

5. Presentation from LaTanya Pattillo, Teacher Advisor to the Governor:
(Action to Combat COVID-19 Pandemic in K-12 Public Education)

- Executive Order 117: Issued March 14, 2020
- Governor's Education and Nutrition Working Group:
 - Co-Chaired by Susan Gale Perry from DHHS and Dr. David Stegall from DPI.
 - Mission: Ensure the health, safety, educational needs, and well-being of children during school or childcare closure as directed by Governor Cooper's Executive Order 117.
- Executive Order 120: Issued March 23, 2020.
 - Extended school closures period until May 15, 2020.
 - Governor also directed State Board of Education in collaboration with DPI to develop a plan to ensure access to a quality education through out the remainder of the year, provide students with remote learning while school are closed and all school employees work in a safe environments and are paid.

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- Flexible Funding for Public School Response: Created \$50 million flexible funding allotment on March 24, 2020.

6. Presentation from DHHS: Hayley Young and Madhu Vulimiri

- Overview of DHHS Strategic Goals
- DHHS Key Services: With over 260 services, DHHS touches the lives of virtually every North Carolinian from birth to through the end of life. This includes:
- Education & Nutrition Working Group:
- Access to Nutritious Food: 115 public school districts, 33 charter schools, 35 community partners continue to provide school meals (breakfast, lunch, dinner, and snacks).
- Pandemic-Electronic Benefit Transfer (EBT): Pandemic-EBT program for children who usually receive free and reduced lunch.
- Food Banks & Meals on Wheels:
- Access to Remote Learning:
- Access to Child Care
- Financial Assistance for Child Care Available:

ECONOMIC DEVELOPMENT: DAVID HAYDEN

David Hayden reported for the 2nd Quarter Economic Development Committee meeting that met on April 14, 2020.

1. Strategic Goals for Economic Development committee were discussed.
2. Budget Update: Expenditures to date: \$ 696,952.37
3. MCAS Cherry Point and FRC-East update (Jamie Norment)
 - MCAS and FRC-East is still open.
 - They are working 2 shifts
 - Air Show has been cancelled
 - FRC-East top priority is the F-35 Hangar.
4. Fort Bragg Update (Arnold Gordon-Bray)
 - In February some of the NCMAC Member had gone to Fort Bragg and had a tour of USASOC.
 - Since then they have not had any contact with Fort Bragg.
5. North Carolina Military Business Center (NCMBC) (Scott Dorney):
 - Federal contracting statistics from NC in Fiscal Year 2019. Federal Contracts executed in NC were \$7.18 billion which is an increase of over \$1 billion over fiscal year 2018.
 - DoD contracting which is a component of that federal contracting. Prime contracting in NC for 2019 is \$4.66 billion which is up \$960 million over 2018. If you think about that, it was a \$1 billion increase in federal contracting and \$960 million increase in DoD contracting.
 - Federal contracting is not down right now due to COVID-19. It is currently increasing.
 - They have great COVID-19 resources on their website.

- They distributed over 400 contracts to businesses in March. Their normal battle rhythm is about 200 opportunities per month.
- DEFTECH is very busy during COVID-19 and distributed over 30 high priority government requirements to businesses during March.
- Another highlight is the Hurricane Florence Recovery Military construction project. The \$1.7 billion in new construction being executed at Camp Lejeune, New River and Cherry Point, NC Military Business Center is distributing requirements from federal agencies.
- The hot items right now are Personal Protection Equipment (PPE) and specifically masks. Everyone wants masks but Federal Emergency Management Agency (FEMA) is the lead for procuring this item for the federal government.
- The NC Military Business Center and other agencies are hosting semi-weekly web conferences (Tuesday/Thursday).

6. Department of Commerce (Will Best):

- Biggest effort is to figure out how they move forward with the recovery effort and primarily in rural communities in NC.
- Main street federal funding. That has been spread out and a lot of these communities like Goldsboro have a strong downtown and main street.

7. EDPNC Discussion (David Hayden):

- Discussion with Chris Chung about EDPNC
- Background of EDPNC
- Need to continue the discussion to improve the defense industry in NC
- Chris Chung said that he appreciated the support of the NCMAC and this position

8. Open Discussion:

- Crockett Long: This is tough for small businesses, but they continue to move forward as best they can.
- Larry Coleman: NC National Guard Association
 - 200-300 members on state active duty doing mostly logistics support
 - The National Guard Association of the United States (NGAUS) annual convention which scheduled to be in Boston, MA this year in August, but it has been cancelled this year. They will be hosting the same conference in Charlotte, NC in September 2021
- Paul Friday:
 - He will be meeting with MCI-East on April 28 and get updates from Camp Lejeune, Cherry Point and New River.
 - Defense Alliance of North Carolina (DANC) side they continue to help companies looking for partners, materials, or other ways to ensure that they are in the hopper for competing for funds that are out there.
- LTC David Baker, NC National Guard:
 - National Guard is sending out primarily logistics support packages and EOC support.
 - NC National Guard service members that are currently affected, they have 26 quarantined that are Active members of the National Guard and 3 isolated.

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- Personal Protective Equipment (PPE) when our servicemembers are out there on duty.

LEGISLATIVE AFFAIRS: SALLY-ANN GUPTA

Sally-Ann Gupta said that the Legislative Affairs Commission did not meeting in the 2nd Quarter 2020 and did not have anything active that they had to schedule, and the Legislature was not in session. Since then they have started the Short Session. She would like to update everyone on a bill that was filed that consolidated a number of items that came out of the Quality of Life Committee. There is Senate Bill (SB) 706, Educational Changes for Military-Connected Students and filed by Senator Brown on April 30. It was referred to the Rules Committee on May 1. It has a companion bill, House Bill (HB) 1047 and referred to the House Committee on Homeland Security Military and Veterans Affairs on April 29. That companion bill was Sponsored by Representative Cleveland, Representative Bell, and Representative Martin.

Part 1 of Senate Bill 706 Authorizes Student Attendance in a Local School Administrative Unit for Children of Active Duty Military Due to the Military Orders of the Parent 30 days or greater and the orders prevent that parent from residing with the child. It requires a signed letter from the military member's Commanding Officer. The member/parent is on orders preventing them from residing with the child and allows the child to stay with a designated caregiver adult and enroll in any public school where the caregiver adult resides.

Part II of SB 706 Requires Identification of Military-Connected Students in Non-Public Schools. This would include private, religious, and home schools. This would give them a student identifier number and in response to concerns that they were made aware of by the military school liaisons officers and district school liaison officers to identify these students for programing and resources. They have ready access to military connected students in the public schools setting through the military identifier number but no visibility of military connected students in the private non-public schools. This would allow the school liaison officers access to these other students and identify them for additional programs and resources.

Part III of SB 706 Clarifies Continuous Enrollment for High School Students who are Dependents of Military Personnel Once Those Students are Admitted to a State Institution of Higher Education. What this does is address the situation that we were made aware of high school seniors who have been admitted but not yet enrolled in a NC public university. This will ensure that they still qualify for In-state Tuition even if their Active Duty Service member parent is transferred out of state prior to their enrollment but after their admission. The student would have to enroll no later than the fall academic semester immediately following their notice of admission and they must remain continuously enrolled to continue to qualify for that in-state tuition. This is the latest update from Legislative Affairs.

BYLAWS WORKING GROUP: KIRK WARNER

Kirk Warner had no update for the Bylaws working group.

FINANCE AND BUDGET WORKING GROUP: FRANK BOTTORFF

Vice Chairman Frank Bottorff updated the Commission members on the budget. He shared a handout with the members. The NCMAC did not get an allotment from the Legislature last year and we do not have any visibility if we will get anything this year. He wants to go over where we expect to be at the

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end of this year and then where we are at the beginning of next year. Then have a discussion on what our priorities are for expenditures moving forward. We will go through what we are currently spending money on annually and then some other requests that have come in or things we have put in the budget that we have not completed or funded. We started the year with \$1,667,300 and our expected expenditures are approximately \$773,702. All of the expenditures that we have paid and will pay are only the items approved by this board so he will not go through the spreadsheet. The only ongoing items right now are general administrative costs and Cassidy & Associates lobbying contract (month to month). So, at the end of this year, 30 June 2020 we should have approximately \$893,597 remaining in the bank.

That brings us to the discussion phase. We spend the preponderance of our money on the items listed below under recurring expenditures totaling \$871,000. Before we finish today we will need to authorize expenditures to continue running our programs through the end of the fiscal year. We do not have to make all of our decisions, but we need to make the decisions on what will need to be paid before our next meeting. The next Community Grant that we have on the street is due in October. We have set aside \$225,000 for this program. Last year we spent approximately \$10,000 for stipends, travel, and administrative costs. He thinks that we will use about \$15,000 for the next year's budget.

If we start the next Fiscal Year with approximately \$893,597 and do the same thing as we did last year, that will take up also most the entire balance of our budget. Within the budget that the Commission approved last year, we also talked about \$200,000 for marketing/strategic communications efforts. As you can see that has not been done and will not fit into our budget moving forward if we do the same things as last year. Additional requests that came in was a proposal from UNC-TV partnership and Defense Alliance of NC and that the project we had done with them (Cluster Analysis refresh) and bring it to the next step. Those are the options that we have.

The things that we need to do is approve our expenditures for Cassidy & Associates which we are obligated to do by the contract and the EDPNC payment that is quarterly. There will be a quarterly payment due before the next meeting. We can approve both of them through the contract year. Then we will reevaluate at the next NCMAC meeting. He asked if there were any questions or comments going into the next fiscal year.

ET Mitchell said that she wanted to make a comment on the UNC-TV partnership proposal. She has reviewed the proposal and does not think that it fits into the goals of the Strategic Communications project, as she understands it as it was originally conceived. Also, with the budget shortfalls that the State is going to have, she cannot recommend that we consider putting money towards that. She does not think that their conception of the project fits our goals and she thought we could use the money to better benefit NCMAC, the State of NC and our Active Duty and Veterans in NC. She does not think that project is a priority. Arnold Gordon-Bray said that he wanted to pull back a little on that. He does not fully understand the question of the Strategic Communications Plan, how any conversation that includes utilizing the UNC-TV is not part of a strategic communications plan. His argument would be that if that is something we are considering; it should be part of wholistic plan. ET Mitchell said that she did not disagree with him that UNC-TV could not do something that is a part of the Strategic Communications Plan. She thinks this was the wrong audience and the wrong medium. Arnold Gordon-Bray said that he

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was going to partially disagree with her on that point. He said that if we are going to do that we should consider inside of that thinking same context. But in terms of the audience, that is a part of this, if we are trying to advise and inform, there is clearly a segment that might not fully understand the military. That would be part of that audience. Many of them are fairly well educated but not necessarily informed about the impact of what our military means in terms of economic impact beyond the view of the Soldier, Sailors, Airmen, and Marines. If we are trying to change the conversation across the state and trying to change the impact, they are absolutely part of the discussion. Whatever we decide to do, needs to be done in the context of a larger strategic plan. Ed Reeder said that the \$200,000 was a swag of how much a Strategic Communications plan could cost. We talked about that every committee needed to have a strategic communications person and then someone on the NCMAC being the strategic communication point of contact. If we really want to have good strategic communications, then it needs to come from one voice. The discussion was that if we have 5 different people talking then the message or narrative would not be what we wanted it to be. The \$200,000 was just a swag to hire someone to do that, but we could probably get someone for less than that. ET Mitchell said that there was a Strategic Communications Panel that was formed before COVID-19 hit. She is the chairperson for that group. We definitely need a strategic communications plan, but she would like to get information from industry experts. She thinks that there are industry experts out there that we need to consult with before we take the first thing that was offered to us. She would like for this project to look at not just the well-educated, but the rank and file NC citizen. Ed Reeder said that he agreed with ET Mitchell. This could be an outsourced thing or an individual. He said that he was willing to help her in any way. ET Mitchell said that she appreciated that assistance.

Vice Chairman Bottorff asked if anyone else wanted to comment on any of the other items?

Representative Cleveland made a motion to continue payments that are required until the next meeting (Cassidy & Associates monthly invoices; EDPNC quarterly invoice and \$15,000 for stipends, travel, and admin/conferences). Frank Bottorff said that each of these items has merit and one thing that we did see is with UNC-TV, and as you get into strategic communications and a professional it can get expensive the wider we want this to go. He said that in his opinion, the Sentinel Landscape program was one of the most important programs that this Commission supports because of its impact on supporting and protecting the training areas for the military. But each one of them over the next 3 months could get some presentations for continuation on the ones we do not approve right now. We also need to consider the Community Grant program. He asked Rep Cleveland if he had a feel for the budget and the impact to the NCMAC? Rep Cleveland said that if we have a budget there will be money in it for the NCMAC, but he does not know how much, he did not know. He did not think that they should depend on funding magically appearing in the next 6 months. He did not see anything happening unless something was happening that he did not know of. He had to leave shortly for a Legislative meeting and asked that we completed the motion that he made. The motion was seconded by Kirk Warner. There was not more discussion and the motion was approved by unanimous vote. The motion carried. The budget will be reviewed at the next NCMAC meeting. There was not further discussion on the budget.

NCMAC FY 20-21 Budget Considerations and Prioritization

FY 19-20 Budget year in review:

- Beginning Balance, 1 July 2019: \$1,667,300

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- Estimated Year end expenditures: \$ 773,702
- Ending Balance, 30 June 2020 \$ 893,597

Recurring Expenditures:

- 1 July 2020 Balance \$893,597
- Cassidy and Associates \$306,000 (Monthly)
- C&S Additional Travel \$ 30,000 (Travel outside what is in the contract)
- Sentinel Landscapes \$150,000 (Annually)
- EDPNC \$120,000 (Quarterly)
- NC4ME \$ 40,000 (Annually)
- Community Grants* Biennial \$225,000
- Total: \$871,000

- Stipends, Travel, Admin -\$ 15,000
- \$886,000

Other Potential Expenditures:

- Marketing/Strategic Communications \$ 200,000 (budgeted)
- UNC TV Partnership \$ 197,000
- Defense Alliance/NCMAC Partnership Grant \$ 50,000

CENSUS UPDATE: BOB COATS, OFFICE OF STATE BUDGET AND MANAGEMENT (OSBM)

Bob Coats gave an update on the Census process for North Carolina.

Corona:

Census and Corona Safety:

- **Census is Happening**
Timelines have changed, but the importance and the process remain the same
- **Respond Safely from Home**
Internet, phone, and paper response options are available
- **Complete Your Form**
Reduces the chances of a Census worker visit and maintains social distance

What Can We Expect?

- **Census Mailings in March 2020**
Internet, phone, and paper response options will be available
- **April 1, 2020 is Census Day**
Non-response Follow Up will begin in April
- **State Populations must be reported by December 31, 2020 ***
These numbers determine apportionment of seats in Congress
- **Redistricting Files will be delivered in Spring 2021 ***
- **Census Count Challenges can be submitted through 2023**
Challenges can only be submitted by local/tribal governments
- Metropolitan Statistical Areas will be redefined in 2023

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Adjusted Timeline:

- Self-Response ... March 12 – October 31
- Mobile Questionnaire Assistance ... Under Review
- Update Leave (stateside) ... June 1 -
- Non Response Follow Up (NRFU) ... August 11 – October 31
- Watch the US Census Bureau Newsroom for updates
<https://www.census.gov/newsroom.html>

Group Quarters Adjusted Timeline:

Group Quarters are long term residency situations where a person usually resides somewhere else – college dorms, military barracks, prisons, nursing homes, shelters, etc..

- GQ Enumeration (eResponse and Paper) ... April 2 – September 3
- In-Person GQ Enumeration ... July 1 – September 3
- Service Based Enumeration ... Under Review
- Enumeration of Transitory Locations ... September 3 – September 28 (tentative)
-

Census Data Serves in Emergencies:

- Evaluating Impact
- Assessing Need
- Informing Decision Making

2020 Census Self Response Rate – May 15, 2020:

- North Carolina – 55.5%
- United States – 59.3%
- 2020 Census Response Rate Tracker - <https://2020census.gov/en/response-rates.html>

How To Recognize A Census Worker:

- ID Badge that includes their photograph, the Department of Commerce watermark, and an expiration date.
- Laptop and/ or bag with a Census Bureau logo, the field representative will provide the following:
- Supervisor's contact information and/or the regional office phone number for verification, if asked.
- A letter from the Director of the Census Bureau on U.S. Census Bureau letterhead.
- Field workers will have PPE (masks and gloves)
- If in doubt, call the U.S. Census Bureau Atlanta Regional Office at **1-800-424-6974**.

Complete Your Census Form:

- Complete your Census form safely in your home.
- Put the I Counted sign in your window
- Challenge friends, family, neighbors, and complete strangers to do the same
- Join the social media Census party at #MakeNCCount and @NCCensus

Complete Your Census Form By Phone:

- 2020 Census Respond by Phone website
- <https://2020census.gov/ways-to-respond/responding-by-phone.html>

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Here's Where to Start:

- Social Media
- Leverage your existing resources:
 - Listserv, phone banks, local media, etc..
 - Link to **census.nc.gov** for the NC Census Outreach & Engagement Tool Kit of resources
 - Use **#MakeNCCount** and **@NCCensus** on social media
 - Include Census logo, reference, or content on standard work processes (mailings, documents, listservs, blogs, etc.)

NC Census Websites – <https://cebsys.bc.gov>

- The Census is your chance to make sure your community counts. Participating in the Census will help make sure your community gets:
 - Fair representation in Congress
 - Financial resources for health, schools, transportation and more.
 - Information leaders need to help your community help plan for the future.

Contact Information:

Bob Coats

984-236-0687

Bob.Coats@osbm.nc.gov

CENSUS: BOB COATS

CASSIDY & ASSOCIATES: CHAD SYDNOR

Chad Sydnor gave a presentation for Cassidy and Associates.

COVID-19 Update:

- Congress has passed 4 COVID-19 pieces of legislation.
- Only the CARES Act, which was enacted on March 25th has significant implications for DOD thus far.
- Congress is currently in the process of drafting another large COVID related package referred to as the HEROES Act.
- Significant speculation on whether the next bill will have DOD funding.
- CARES Act the following funding for COVID response:
 - National Guard Personnel
 - Army: \$746,591,000
 - Air Force: \$482,125,000
 - Operations and Maintenance
 - Army: \$160,300,000
 - Navy: \$360,308,000
 - Marine Corps: \$90,000,000
 - Air Force: \$155,000,000
 - Army Reserve: \$48,000,000
 - Army National Guard: \$186,696,000
 - Air National Guard: \$75,754,000

- Defense-wide O&M: \$827,000,000
- Defense Health Program
 - Defense Health Program: \$3.8 Billion. Consists of:
 - 3,390,600,000 for O&M, to include personal protective equipment, medical countermeasures and other medical equipment needed to treat COVID-19.
 - An additional \$415,000,000 will be for RDT&E, to fund initiatives such as the current 5 vaccines initiatives, 3 antiviral therapeutics initiatives and 4 other diagnostic research projects into COVID-19 that are currently underway.
 - TRICARE: \$1.1B
 - Funding is for emergency use of purchased care contracts to support beneficiaries if care in Military Treatment Facilities is unavailable.
 - This will also cover unanticipated growth largely by beneficiary behavior changes, shifting out of MTFs and the anticipated increase use of urgent care/emergency care, and other emergent costs.
 - COVID Impact on DOD Base Budget and Reprogramming Implications
 - COVID has disrupted the execution of numerous DOD and Service accounts.
 - Operations and Maintenance (O&M) is most heavily impacted.
 - Training, travel of persons, exercise, training center rotations, etc... have all been heavily impacted.
 - Big questions: Where are DOD and the Services going to move the money so it can be executed?
 - SRM is a possibility that would positively impact installations and communities.
 - For large scale O&M projects, above \$7.5M, DOD must notify Congress per 10 USC 2811, it is a notify and wait 14-day process.
 - DOD traditionally shifts under executed O&M funds into SRM at year end.
 - Upcoming omnibus reprogramming is rumored to be huge and may conflict with transfer authority limits.

USMC Force Design:

- The Marine Corps announced a new force design concept on March 23, 2020.
- Under the proposed plan by the year 2030, the Marine Corps will see complete divestment from Law Enforcement Battalions,
 - Tank Battalions and associated Military Occupational Specialties (MOS).
 - All Bridging Companies.
 - Reduce the number of infantry battalions from 24 to 21.
 - Artillery cannon batteries from 21 to 5; amphibious vehicle companies from 6 to 4.
 - 3rd Battalion, 8th Marines.
- Reduce tilt rotor, attack, and heavy lift squadrons.
 - Deactivate Marine Medium Tiltrotor Squadron 264.
 - Marine Heavy Helicopter Squadron 462.
 - Marine Light Attack Helicopter Squadron 469.
 - Marine Wing Support Groups 27 and 37.
 - 8th Marine Regiment Headquarters Company.

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- Reduces the Primary Aircraft Authorized per squadron of F-35B and C aircraft from 16 to 10.

USMC Force Design – NC Impact:

- Personnel Decreases:
 - 2nd Law Enforcement Battalion at Camp Lejeune (-496)
 - 1 Marine Medium Tiltrotor Squadron (VMM-264) at MCAS New River (-224)
 - 3rd Battalion 8th Marines (3/8) at Camp Lejeune (-896)
 - Headquarters Company, 8th Marines at Camp Lejeune (-243)
 - Bridge Company, 8th Engineer Support Battalion at Camp Lejeune (-82)
 - 2nd Tank Battalion from Camp Lejeune (-548)
 - Marine Wing Support Group 27 at MCAS Cherry Point (-46)
 - Total Decreases: 2,535
- Personnel Increases:
 - 10th Marines at Camp Lejeune. 10th Marines gains two HIMARS Batteries (+290)
 - The activation of 5th Battalion 10th Marines would be canceled, but its assigned batteries would realign under existing 10th Marines structure.
 - Base and Station Military Police increase at Camp Lejeune (+243) and Cherry Point (+5)
 - Total Increases: 538
- TOTAL NC IMPACT: -1,997

Defense Community infrastructure Plan (DCIP) Update:

- The Office of Economic Adjustment (OEA) recently released the Defense Community Infrastructure Plan (DCIP) Federal Funding Opportunity (FFO).
- DCIP was a program created in the FY19 NDAA that was intended to improve the infrastructure in military communities that would also benefit the neighboring military installation, but the program was not funded by appropriators until FY20.
- DOD is now ready to begin executing the funding they have received. In FY20 the program was provided with \$50M in funding that will be available to communities in this first round.
- Highlights:
 - The deadline for communities to submit proposals is June 26, 2020.
 - The proposed opportunity is for min \$250,000, max \$25M. BUT...\$50M is not a lot of money, expect smaller awards.
 - Communities with a population over 50,000 have a 50% match. Under 50,000, no match.
 - Quality of life projects are the #1 priority.
 - Projects must have the endorsement of the installation commander.
 - Only direct construction projects that can break ground within 12 months of award will be considered.
- Scoring Criteria:
 - 40 points on Tiering of project
 - Tier one – Quality of life projects

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- Tier 2- Resiliency
- Tier 3- Military Value
- 25 points local installation endorsement and how that compares and competes against other service priorities
- 25 points financing, and/or “leverage”
- 10 points on schedule and timing
 - Schedule:
 - May 7-18, 2020 -OEA adjudicates public comments & updates
 - May 26, 2020 - OEA republishes final FFO at grants.gov
 - June 2, 2020 - Pre-proposal session with interested partners
 - June 26, 2020 - Proposal solicitation closes
 - June 29, 2020 - OEA briefs DCIP review panel
 - Between June 29 and September 15
 - Panel reviews proposals
 - SECDEF approves ranked proposals
 - OEA works with finalist to formalize grant proposals
 - OEA engagement with SECDEF only if rank proposal changes significantly
 - September 15, 2020 - Grants awarded
 - September 23, 2020 - Grants must be countersigned by awardees & funding obligated

Other NC Military Matters:

- Camp Lejeune - Camp Lejeune recently had the \$15.3M in funding restored for the ambulatory care center alteration when the Secretary of Defense shifted funding from overseas MILCON projects at the end of April.
- Fort Bragg – The North Carolina Department of Transportation submitted a BUILD Grant to the U.S. Department of Transportation on May 18, 2020 to secure funding to upgrade road infrastructure and improve safety. Once upgraded, the NCDOT would assume maintenance responsibilities.
- Pope AAF – A recent Army audit found Pope AAF to be among the Army’s worst maintained infrastructure. Army leaders have pledged \$25M in FY20 and \$65M in FY21.
- MCAS Cherry Point – The Honorable Charles Williams, now the Assistant Secretary of the Navy for Installations, Energy and Environment has clarified that the Navy is responsible for funding upgrades to FRC East. Navy and Marine Corps are working to finalize infrastructure optimization plan for the FRCs.
- Seymour Johnson AFB- Seymour Johnson recently had the \$6.4M in funding restored for the KC-46A ADAL facility when the Secretary of Defense shifted funding from overseas MILCON projects at the end of April.

Congressional Schedule:

- NDAA
- House Armed Services Committee (HASC):
 - Deadline for HASC Members to submit requests: February 27

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- Subcommittee Mark Up – June
- Full Committee Mark Up – June
- Floor – July
- Senate Armed Services Committee (SASC):
 - Member Requests - March 24 (any Senator can submit a request)
 - SASC Subcommittee Mark Up – June
 - Full Committee – June
 - Floor – July
- Appropriations Requests
 - House
 - Complete
 - Mark Ups – June
 - Floor – June/July
 - Senate
 - Complete
 - Mark Ups – June/July
 - Floor – July/September

Backup Slides:

Bipartisan Budget Act of 2019:

- August 2, 2019 – President Trump signed H.R. 3877 – Bipartisan Budget Act of 2019
- This legislation effectively ends sequestration – Budget Control Act of 2011.
- Resolves DOD funding dispute by setting defense spending for FY21.
 - FY20 - \$738 Billion
 - **FY21 - \$740.5 Billion**

| | FY 2019 | FY 2020 | FY 2021 |
|---|----------------|----------------|-----------------|
| Prior BCA Budget Cap for National Defense (050) Base Budget | \$647B* | \$576.2B | \$590.2B |
| Budget Cap Increase in BBA 2019 | - | +\$90.3B | +\$81.3B |
| Newly Revised Budget Caps for National Defense (050) Base Budget | \$647B | \$666.5B | \$671.5B |
| Overseas Contingency Operations (OCO) / Emergency Funding** | \$69B | \$71.5B | \$69B |
| TOTAL National Defense (050) | \$716B | \$738B | \$740.5B |

FY21 Budget Request:

- The requested O&M levels for the services vary as compared to FY20 enacted levels.
- The Army and Navy have requested small increases while the Air Force and USMC have requested decreased levels.

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- Adding MILCON Projects is problematic because of the earmark ban.
- We will evaluate the services' unfunded requirement (UFR) lists when they are made available.
- FY21 MILCON Requests:
 - Army Reserve - Asheville Readiness Center: \$24,000,000
 - Camp Lejeune - II MEF HQ: \$20,000,000
 - Fort Bragg - SOF Group HQ: \$53,100,000 (SOCOM)
 - SOF Military Working Dog Facility: \$17,700,000 (SOCOM)
 - SOF Operations Facility: \$43,000,000 (SOCOM)Total: \$157.8M
 - **Total \$157,800,000**
- On February 10th, President Trump released his FY21 budget request.
- Remember that this is just a request and Congress will adjust funding levels as they see fit.
- Within the DOD budget request, the most notable aspect for installations was the overall decrease in military construction funding that is available.
- All the services took substantial cuts from FY20 levels.
- Amongst the active components, the MILCON accounts were cut as follows:
 - Army Military Construction: -\$739,631,000
 - Navy/USMC Military Construction: -\$4,455,125,000
 - Air Force Military Construction: -\$4,225,486,000
 - Defense-Wide Military Construction: -\$525,064,000

Budget Update:

- On December 21, 2019, President Trump signed a pair of consolidated appropriations bills to fully fund the federal government for fiscal year 2020.
- The two bills include all twelve appropriations bills and fund the federal government for the entirety of the fiscal year which ends on September 30, 2020.
- It is unlikely that Congress passes the necessary FY21 appropriations bills on time due to it being a Presidential election year.
- Expect a CR from October to December, at a minimum.
- Final FY20 Budget Figures:
 - Disaster Military Construction: \$1,183,133,000
 - Camp Lejeune & MCAS Cherry Point
 - Military Construction for NC: \$554,183,000
 - Lejeune: \$217,180,000
 - Cherry Point: \$240,400,000
 - Fort Bragg: \$96,603,000
 - Disaster O&M and Procurement: \$461,000,000
 - Camp Lejeune & Cherry Point
- **Total for NC: \$2,198,316,000**

Military Health System Realignment:

- On February 19th, DOD released a report summarizing changes to military health system (MHS) facilities.

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- This realignment changes who can access certain facilities and what type of care each facility will provide.
- 3 facilities in North Carolina are impacted:
 - Joel Clinic – Ft. Bragg
 - Robinson Clinic – Ft. Bragg
 - NMC Camp Lejeune
- Fort Bragg – The Joel and Robinson clinics will now only see active duty military personnel. Retirees and dependents will no longer be allowed to receive care there. All retirees and dependents will have to go to Clark Clinic or Womack AMC, but they will still be able to receive care on Ft Bragg.
- Camp Lejeune – Navy Medical Center Camp Lejeune is upgrading to a level II trauma center. They will have the ability to initiate definitive care for all injured patients and provide 24-hour immediate coverage by general surgeons, as well as coverage by the specialties of orthopedic surgery, neurosurgery, anesthesiology, emergency medicine, radiology, and critical care.

Border Wall Impact on NC:

- On February 15, 2019, President Trump took Executive Action to dedicate resources to his border wall plan. This includes the following:
- NC Projects Impacted
 - Camp Lejeune - 2nd Radio BN Complex, Phase 2 (April 2020 award date) - \$25.65M
 - ~~Camp Lejeune – Ambulatory Care Center Addition/Alteration (January 2020) – \$15.3M~~
 - ~~Seymour Johnson AFB – KC-46A ADAL for Alt Mission Storage (April 2020) – \$6.4M~~
- 10 U.S.C. §2808 is the legal authority used to execute the reprogramming.
- The border wall issue continues to impact DOD budgets.
- Most recently, on February 14th, DOD announced that they were transferring \$3.8B to the Department of Homeland Security for border wall construction.
- The \$3.8B that DOD transferred came from the counter-narcotics account.
- DOD also announced that they were executing a reprogramming of \$3.8B from various procurement accounts to refill the counter-narcotics account.
- This is notable because all the procurement funding that was reprogrammed came from Congressional increases.
- The following procurement accounts were impacted:
 - \$392 million from C-130 procurement (4 aircraft)
 - \$223 million from F-35B (2 aircraft)
 - \$156 million from F-35A advanced procurement
 - \$180 million from Light Attack Aircraft
 - \$911 million from Navy Shipbuilding
 - \$155 million from V-22 (2 aircraft)
 - \$180 million from P-8A (1 aircraft)
 - \$160 million from MQ-9 (8 aircraft)
- Procurement Accounts Continued:
 - \$100 million from Army National Guard HMMWV modernization

- \$1.3 billion of National Guard and Reserve Equipment Account (NGREA)
- \$101 million from heavy truck service extension
- Thus far, DOD has not reprogrammed any additional military construction funding, but it remains a possibility.
- The North Carolina National Guard will be impacted by the loss of NGREA funding.
- All the states and Title 10 Reserve Components will be impacted to some degree.
- The loss of two F-35B aircraft has the potential to impact MCAS Cherry Point but still unclear.
- While none of the platforms that lost funding in this reprogramming are manufactured in North Carolina, it will impact industry in the state who are suppliers to those programs.

Questions: Paul Friday asked could you expect any additional guidance from Department of Defense (DoD) regarding the funding that they received to help the smaller tier suppliers for supply chain action? Chad Sydnor said that unfortunately there has been a bit of a shakeup. The office that administered that was the office was the Deputy Assistance Secretary of Defense for Industrial Policy. It was run by Ms. Santos, but she was fired last week. He hopes that this does not slow down the decision making within that office. The guidance is trickling out and he will update us as soon as he gets more information. Sec Esper has also sent over a supplemental package for upcoming COVID-19 bills. It is sitting at Office of Management and Business (OMB). That information is also in the newsletter. OMB is not enthusiastic about including more money for Defense, especially for the industrial base. So, whether or not we get any more defense money going forward is a question mark. Arnold Gordon-Bray asked if there was any way for Chad Sydnor to know when some of those numbers he was given were produced? Could they be over a couple weeks old or more current for the reprogramming dollars? Chad Sydnor said that Ms. McCusker, the Under Secretary for Defense for the Comptroller has put out her memo soliciting input from the services on where and how they want to move money. He has spoken to the folks within Army installations to try and get a sense of what they are thinking on the Sustainment, Restoration and Modernization (SRM) front and those discussions are being done at a high level on what they are looking to do. He is hoping to get some insight on that from the Hill. When they request SRM for Pope, the amount of money that Pope needs is over \$7.5 million. For SRM projects that are over \$7.5 million, they have to notify Congress and then it is a 14 day wait and see period. He is trying to get information from Sen Tillis' office on whether or not the Department has sent over those notifications. As he gets more information, he will share that information. He thinks that they will have a hard time with moving this amount of money before the end of the fiscal year. Arnold Gordon-Bray said that he noticed Chad Sydnor said something about September 30. But with given the amount of money that is being redistributed across the country; he does not think that the kind of concerns that we have had in the past will apply this year. Chad Sydnor said that it could be extended but that date is in law. If they want to extend the life of the money, of they want to move some of that money over to another account where it has a longer life span, that is something that Congress would have to do. Arnold Gordon-Bray is going more holistic and thinking that this money will be redistributed to other accounts and even breaking some of the paradigms or laws that we have normally operated under.

Jim McCleskey said that he was on a couple different meetings at once. He appreciated the through report from Chad Sydnor. There is a lot going on as we move towards the end of the fiscal year. If there is anything he can do to help or run anything down they just need to let him know. He appreciates being with this group.

COMMUNITY GRANTS UPDATES:

Briefing on MIOD Grant for NC Military Affairs Commission
Marc Finlayson – Managing Consultant, Allies for Cherry point’s Tomorrow

Quick background: Allies for Cherry Point’s Tomorrow (ACT) received a \$60,000 grant from the NC MAC to evaluate Military Influence Overlay Districts (MIOD) for Marine Corps Air Station Cherry Point and its training areas: including outlying landing fields and bombing ranges. After understanding which local governments were in proximity to Cherry Point and its training areas, the grant was to provide a sample ordinance and Memorandum of Understanding (MOU) that local governments could use to minimize potential encroachment and show support for Cherry Point.

ACT is serving as the administrator of the grant, with Carteret County as the fiduciary partner. Carteret County was the lead jurisdiction for the most recent Cherry Point Joint Land Use Study (JLUS), out of which the MIOD was recommended as an implementation item. ACT hired consulting firm White & Smith, LLC, of Charleston, SC to do the work.

Work product: The consultants led two meetings in the Cherry Point region with planners and other local government officials from the affected jurisdictions in the four-county region (Craven, Carteret, Pamlico, and Jones) under the auspices of ACT’s regional Planning Committee. They also conducted an on-the-ground assessment of the outlying fields and bombing ranges and their contiguous local governments, accompanied by ACT’s managing consultant and a board member. The consultants also met aboard Cherry Point with the Community Plans & Liaison Officer (CPLO) and flight operations personnel to understand the station’s needs and concerns.

With that information the consultants prepared a draft ordinance and draft MOU for the Cherry Point CPLO, area planners and government officials to review and comment.

Current Status: The Cherry Point CPLO and lead planners from the three key local jurisdictions – Carteret County, Craven County, and the City of Havelock – reviewed the draft documents and prepared comments. In a meeting convened yesterday, those stakeholders met via Zoom to compare notes and work through any issues or concerns with the draft documents.

As next steps, the CPLO will provide a revised draft MOU for the planners to review and approve by 27 May, and the CPLO and the three lead planners will provide amended draft ordinances back to ACT also by 27 May. Once ACT has the draft MOU and ordinances in hand, ACT will forward them to White & Smith for incorporation into final “deliverable” documents.

To date, approximately 90% of the work is complete and approximately 87% of the contract has been satisfied. It is expected that ACT will have the final product in hand by mid-June, which ACT will make available to its local government partners.

Briefing on Community Grant for NC Military Affairs Commission
Ron Massey – City of Jacksonville

Their project involved installing a series of monitoring wells. They will monitor 5 aquifers that supply the water to both Camp Lejeune and New River as well as the City of Jacksonville and Onslow County. The idea of protecting the water supply, especially from saltwater intrusion is an issue that was identified in the NCMAC's first strategic plan to ensure that the base does not get forced into having to treat water that has a high salt level. We have a plan and was developed jointly with base, the city, and the county to install monitoring wells across the region where they all draw their water in the appropriate aquifers. We have started this project and it can be done in phases. We have completed an initial series of wells that helped us go to the state and then we requested the state to restore part of our reduction in the water withdrawal that we could take from the Black Creek aquifer. That was part of a state mandated reduction. We have been successful in doing that. What that does is reduces pressure on the aquifer that the base uses. We continue to install these monitoring wells and the base is in the process of installing 14 monitoring wells in different locations. The money that we received from the NCMAC paid for the monitoring wells at 3 stations that are off-base. We have the easements lined up for those monitoring wells. They are soliciting bids from well driller to install those wells. That work should be completed in June or July. There requirement with the Department of Administration (DOA) is to complete this project by August 2020 and they expect to meet that date.

NCMAC PRIORITIES UPDATE: FRANK BOTTORFF

Vice Chairman Bottorff talked about the NCMAC priorities. He has sent out the priorities for the Legislative Affairs and Strategic Communications out to a few of the leaders in those groups to get some input on implementation recommendations. Everyone participated in the initial event and determined what the priorities were in those areas. Now we are going to look at the priorities and determine what the implement step to reach those goals and be more granular. What do we want to do within that pillar in the next year or so to move forward. The plan is to get feedback and get some bullets down on paper. In the document that we did, under each of those pillars, we have our priorities and now we have a second page for implementation steps. Within the next week or two, each Commission member should expect to receive this document for their input. If your priorities already have implementation steps, please review them, and make comments. If you want to add any additional implementation steps that is fine. The goal is to finalize this document in the next 6 weeks with our priorities and implementation steps. Once we have completed this we will use this as our updated strategic plan. We are required to complete a new strategic plan and submit to the state by November of 2020. We plan to use this document for that requirement and not hire an outside group. Once we have additional funding we will look at completing a more formal strategic plan. Everyone should have received the original strategic plan document and will receive an updated copy in the next couple of weeks. We need everyone to review this document and make comments. This will also go to the wider communities that participate regularly in our meetings. Are there any questions on this project? Arnold Gordon-Bray said that he would like the group to look at this from the new normal.

OTHER BUSINESS:

Vice Chairman Bottorff asked if there was any other business that needed to be discussed today? Christy Agner, Hometown Strong Rural Initiatives. She just wanted to introduce herself and share that her office works with Rural, Local and County governments to leverage existing state and federal resources and if her staff can ever be of assistance to the NCMAC, they are happy to help them.

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Keith Wheeler, Executive Director for National Security, and Industry Initiatives for Eastern Carolina University (ECU). He had an opportunity to brief at the NCCC last quarter. One of the discussions that he was able to hear at the NCCC was about the Bailey Act and the analysis. He had made a note to reach out to some of his economic researchers at ECU. They came back with some information referencing what would be the economic benefits that are being missed because we do not have the certain policies in place. He would be interested in a conversation with someone from the NCMAC. David Hayden said that he would like to talk to Keith Wheeler more about this topic.

ADJOURNMENT:

Vice Chairman Bottorff thanked everyone for attending the meeting and it went well for the first Microsoft Teams meeting for the NCMAC. He adjourned the meeting at 3:20 pm.