



Meeting Summary
Governor's Military Council
February 3, 2017
Coast guard Island Alameda

February 3rd

Welcome

Mr. Mueller, Governor's Military Council Executive Director, opened the meeting. The Council members present did not represent a quorum, as such; Mr. Mueller stated that no agenda items could be voted on at this time. The following Council members were in attendance: LTG Hanlon, Mr. Coyle, Mr. Czyzyk, Mr. Garcia (for Assemblymember Chavez), MG Jackson, RADM Johnson, VADM Oliver, MG Regua, RADM Slaght, BG Baldwin, Assemblymember Irwin, Mr. Flemmer (for Senator Roth), Mr. Berard, and Mr. Morgan (ex officio member).

LTG (r) Ed Hanlon, Jr., Vice Chair of the Governor's Military Council welcomed the Council members present and thanked the Council staff and MG David Baldwin, the Adjutant General of the California Military Department for all the hard work and effort put forth to make the Council possible. LTG Hanlon did not call role due to the lack of quorum and LTC (CA) Randy Risner, Judge Advocate in the California Military Department led the Council and meeting attendees in the Pledge of Allegiance.

Following the Pledge of Allegiance, Mr. Mueller reviewed the meeting objectives and provided initial thoughts. This Council meeting was added to the original 2017 calendar year schedule in order to provide for continuity of information, as well to meet early after the change of federal administration to further develop California's goals and priorities for 2017. Mr. Mueller stressed that despite the current partisan political environment, the Council is not partisan, but works together to benefit the State of California. Furthermore, Mr. Mueller mentioned that the Council has an excellent opportunity to become involved in a number of issues and that perhaps the Council can fill a role that the Governor's Office cannot.

VADM Johnson requested the Council review the recommendations from a previous conversation with RADM Yancy Lindsey, Navy Region Southwest Commander, and Council members VADM Johnson, RADM Slaght, and MG Kenneally. VADM Johnson requested to reserve time to go over RADM Lindsey's preferred action items. Mr. Mueller affirmed the request.

Consideration of Action Items

Mr. Mueller directed the Council to review the Council's draft talking points and requested members to voice any thoughts or concerns. Mr. Berard requested that language regarding the California Transition Assistance Program be included in the talking points. Mr. Mueller affirms and proposes to include more veteran-related talking points. Mr. Czyzyk requested a shorter, more concise version of the talking points, perhaps limited to one or two pages. Mr. Mueller affirms and proposes the creation of an 'elevator pitch' type document. Mr. Czyzyk also proposed the Council voice the importance of the Council in maintaining national security and defense industry jobs in the State of California under the title of 'Mission, Roles,

and Responsibilities.’ Mr. Slaght proposed to include language regarding the Council’s work with defense industries including aerospace, unmanned systems, and cyber sectors to the beginning of the document. RADM Slaght noted that there is a paradigm shift in defense industry moving to the aforementioned sectors and it would provide benefit to note the Council’s work in these sectors. VADM Johnson affirmed and stressed that people know the aforementioned sectors are, in fact, separate sectors and not merely subsets of defense industry, and should be referenced as such.

Mr. Mueller directed the conversation to the assignment of 3rd Quarter installation visits by Council members and suggested Council members break up to go to different venues, perhaps 2 or 3 members at a time, to installations in close proximity to their homes and/or installations with missions in their areas of expertise. Mr. Mueller noted that these visits are not necessarily designed to immediately solve problems, rather to let the installation and community leaders know that there is a mutual, beneficial relationship and the Council is available to support them. CPT Rito Guerra, Governor’s Military Council Policy Advisor directed attention to California installations the Council has not yet visited and proposed Council members’ assignments based on proximity, service, and/or areas of expertise. Mr. Mueller proposed the Council members request specific installations to visit and begins a round robin to discuss site visit proposals.

Mr. Mueller requested that MCAGCC Twenty-nine Palms and Ft. Irwin be added to the list. MG Baldwin requested that California Guard facilities be added to the list, but notes none are currently at risk of losing personnel or mission capabilities and visits could be deferred to next year. LTG Hanlon requested prioritization of installation visits and proposed MCAGCC Twenty-nine Palms and Ft. Irwin be placed at the top of the list, and added NAWS China Lake to the list. MG Jackson proposed MCLB Barstow be added to the list due to the constant threat of logistics consolidation across the services. Furthermore, MG Jackson requested each installation be assigned a level of risk to facilitate prioritization. Mr. Mueller affirmed. Mr. Coyle asked whether there is a sense of the most vulnerable installations in California. Mr. Mueller affirmed the top two installations are LA AFB and MCAS Miramar. Beale AFB is no longer as vulnerable as it was historically due to an influx of funding towards infrastructure, energy improvements, and environmental remediation efforts. Additionally, several other bases have been bolstered in recent years including MCAGCC Twenty-nine Palms and Edwards AFB. Mr. Coyle proposed the Presidio of Monterey and the Naval Postgraduate School be added to the list. LTG Hanlon proposed adding MCRD San Diego and NB Coronado be added to the list as possibly threatened. Mr. Coyle proposed MCMWTC Bridgeport and the Sierra Army Depot be added to the priority list. LTG Hanlon stressed that part of the Council’s mission is to conduct outreach with installation support organizations in an effort to bolster support for their respective installations. NAWS China Lake is one example of an isolated installation and it is very important for the Council to recognize the work done for installations by their local communities.

LTG Hanlon suggests 3 members conduct each site visit with a suspense date NLT the end of September, 2017, and due to the number of Council members, 5 or 6 installations should be visited in the 3rd quarter. MG Baldwin affirmed and proposed the list be capped at 6 priority installations. MG Johnson requested that he be a part of the delegation to visit MCAGCC Twenty-nine Palms. Mr. Mueller noted that Ft. Irwin’s lack of installation support organization is a concern, and should be a priority installation. RADM Slaght suggested that installations with cyber and unmanned systems mission should be prioritized in order to front load work before significant federal investment. Mr. Morgan, Governor’s Military Council ex officio member, proposed Council staff and the Office of Planning and Research will work to put together plans for 3rd quarter installation visits.

Due to a lack of quorum, the Council did not hold votes on any of the aforementioned action items.

Staff Update on Council’s Current Efforts in California

CPT Guerra began the brief with an overview of the upcoming California Defense Summit. The Summit will be held 9-10 May, 2017 in Sacramento. The Summit will be a hybrid format in which separate, concurrent breakout sessions for installation commanders and installation support organizations/local governments in the morning and a joint session of all attendees in the afternoon on May 10th. The Summit will have senior administration officials attending from state and federal government as well. State officials attending will relate to priority issues from installations: energy (Public Utilities Commission, Energy Commission, and Independent System Operator), climate change and requisite funding (Strategic Growth Council), legislative leaders (Assembly Speaker, Senate Pro Tem, other state legislators), emissions (Air Resources Board, Environmental Protection Agency), and the Executive Branch (Governor, Lt. Governor, Governor's Chief of Staff).

LTG Hanlon suggested the Council make specific recommendations to installations to send either Flag level officers or staff officers at the O-6 level. Furthermore, when Council staff establishes information, LTG Hanlon requested the information be disseminated as soon as possible.

GOBiz and OPR are moving forward on a joint effort to secure grant funding to support a statewide economic impact report for national security and defense activities in California. There is a conference call scheduled Monday, February 6th with partners and the Department of Commerce.

CPT Guerra briefed the Council on the current Cap and Trade Expenditure Plan and noted a number of the investment categories could provide tranches of funding for P4 efforts throughout the state.

Navy Region Southwest and OPR will be holding a legislative open house on February 28th. This event is an informational open house for California State Assembly and Senate Staff, as well as installation leaders, addressing civilian and military land-use compatibility, community involvement, military readiness, and the military's impact on local economies in California. CPT Guerra provided a geographic breakdown of service and installation attendees that will be available to meet with legislative staff.

The development of an installation support organization for LA AFB is moving forward between the South Bay Association of Chambers of Commerce and LAEDC with an MOU currently being considered by the organizations.

A Regional Environmental Coordination meeting between services' environmental coordinators and state agencies is scheduled for March, Council staff will attend.

The Mojave Commanders Summit, a regional stakeholder forum for installation commanders in the Mojave Desert area, is scheduled for April, Council staff will attend.

The Department of the Navy and the State of California have signed an MOU that will help the state and the Navy and Marine Corps continue to operate on the cutting edge of technology by pursuing innovative renewable energy initiatives.

The City of Monterey and the Army created a process providing a template for Intergovernmental Service Agreements (IGSAs). In partnership with the Association of Defense Communities (ADC), an 'IGSA boot camp' was held that discussed the iterative process applied jointly with the garrison and the U.S. Army to draft the IGSA scope of work and general contract clauses.

Council staff is working with the Association of Defense Communities to hold a regional conference in Monterey later this year. The conference intends to bring hundreds of leaders from communities, states, military and industry to discuss best practices for communities working with military installations.

CPT Guerra provided a reminder that all Council business should be utilizing the new Council email addresses at this time and into the future.

CPT Guerra deferred discussion of the Federal/State Offshore Energy Task Force to Mr. Chung and Mr. Morgan.

State Land Use Issues

Mr. Mueller introduced Mr. Chung and Mr. Morgan and noted the importance of having relationships with state and federal partners pertaining to land use and permitting around military installations. Mr. Morgan began his brief with a brief overview of the California sea ranges briefed about the Bureau of Ocean Energy Management (BOEM)-California Intergovernmental Renewable Energy Task Force (Task Force) currently underway. The impetus for the task force was a proposed offshore wind energy development off the coast of Morro Bay, California. Following the proposal, Governor Brown wrote a letter to Sally Jewell, then-Secretary of the Department of the Interior (DOI), requesting such a task force be implemented to promote compatible offshore development in federal waters off California's coast. The first meeting of the task force was held in October 2016. The task force is currently conducting outreach with stakeholders including fishing industries, tribal stakeholders, energy developers, and others throughout the state to determine areas of least conflict for future development. The California Energy Commission is the primary lead for the state of California, with a number of state and federal agencies also participating on the task force. BOEM is the sole permitting entity for offshore energy development in federal waters. Navy Region Southwest and the Air Force are heavily involved in the task force in order to accommodate the vast areas of sea and air testing and training ranges in federal waters off California's coast. Mr. Morgan briefed that by summer 2017 the task force should have a good idea of least conflict areas in federal waters for energy development. These areas will not be finally cleared for development, rather identifying areas that may be compatible for future development.

Mr. Chung briefed the physical areas of the study area, stretching from the San Diego area up the coast to the Monterey area. This study area encompasses a multitude of military testing and training activities in the air as well as surface and subsurface activities.

RADM Johnson noted that this study area includes much of the offshore oil and natural gas development in California and wondered whether the task force includes this type of development as well. Mr. Morgan affirmed and noted that marine sanctuaries, shipping channels, and other ocean uses will be included in the study. Mr. Morgan noted that upon completion of preliminary data gathering, all of the aforementioned data and requisite mapping will be available for public consumption. The information will be sent out to the Council upon completion.

Mr. Mueller requested whether the Navy has any initial thoughts on the task force and its' proposed work. Mr. Chung noted that both the Navy and the Air Force have critical testing and training areas in the proposed study area, stated the importance of cooperation and collaboration as early as possible. One aspect of offshore development that was not previously anticipated was industries' capacity to develop offshore energy in the deep waters on the outer continental shelf. Historically, the depths of the study area made development not cost-effective, but new technologies have unlocked these areas to financially viable development.

LTG Hanlon wondered whether these areas are the most effective areas for wind development or if other areas are better suited for wind development. Mr. Morgan replied that the best areas for wind development are along California's north coast, however there is currently no way to transmit energy in those areas onshore. Alternatively, there are offshore transmission infrastructures in the Morro Bay area which make this area ideally suited for offshore wind development.

RADM Slaght asked whether there are plans, or if it is cost effective to develop transmission infrastructure off the northern coast. Mr. Morgan noted there is currently no infrastructure and it is not cost effective to develop such infrastructure at this time, which is why development is targeted in the central coast area. CPT Guerra noted there is a decommissioned power plant in Morro Bay that provides the necessary infrastructure for offshore to onshore energy transmission.

Mr. Slaght asked when federal authority trumps state authority in offshore development matters. Mr. Morgan noted California does not have permitting authority over any projects in the proposed study area due to the area being composed entirely of federal waters. However, California will have permitting authority for those transmission lines which run on or under state waters and eventually onto California soil. RADM Slaght asked whether the DoD has any authority to restrict development. Mr. Chung replied that there is an existing MOU between the DoD and DOI that triggers a DoD review requirement for any proposed development in or around military testing and training areas; however the DoD does not have authority to restrict development under the MOU. Mr. Chung noted that BOEM has ultimate permitting authority in federal waters; however the military does have a 'nuclear option' of restricting development due to national security concerns if the need arises. Mr. Morgan noted that this is why early interaction and intensive planning is important to proposed offshore development.

Mr. Mueller requested an update for the Council from the Task Force at the California Defense Summit in May. Mr. Morgan affirmed but noted that there may not be much available information at that time because the stakeholder outreach will be wrapping up and the task force will be working to create final mapping and data layers at that time. Mr. Chung noted that the DoD may have their initial assessment of least conflict areas available in time for the Summit.

Mr. Morgan briefed that OPR is currently developing an update to the General Plan Guidelines in which there are multiple areas in which to include military readiness and development in cities' and counties' development plans. The Guidelines should be coming out in the coming months. Further, OPR staff in combination with Navy Region Southwest and the AmeriCorps program will be working with cities and counties in northern California to develop energy overlays to their respective General Plans.

Mr. Morgan noted ongoing interstate work as he is California's Principal to the Western Regional Partnership. The WRP is a DoD funded entity to identify common goals and emerging issues and develop recommendations across the WRP region of Arizona, California, Colorado, Nevada, New Mexico, and Utah.

Mr. Morgan briefed that OPR has multiple current grant programs through the DoD Office of Economic Adjustment (OEA), with two other grant applications currently in the pipeline. Mr. Morgan and Council staff will be attending a Defense Industry Adjustment workshop in March in Washington DC to better understand how to enhance defense spending in California despite sequestration and cyclical defense spending.

Discussion with US Coast Guard District 11

LTG Hanlon welcomed Captain Gimple, USCG District 11 Chief of Staff and thanked him for taking the time to brief the Council on the status of Coast Guard forces in California.

CAPT Gimple briefed his biography and noted that he is near the end of his current assignment and will be moving to the Pentagon shortly as Office of the Assistant Secretary of Defense for Homeland defense and Global Security office.

CAPT Gimple provided Council members with a fact sheet regarding the condition of Coast Guard forces in California in preparation for his brief. The Coast Guard currently employs over 1700 active duty personnel, approximately 500 reservists, approximately 100 civilians, and over 300 auxiliaries in the State of California. District 11's area of responsibility encompasses over 3.3 million square miles and is comprised of 42 separate units to include Coast Guard stations, air stations, patrol boats, and vessel traffic services, among others. District 11 is headquartered in Alameda along with the Pacific Area Command with sectors in San Francisco, San Diego, Humboldt Bay, and Los Angeles/Long Beach.

CAPT Gimple proceeded to provide a brief on the Offshore Patrol Cutter (OPC) program, which the Coast Guard has signed a contract to procure 25 OPCs. The contract was due in part to the work of the Council in providing support for the program, and it is on track to begin cutting steel and getting the ships on the water. The Coast Guard is expected to receive the first operational ships in 2019. CAPT Gimple reiterated that continuing support will be needed for the OPC program across the board in order to procure all 25 ships currently proposed. The OPC is a replacement for the Medium Endurance Cutter (MEC), which is the oldest class of ship in the Coast Guard's fleet at approximately 50 years old. CAPT Gimple noted that the MEC platform has performed well in its service, but is in need of replacement. The Coast Guard's offshore presence in California is critical to providing law enforcement, security, and environmental protection services, and small patrol boats are generally not usable for California's offshore environments. The OPC platform will augment the Coast Guard's current capabilities in the regard to providing the aforementioned services. One aspect to note is that the OPC does not have a helicopter hangar on deck, but the lack of capability will not detract from the Coast Guard's mission.

Mr. Mueller asked what the next steps for OPC procurement will be, and how the Council may be able to assist the Coast Guard in that regard. CAPT Gimple reiterated the current contract does not call for all 25 OPCs in the program, and presumes there will be competition to apportion additional funds to procure all 25 OPCs. Furthermore, the Coast Guard's icebreaking mission is in competition for appropriation of funds with the OPC program, and District 11 does not have an icebreaking mission.

CAPT Gimple also noted that aviation and shore infrastructure are important aspects to maintaining the Coast Guard's mission in California. A lot of effort and funding goes into the big programs, including the OPC program, and some of that funding comes from infrastructure spending. CAPT Gimple noted that future appropriations will be needed to pick up the slack. District 11 will homeport 4 OPCs in California, and significant infrastructure investments are needed to support the OPCs.

The OPCs are currently slated to be located in San Pedro, and the Coast Guard is at a stage in which they need to look at where those ships will be housed. Historically, the Navy did not have space in San Diego to support Coast Guard assets. However, the Coast Guard officially asked the Navy if there is currently space available in San Diego to homeport some assets there, the request is currently in the Pentagon's Strategic Forces shop.

Regarding housing, several thousand Coast guardsmen are currently living in the Bay Area. Base housing is available in some concentration points, including Alameda Novato facilities. Historically, Alameda has been packed pretty tight, but is making progress in terms of upkeep. However, there is a need to continue having Coast Guard owned housing available. There are current high-level debates about the aforementioned and whether to adopt the DoD public-private housing partnership model. The Coast Guard has a little of a push to replicate DoD housing efforts, that effort is ongoing. The Coast Guard got some relief this year to minimize the Military Housing Area (MHA) to ensure the correct information is available to determine a new MHA. One issue is that good housing is generally only available for a short period of time, and may not get absorbed into data, so rentals further away from installations make up a large part of the MHA datasets.

LTG Hanlon asked whether there are any constraints on pursuing the counter drug mission in California. CAPT Gimple replied in the negative, affirming that District 11 has a pretty good handle on the threat flow into California and the southwestern U.S. Additionally, 4 Fast Response Cutters (FRCs) are due into California in 2018 to provide additional assets to the District's counter drug mission. The FRC will be a game changer in the counter drug arena because of better capability than patrol boats out of San Diego. CAPT Gimple noted there has been a significant decrease in drug operations in District 11 in the last 18 months.

RADM Slaght asked whether the Coast Guard is utilizing unmanned systems and other technologies in operations. CAPT Gimple affirmed and noted the Coast Guard is looking forward to further development in these fields and that fixed wing assets also play a large part in the District's counter drug and search and rescue (SAR) missions. Coast Guard Research and Development has been heavily involved in unmanned systems technology with the Navy, including air, sea, and subsurface systems. They are currently working together at Coast Guard Headquarters to understand future demand and mission capabilities.

CAPT Gimple briefed that there are no more C-130s stationed in Sacramento, and there are currently 6 active C-27Js on station. Although full missionization of the C-27J airframe is not yet complete, they are fully operational. As a result, the 129th Rescue Wing out of Moffett Air Field has picked up some of the District's SAR mission while they transition from the C-130 to the C-27J.

Mr. Czyzyk asked whether the Coast Guard is operating in the cybersecurity domain. CAPT Gimple briefed that the Coast Guard is currently trying to wrap its' hands around resourcing, security, and personnel to operate in the cyber domain. The 2017 NDAA contains specific language for the Coast Guard to better coordinate with DoD to utilize unmanned systems technology to complete service-specific and joint missions. One concern is the lack of understanding of coordination mechanisms and whether the bureaucracy will be layered in such a way as to make missions more difficult.

MG Baldwin noted that any domestic use of unmanned systems technology other than for SAR missions has to be approved at the Secretary of Defense level. California was the first state to fly Predator airframes in support of firefighting missions in 2014. Furthermore, California hopes to be the first, and only, state to fly Reaper airframes to support Department of Homeland Security missions in the state.

CAPT Gimple briefed that Air Station San Francisco recently upgraded from an O-5 command slot to an O-6 command slot in order to accommodate increased personnel and equipment. Coast Guard operations at Los Angeles International Airport (LAX) ceased mid-summer 2016 due to the new LAX Strategic Plan and future constraints. As a result, Pt. Mugu Forward Operating Base (FOB) was stood up in 2016 with aircrews conducting 2 week rotations. Additionally, \$31 million has been appropriated to accommodate increased personnel and equipment in Sector Los Angeles/Long Beach.

RADM Johnson asked what the impacts of climate change in California have on the Coast Guard's missions. CAPT Gimple replied that infrastructure needs are going to have to be addressed in San Francisco specifically. Operations in San Francisco are going to be deeply impacted by the effects of water rising. As a result, possible infrastructure improvements will have to be looked at in the future. CAPT Gimple reiterated that this may be good news, resulting in additional infrastructure funding in District 11 and the state. Furthermore, Coast Guard operations at Vallejo, Monterey, and Rio Vista facilities will be impacted, and the Coast Guard is already looking at possible future infrastructure investments.

Executive Director Update

Mr. Mueller stated that California is relatively well positioned in comparison to other states in terms of defense funding and that 'diet-sequestration' will continue to exist for the foreseeable future. Furthermore, Mr. Mueller stated the DoD's 5-year budget plan may continue to be flat, but that could change this year with the new administration.

Despite reporting that Senator McCain's vision for the future may include a BRAC and Representative Adam Smith's (D-NY) annual bill submission requesting a BRAC, Mr. Mueller briefed that a BRAC is probably not a threat in the near future, but non-BRAC threats and opportunities continue to exist. Mr. Mueller stressed that in order to be successful, California must create its' own opportunities.

The NDAA was passed by both the House and the Senate, and is signed into law; however the defense appropriation failed to pass the Senate and has been punted to April. A number of California priorities are included in the House version of the Appropriation bill and should continue to be maintained in the future.

The FY 2018 letter from the Council to California's Congressional Delegation (CODEL) should be coming out in the coming weeks.

Mr. Czyzyk proposed the Council start addressing homeless veterans' issues, especially in populations around military installations. Mr. Mueller affirmed.

The California Assembly Committee on Veterans' Affairs has requested a hearing on the Military Council to address successes, challenges, and a way forward.

Council staff has been working on a tax exemption for military retirement pay, and is currently in talks with Dr. Lynn Reaser from Point Loma Nazarene University to research the economic impact that such an action would have on the overall California budget.

LTG Hanlon thanked Mr. Mueller for his work on the aforementioned tax exemption, and reiterates that the Governor needs to understand the costs to the state in order to make an educated policy decision. Mr. Mueller affirmed.

Public Comment

No public comment was received.

Adjournment

Meeting was adjourned at 2:30 pm.