



Meeting Summary
Governor's Military Council
August 29-30, 2017
Beale Air Force Base

August 29th

Beale Air Force Base Brief

The Council began the site visit with a tour of priority base facilities with COL Broadwell, 9th Reconnaissance Wing Commander and installation staff.

The first stop highlighted a critical electrical substation that represented a single point of failure for base electricity. The substation, built in the 1940's is in dire need of modernization as well as other aspects of the base electrical infrastructure. RADM Johnson inquired about the possibility of renewable energy generation on base. Base staff indicated there are many challenges to on-site generation of renewable energy to include the PAVE PAWS system, many areas on base are high fire areas, proximity to the flight line and glint/glare issues from photovoltaic panels. However, the installation is currently working with the Air Force Office of Energy Assurance for a photovoltaic project and researching the viability of generating 4.7 mw of electricity from the landfill.

The second stop highlighted the significant investment to improve the ISR capacity and capabilities at Beale. Currently under construction, the ISR campus consists of two buildings, which represent a \$100 million MILCON project.

The Beale wastewater treatment plant was the third stop for the Council where the Council heard about the need to modernize the plant to improve efficiency and meet state environmental standards. The installation is currently exploring utilizing an Enhanced Use Lease agreement for a public/private entity to own and operate the plant. The proposal is currently being reviewed by the Air Force and the process could take anywhere from 18-24 months for the evaluation to be completed. Installation reports that there is interest in the community to take on the project. COA 2 is to connect to local community service district's wastewater treatment plant and utilize excess capacity. Initial projected costs by the community service district for connecting installation to their treatment plant are significantly above what Air Force had projected.

The Council moved to a sit-down discussion with COL Broadwell, COL Barnes, Mission Support Commander and their staffs. During the discussion the issues of streamlining federal and state environmental regulations, professional licensing for spouses, housing allowance not meeting the actual cost for housing, and the installation exploring the feasibility of privatizing on-base dorms.

Council Business Meeting

The Council held its meeting at the Peachtree Golf & Country Club Course in Marysville where Vice Chair Hanlon established that a quorum was present and convened the business meeting of the

Governor's Military Council at 12:45 pm. The following members were in attendance: Vice-Chair Hanlon; VADM Brekenridge; MG Astafan; MG Jackson; RADM Johnson; MG Kenneally; MG Regua; RADM Slaght; LTG Tattini; Mr. Berard; Mr. Coyle; Mr. Giacchi. BG Hesheimer attended on behalf of MG Baldwin, Adjutant General of California. Jeff Malin attended on behalf of Panorea Avdis, Director, Governor's Office of Business and Economic Development.

Executive Director Mueller thanked everyone for coming to the quarterly meeting of the Governor's Military Council. He then introduced guests and representatives at the meeting including General Heshierner standing in for General Baldwin, Jeff Malin standing in for Councilmember Avdis, Master Sergeant James, and Joe Stout from the federal Bureau of Land Management. He then discussed issues around land use and the coordination that is often required between the Council and BLM. He discussed the history of how the BLM state office in California came to creating a representative for military affairs, and thanked Stout for being proactive when approached by Military Council staff about the possibility of the military affairs position.

Council took up Consideration of Action Items agenda item.

Discussion and approval of Q4 2016 & Q1 2017 minutes

Discussion – None

Both items unanimously approved.

State Efforts Brief

Reports on Q2 installation visits provided by each delegation. The following bullet points are the key points and targeted discussion from the installation visits:

NTC Fort Irwin & Marine Corps Logistics Base Barstow, 5-6JUN – Delegation Leader Councilmember Kenneally:

- Councilmember Johnson and Council-designate Garcia accompanied.
- Delegation trip to Fort Irwin:
 - There is currently an impressive new \$125 million hospital, which should be opening around the time of this Council meeting. The new hospital will offer pediatric and emergency care, as well as general services.
 - The Council delegation toured the installation, and was particularly impressed with the state-of-the-art water purification and waste cycling systems. The delegation also took note of the vast solar array, and was impressed at the ability of this array to supplement the installation's own energy needs.
 - The delegation took note of positive actions that the installation is taking in partnership with the local school district.
 - Delegation identified the following opportunities for the Council to provide assistance to the installation and local partners:
 - water table/sustainability issues
 - Councilmember Kenneally then gave an overview of the NTC mission and the frequency at which brigades go through the training, which is done as a necessity prior to overseas deployment.
 - Councilmember Johnson then identified some logistics challenges with moving troops from across the country to the installation to train because the soldiers are often bringing their full kit with them. Most of the transportation to the installation is done by rail transport because of the heavy rail presence in the surrounding area.
 - The delegation reported that while they did not meet with the commanding general, they were able to meet the 'one star' of the installation.

- Chair Hanlon thanked the delegation for their report on Fort Irwin, and stated that he viewed the Fort as a very important facility for the army and the state. He noted that the Council has had very little interaction with Fort Irwin leadership and asked the delegation if the Council should be concerned about that fact:
- Councilmember Kenneally stated that he did think the Council should be concerned at this lack of engagement with leadership because of how important Irwin is to the Army. He went on to suggest that the Council should target that relationship as an action item moving forward.
- Councilmember Regua suggested that the primary issue is that commanding officers of installations turnover very quickly, which makes lasting relationships difficult to maintain. He stated that Fort Irwin is still the premier army facility in the country.
- Council staff mentioned that the Chief of Staff for Fort Irwin will be at the GMC's All California Defense Summit happening the next day, but reminded the Council that the Chief was new to his position as well. Staff encouraged the Council to prioritize communication with the leadership of Fort Irwin moving forward.
- Councilmember Tattini stated that in his experience, every time a commanding officer changed, he made a point to tour the new facility with the new commander in order to continue the relationship and hear first-hand what the commander's priorities were for the installation.
- Councilmember Astafan moved to have a full Council meeting at Fort Irwin, to which Chair Hanlon agreed.
- Councilmember Kenneally suggested pairing this meeting up with MCLB Barstow given the MCLB's proximity to Fort Irwin.
- Executive Director Mueller highlighted that the 4th quarter 2017 meeting in November has already been scheduled for San Diego. At that meeting, the Council will set its official schedule for the coming year and can make meeting location decisions at that time. Executive Director Mueller instructed Council staff to send out a request for information about meeting locations and times for the Council to provide input.
- Delegation trip to Marine Corps Logistics Base Barstow:
 - Councilmember Kenneally highlighted that MCLB Barstow is a depot facility for the Marine Corps, and stated that he was very impressed with their operation.
 - Councilmember Kenneally mentioned the precise coordination the installation has with rail transport in Barstow, and stated that the installation has their own train station where they can freely move troops and equipment as needed.
 - Councilmember Kenneally then identified the following opportunities for the Council to provide assistance to the installation and local partners:
 - There are ongoing discussions between the installation, Union Pacific railroad, and the associated unions to try to make the rail schedule more productive for the installation's needs.
 - Councilmember Breckenridge noted that this was a similar issue at ports in the state, and that the unions were ready for the extra work but that someone needs to pay for it.
 - Chair Hanlon noted that Barstow is of particular importance given the stock that the installation stores in case of armed conflict.

Vandenberg Air Force Base, 9-10MAY – Delegation Leader Councilmember Giacchi:

- Councilmembers Tattini, Avdis, Council ex-officio Morgan, and staff accompanied.

- Councilmember Giacchi highlighted that the delegation met with local community leaders and chambers of commerce for the surrounding area on the 2nd day of its visit to discuss the economic development of the surrounding area and community/installation partnerships.
- Councilmember Giacchi highlighted that VAFB has a very strong, topically important mission that is closely tied with the geography of CA given the need for polar orbit launches. He then mentioned that there are several opportunities for Council partnership with the installation as it transitions to a greater number of commercial space launches, and gets regulations in place with current tenants SpaceX and ULA.
- Councilmember Tattini reiterated the importance of VAFB mission as war in space becomes a growing topic of interest in Congress. Councilmember Tattini then highlighted ongoing conversations about the establishment of a space corps separate from the Air Force, and suggested that VAFB would have a key role in this mission of that change ever came to pass.
- Councilmember Tattini described VAFB's training mission and operational defense mission, and highlighted that the Council delegation was able to speak with the Wing Commander but not the operational 'three star.'
- Councilmember Tattini highlighted an issue about the California Franchise Tax Board's proposed tax on commercial space transportation that was brought up to the delegation by VAFB.
 - Executive Director Mueller stated that it was fortunate that Councilmember Avdis was a part of the delegation given the taxing issue brought up by the installation. Executive Director Mueller then highlighted that the Council had Councilmember Avdis' local expert on this issue attending today's meeting, her designee Mr. Malin, and stated that Mr. Malin and Executive Director Mueller had been participating in ongoing discussions with the installation, the Franchise Tax Board, and industry.
 - Mr. Malin explained that the proposed rule by the FTB was simply a modernization of transportation taxation to accommodate state transportation service providers wishing to go to space. He further explained that SpaceX had originally asked for this rule in order for clarity, and state that California is on the leading edge of modernizing transportation regulations to accommodate commercial space travel ahead of Florida and Texas. He concluded with stating that his office, the Governor's Office of Business and Economic Development (GO-Biz), is currently in conversation with space providers about this issue.
 - Councilmember Giacchi asked Mr. Malin about the potential impacts to California's competitiveness brought about by this rule, and Mr. Malin mentioned that he had offered analysis and informational materials to any interested party about this particular rule.
 - Councilmember Tattini suggested, in hearing from his industry contacts, that GO-Biz do an analysis of what commercial space flight companies might pay in California versus in Florida or Texas in order to provide more informational materials to industry.
- Councilmember Tattini highlighted and agreed with VAFB's suggestion that the state explore the reestablishment of the California Space Authority or a similar body.
 - Mr. Malin explained that the private sector had originally driven this particular initiative, but that it had been disbanded for a variety of reasons. Mr. Malin then reported that different elements across sectors have asked the state to reestablish a similar body, and that he and his team are tracking those requests, as well as legislative efforts currently going through the process in the state legislature.
- Councilmember Tattini recommended the Council expand its purview to include space activities.
- Councilmember Tattini stated that VAFB was experiencing difficulties in keeping its on-base golf course open, and suggested that the Council should follow-up on VAFB's privatization efforts with VAFB leadership that will be at the GMC's All CA Defense Summit scheduled for the next day.

- Councilmember Tattini stated that CEQA and NEPA issues have arisen across installation visits, and reminded the Council to include ex-officio member Morgan in any conversations that come up due to his expertise on CEQA and military, community land use compatibility.
- Councilmember Tattini provided background on the meeting the Council delegation had with local community leaders and chambers of commerce for the surrounding area:
 - Chair Hanlon remarked that California seems to have a net positive in businesses in the state, but that he remains concerned about jobs in non-tech areas.
 - Mr. Malin mentioned that the growing cannabis industry that has sprung up after legalization is impacting this phenomena as well.
 - Councilmember Breckenridge mentioned that impacts to businesses are an essential question of military readiness. She reminded the Council of the need to avoid a “secret BRAC” brought about by a loss of in-state supply chain industries that make up our manufacturing base.
 - Executive Director Mueller urged the Council and staff to do the necessary due diligence and get numbers on this issue in order to determine how best to proceed.
 - Councilmember Kenneally remarked that the state does not seem to have a problem with businesses located in the coastal big cities, but that the problem is geographically located in more rural areas in the Central Valley.
 - Mr. Malin replied that he has been spending most of his time in the Central Valley dealing with these issues because the bigger cities do not necessarily need the state’s assistance at this time in the same way.

Marine Corps Air Ground Combat Center Twenty-Nine Palms, 25MAY – Delegation Leader:
Councilmember Jackson:

- Councilmember Jackson and CPT Guerra accompanied.
- Councilmember Jackson reported that the mission of Twentynine Palms is same as that of NTC. He then highlighted the fact that Twenty-Nine Palms is different from most Marine Corps Installation’s West facilities because it falls under Marine Training and Education Command with their commander located at Quantico. Councilmember Jackson stated that Twentynine Palms cannot be replaced because of the critical mission it provides to the Corps, and that the installation has a huge economic impact on the surrounding area.
- Councilmember Jackson then proceeded to list the following opportunities that the Council could assist the installation with:
 - Workforce: The local civilian police forces are trained by the Corps and often leave the area to police in higher-paying areas after they receive their training.
 - The current Basic Allowance for Housing does not currently match up with rental prices for the area.
 - The installation’s number one priority is looking to secure a new waste treatment plant.
 - Senator Dianne Feinstein has gotten involved in expanding protected areas to train more Marines, and any conflict from recreational users seems to be solved.
 - Executive Director Mueller mentioned that this was one of the first letters of support that the Council had sent.
 - The installation is experience some difficulties with the local school district, yet are relying on a great superintendent that the district has to work through them.
 - Councilmember Slaght highlighted the fact that the current leader in microgrid technology development is the Marine Corps.
 - Council staff highlighted that the Marine Corps representative in Sacramento, Ned McKinley, is on top of all of the issues mentioned above, and that his presence in Sacramento is essential to the Corps staying up-to-date with state policy.

Chair Hanlon concluded this agenda item by thanking the delegation group for the reports.

Bureau of Land Management Brief

Joe Stout, Associate State Director for the federal Bureau of Land Management (BLM) was recently selected by the BLM State Director to be the military affairs liaison for the state BLM office. His duties include being a liaison between the Council and the BLM and being a clearinghouse for all military land use needs that involve BLM. Mr. Stout reported to the Council on current BLM activities, and the following bullets represent the key points included in his presentation:

- Mr. Stout provided a handout of public lands in CA, and remarked that most BLM-managed lands surround military installations in the desert. He then explained that, while he is at the BLM state office in Sacramento, the BLM state operations runs district offices throughout California that engage with the local population on BLM land management.
- Mr. Stout explained that California has 15 million acres of public land, with some falling under private stewardship, and that the BLM works closely with desert installations, and transitioning installation land like the Fort Ord Reuse Authority.
- Mr. Stout explained that, in the recent Desert Renewable Energy Conservation Plan, 1 million acres of public land was withdrawn for military use in desert. He further stated that the BLM State Director is headed down to the desert in October to plan a larger trip with the Marine Corps.
- This past year was the first year for shared land use are for Twentynine Palms.
- King of the Hammers event in partnership with Twentynine Palms is a huge success and it is the second largest agency permitted event outside of Burning Man in Nevada.
- Agency recently conducted the re-location of desert tortoises from Twentynine Palms.
- Mr. Stout stated that he viewed his role as military affairs coordinator for BLM as an opportunity to hear from statewide perspective about what relationships BLM needs to pursue in order to continue to do its job effectively. Mr. Stout went on to explain that he would be very interested in attending Council Meetings when invited, and request that he be kept informed of military-related issues that come up so that he can coordinate with BLM's regional offices to assign work.
- Agency recently transferred 200,000 acres to the Navy for the Chocolate Mountain Range.
- Chair Hanlon inquired if BLM was still granting permits to drill for oil in California, to which Mr. Stout replied that while permits were still being given, they are currently on pause because of litigation.
- Chair Hanlon asked Mr. Stout to explain the status of fracking on public lands in California, to which Mr. Stout replied that the federal government would start to develop a new rule after reviewing the previous administration's guidance on fracking.
- Chair Hanlon asked about any other expansions that would require congressional approval. Mr. Stout responded that he was unaware and that the agency was currently working on actions from the 2014 NDAA.

Executive Director Mueller thanked Mr. Stout for his attendance and stated that the Council was looking forward to partnering with BLM in the future.

Mr. Malin stated that he was interested in providing talking points to the Council delegations visiting installations so that they can be fully prepared to address local concerns about business and economic development that might come up during the visits. Executive Director Mueller expressed his support for this idea, and asked GO-Biz to prepare one concise and one in-depth talking points sheet for Council use. He mention that the Council has not always prioritize industry as a policy area in the past, but is looking forward to renewed focus in that area due to Councilmember Avdis' participation on the Council.

Council Staff Update on Council's Current Efforts in CA

Council staff provided a presentation on statewide Council efforts. The following bullet points represent the key presentation items:

- Council staff reported on the state of the Council’s statewide economic impact study for military spending. This study would be a statewide assessment of all defense spending in California and the spillover impacts that spending has on the state’s economy.
 - Staff acknowledged that installations often conduct their own studies, but remarked that the Council wants a statewide study for its own use in advocacy efforts. Staff went on to inform the Council that the California Research Bureau is conducting the study in partnership with the Council and the Governor’s Office of Planning and Research, and should be ready for release by early 2018. Staff then assured the Council that he would be reaching out to installations to get their economic impact assessments in order to check CRB’s data.
 - Executive Director Mueller cautioned to be careful about using the installation figures, as their numbers are not the most scientific.
 - Chair Hanlon remarked that this effort was important because it highlights the importance of California’s defense supply chain and manufacturing base.
 - Councilmember Breckenridge suggested ensuring the study is repeatable so that it can be updated on a regular basis.
- Staff highlighted that \$10 million was recently allocated in the state budget to fund Veterans Resource Centers on the campuses of select Community Colleges in California. These centers provide unique educational support services to veterans on campus.
 - Councilmember Chávez championed this effort in the legislature and worked closely with stakeholders at community college level to ensure this program’s success.
 - The \$10 million budget item is a competitive, one-time funding round where community colleges can bid to build the centers. While this particular funding is one-time, the larger goal is to get sustained amount of funding for the centers all around the Community College system.
 - Mr. Malin inquired as to how the state was measuring the success of this one-time funding effort, and Staff committed to researching the answer and report back.
 - Councilmember Tattini stated that, while this effort is important, he urges all veterans in California to get registered on the Calvet website because they have targeted resources and information that is helpful.
- Council staff continued the briefing by discussing the Council’s engagement with the Department of Defense:
 - The Council met with leadership from the Los Angeles Air Force Base, informed the installation about the council and encouraged increased momentum for their p4 partnership efforts.
 - Councilmember Tattini attended the Space and Missile Systems Command Change of Command ceremony in July.
 - Council staff participated in the quarterly regional environmental coordination meeting with the California Environmental Protection Agency, and the environmental representatives from the different services to work out issues that the agencies cannot address on their own. Secretary Rodriguez of CalEPA presided over the meeting.
 - Councilmember Johnson recommended that the California Coastal Commission be invited to the meeting.
 - Councilmember Berard, Council staff, and Ex-Officio member Morgan attended the Mojave Commanders Summit at Edwards Air Force Base in July. Mr. Morgan briefed the attending commanding officers about the state’s role in military affairs, and about the mission of the council.
 - One particular issue that came up at the Summit was Edwards AFB’s attempts to raise construction funds to help renovate their facilities. Council staff has been engaging with Edwards AFB in this effort.

- Naval Air Weapons Station China Lake reported to Council Staff that they have an increased range demand for military services and allied nations.
 - Marine Corps Installations West is currently working with the BLM to coordinate transit corridors.
 - Navy Region Southwest is preparing for the growth of navy elements in their facilities as part of the rebalance to the Pacific strategy and is trying to fit more resources into existing facilities. NRSW is currently pursuing more Inter-governmental support agreements to assist with this growth.
 - The Navy recently released its map compatible zones for off-shore wind energy, and 3/4ths of the California coast, including the area most desirable to industry, is listed as a red conflict zone.
- Council staff provided an update on installation site visits:
 - Council staff is currently scheduling LA AFB, and Sierra Army Depot and China Lake.
 - The delegation for the Sierra Army Depot trip will be Councilmembers Aspling, Astafan, Regua, and Coyle.
- Support Organization Updates
 - The Council is looking to give a presentation to the Lassen County Board of Supervisors on the benefits of having a support organization in the local community.
 - LA AFB
 - Local community leaders just established the South Bay Aerospace Alliance, which is a community support organization designed to support the activities of the LA AFB.
 - Community leaders from around MCAGCC Twentynine Palms were recently put in contact with other support organization leaders on best practices to stand up an organization. Council staff is optimistic about the establishment of an organization for this installation.
 - Council staff is currently putting together a statewide support organization call to help coordinate support efforts and allow local support orgs to update their fellow organizations on their activities.
- Council staff finished their report by highlighting that the Council's 4th quarter 2017 meeting will be held on November 1st and 2nd in San Diego.
 - Council staff is envisioning two separate meetings, one with defense industry and local elected officials and one with local DoD elements.

Executive Director Mueller reiterated that the Council has not been as focused on industry, but that the Council's Q4 meeting in San Diego was designed to help refocus Council efforts. He highlighted industry's role in the Summit, and encouraged the Council to continue its coordination with GO-Biz.

Executive Director Update

Executive Director Mueller briefed the Council on federal issues. The following bullets are key points from his brief:

- Executive Director Mueller stated that there was much to be learned about the National Defense Authorization Act over the next couple of weeks, and that it could radically change during that period. He maintained that his predictions for the federal budget are still holding true, namely that California is positioned well in terms of other states and that the state was growing while other states are experiencing shrinking.
 - Executive Director Mueller predicted that there would be several more budgets passed that do not do away with sequestration, although waivers from sequestration caps might be granted.

- He further predicted that the 5-year budget forecast for military spending looks relatively flat but depends on the congress who might look at significant increases.
- Lastly, Executive Director Mueller predicted that there would be no formal BRAC round in the next couple of years, but that realignment can exist without the formal BRAC process. The Council can still provide needed assistance to installations without the direct threat of a BRAC round.
- Executive Director Mueller stated that there is a good chance that the NDAA is significantly delayed while Congress works through the issues that Senator John McCain has with the bill. While Executive Director Mueller think that the NDAA will be passed by the end of the fiscal year, he predicts many one-off Continuing Resolutions in the meantime. The Congress may need to pass a minibus to fund the issues that most of the members can agree on, military spending and legislative funding.
- Executive Director Mueller provided update on the current policy posture of the Trump Administration:
 - Executive Director Mueller sees a lot of different, competing priorities:
 - Tax reform
 - Health care
 - Transportation/infrastructure
 - Deb celling coming to a head in October
 - BRAC- Senator John McCain has an idea that does away with the BRAC Commission and has the DoD just submit recommendations on base realignment and closures to cut out input from states. Executive Director Mueller sees this as too radical a move to do in one year, and predicts that initiative will not become reality.
 - Executive Director Mueller reported on the key successes of the Governor’s Military Council this year:
 - The Council helped secure funding through this year’s NDAA act for school construction at Edwards Air Force Base.
 - The Council commissioned a study on the potential economic impacts of exempting military retirement pay from state taxes, which should be done in the next few months.
 - The Council helped stand up two new base support groups.
 - The Council communicated state military priorities to the state’s Congressional Delegation.
 - The Council assisted in securing Shipbuilding modernization and repair money and F-18 and F-35 money and missions to the state.
 - The Council helped secure funding for more Black Hawk helicopters for the California National Guard
 - The Council secured military construction funding for Pier 8 in Coronado.
 - Councilmember Breckenridge inquired if this addresses the mixture of ship types. Executive Director Mueller stated that he would follow-up on that issue.
 - The Council is continuing to advocate for the use of Unmanned Arial Systems during emergency operations and is attempting to secure approval of delegated authority from the Secretary of Defense to the Governor for domestic UAS use.
 - The Council is currently pursuing funding for the California work for warriors program.

Public Comment

No public comment was received.

Adjournment

Meeting was adjourned at 2:30 pm.

August 30th

The Council attended the 2nd Annual All California Defense Summit at the Sacramento Convention Center. The summit was put on in partnership with the Association of Defense Communities and was comprised of a military-only closed door meeting with Jeff Le and Keeley Bosler of the Governor's Office and five panel discussions. The panels covered best practices for support organizations, the state of the defense industry workforce in California, veteran's issues, P4 partnerships and military infrastructure challenges.

The summit had over 190 attendees with representation from 90% of installations in California, including flag officers from the Air Force, Navy, Marines and Coast Guard. In addition, four officials from the Pentagon participated on the panels to include Acting Assistant Secretary of the Navy for Energy, Installations & Environment, Steve Iselin.

A separate document has been created to capture all action items to come out of the summit and will be distributed to the Council.