



JOINT STUDY COMMITTEE ON EMERGENCY PREPAREDNESS AND DISASTER MANAGEMENT RECOVERY

March 28, 2006

The Joint Study Committee on Emergency Preparedness and Disaster Management Recovery met on Tuesday, March 28, 2006 at 10:00 a. m. in Room 643 of the Legislative Office Building. Members attending this meeting were: Co-Chairmen Nesbitt and Cunningham; Subcommittee Co-Chairs Boseman, Dorsett, Haire, Malone, Snow, McComas, and Wainwright; Representatives Coleman, Goforth, Kiser, McAllister, Underhill, West, and Wray; Senators Brown, Hartsell, and Presnell; and Public Members - Dr. Marty Zaluski, Mr. Thomas McCarthy, Mr. Randy Thompson, Mr. Duke Geraghty, Mr. Spencer Rogers, Mr. Bill Gentry, Major General William Ingram, Jr., and Deputy Michael Sprayberry (representing Mr. Doug Hoell).

Sergeant-at-Arms assisting: Jon Fitchett, Martha Gadison, Stan Johnson, Bill Freeman, Curtis Dowd, and Wade Anders.

Committee Staff: Barbara Riley (Research Division), Denise Thomas (Fiscal Research), and Emily Johnson (Legislative Drafting Division). Committee Assistants: Valerie S. Rustin and Vickie Spears.

Subcommittee Staff: Tim Hovis, Beth Braswell, Marilyn Chism, Ben Popkin, Shawn Parker, Sara Kamprath, Hal Pell, Gann Watson, Joy Hicks, Andrea Russo, Steve Rose, Kory Goldsmith, Brenda Carter, Giles Perry, Susan Iddings, Karlynn O'Shaughnessy, Bob Weiss. Subcommittee Assistants: Blinda Edwards, Bonnie McNeil, Martha Hoover, and Phyllis Cameron.

The Agenda and Visitor Registration Sheet are attached. **(Attachments 1 and 2)**

Co-Chairman Nesbitt called the meeting to order and welcomed everyone on behalf of himself and Co-Chairman Cunningham. He thanked the members for the hard work done in subcommittees. He outlined that each subcommittee was to present their reports, which he thought were extensive and very well done. [*“Following feed-back from today’s meeting, each subcommittee need one more meeting to find funding sources or to flush out the details of what needs to be done. Today we’ll hear subcommittee reports and discuss them; each subcommittee is asked to meet again within the next three weeks; the full committee will meet again to go over their final reports to agree on recommendations for the summer session; and then we may meet again just before the beginning of session to approve our report.”*]

Co-Chairman Nesbitt called for a report by the Subcommittee Co-Chairs in the agenda’s order:

Building Code Issues: Co-Chairs Boseman & Haire (Attachment 3)

**JOINT STUDY COMMITTEE ON EMERGENCY PREPAREDNESS AND
DISASTER MANAGEMENT RECOVERY**

**SUBCOMMITTEE ON BUILDING CODE ISSUES IN HURRICANE AND FLOOD
PRONE AREAS**

SUBCOMMITTEE MEMBERS

Rep. Phil Haire, Co-Chair
Rep. Bruce Goforth
Mr. Mike McGee

Sen. Julia Boseman, Co-Chair
Sen. Clark Jenkins
Mr. Duke Geraghty
Mr. Spencer Rogers

NUMBER OF MEETINGS

The Subcommittee has held two meetings, on March 7, 2006 and a second meeting on March 27, 2006.

PRESENTERS AND TOPICS

On March 7, 2006, the Subcommittee heard from the following presenters:

- Mr. Ryan Boyles, Associate State Climatologist, State Climate Office, discussed hurricane trends including factors affecting the number and intensity of hurricanes making landfall in the United States.
- Ms. Wanda Edwards, Deputy Commissioner of the Division Engineering and Codes, Department of Insurance compared the current State Building Code with the Code of the International Code Council. Ms. Edwards stressed the need to increase current standards for wind-borne debris protection on windows and doors and provided the

Subcommittee with the following three options: (1) plywood coverings; (2) impact resistant window glazing; and (3) storm shutters. Ms. Edwards noted that under the current Code wind-borne debris protection is only required within 1500 feet of the ocean.

- Mr. Joe Stewart, Executive Director, Insurance Federation of North Carolina spoke and encouraged the adoption of increased wind-borne debris protection requirements under the Code as a way of mitigating the risk of damage.
- The Subcommittee also heard from Mr. Paul Wilms, Director of Government Affairs, North Carolina Home Builders Association. Mr. Wilms emphasized the need to balance the economic costs of increased wind-borne debris requirements under the Code with the added benefit or protection these requirements might provide. Mr. Wilms noted that the current Code is sufficient, but that the Association supports continuing examination of the issue by the Building Code Council.
- Finally, Mr. Dan Tingen, Chairman of the Building Code Council indicated that North Carolina uses the International Code as a model, but has always modified the International Code to fit the needs of the State. Mr. Tingen pointed out that the Council is willing to examine a change to the 1500 foot wind-borne debris requirement.

On March 27, 2006, the Subcommittee heard a presentation from Mr. David Herlong, Flood Warning Program Manager, Division of Emergency Management, Department of Crime Control and Public Safety who presented updated information on floodplain mapping, possible areas of flooding in the State, and the State's flood warning system.

The Subcommittee then discussed possible legislation requiring increased wind-borne debris requirements under the Code.

POSSIBLE RECOMMENDATIONS

The Subcommittee is currently considering legislation which would increase wind-borne debris protection beyond the current 1500-foot limit. Other recommendations may include directing builders to inform homeowners of their choices for wind-borne debris protection when building a home.

OTHER TOPICS

The Subcommittee may consider a general recommendation for future legislation authorizing more stringent requirements in a "voluntary Code" which if chosen by a builder or buyer may result in tax credits and which may result in decreased insurance premiums for those buyers who chose the more stringent Code.

DISCUSSION

Co-Chairman Nesbitt – Called for questions and recognized each for questions or comments.

Co-Chairman Nesbitt - [*“As I understand this issue, it is causing higher insurance rates along the coast or were you able to determine if that is the case?”*]

Senator Boseman - [*“It appeared to us as a threat from FEMA. The Department of Insurance indicated in our first meeting that if we do not adopt these International Standards (of which this is one) that we would not get FEMA Natural Disaster Relief funds when we are hit by hurricanes. We have started a study discussion with Staff, but did not have enough concrete evidence for the subcommittee to make a recommendation for legislation as yet.”*]

Co-Chairman Cunningham [*“Did your committee consider one priority greater than the other?”*]

Representative Haire [*“We have not yet, we’ve spent a lot of time discussing wind-borne debris damage and floods as part of our charge. In addition we may identify areas of possible land slides. The one area that we’ll likely focus on mostly will likely be wind-borne debris damage.”*]

Co-Chairman Cunningham [*“I think it would help us overall if each subcommittee could identify and rank priorities in your next meeting if possible.”*]

Senator Boseman – [*“We will be happy to do that, Mr. Chairman.”*]

Representative Coleman - [*“How long did they give us to adopt the International Code Standards?”*]

Mr. Frank Folger (NC Dept. of Insurance) - [*“If I understand the question: How long has FEMA given the State to adopt the International Code provisions on wind-borne debris? My understanding is August 1 (or closely around that time).”*]

Representative Haire - [*“To follow-up, there was a question on the insurance part. Can you inform us on what the insurance part involves?”*]

Mr. Frank Folger (NC Dept. of Insurance) – [*“My understanding is that if the State does meet those standards (with regard to wind-borne debris protection and other provisions), we will lose some of the discounts offered through the National Flood Insurance Program for those communities within those wind-borne debris regions who do not have those requirements in place. Those who buy flood insurance will lose discounts.”*]

Co-Chairman Nesbitt - [*“So, at risk is possibly FEMA funds and insurance rates?”*]

Beth Braswell (Legislative Drafting Division) [*“I don’t believe the discounts on the flood insurance is worth the cost of the improvements (i.e. the increase cost of construction) over time, may not be a good value.”*]

Senator Brown – [*“Did we have some of the builders to speak about cost?”*]

Beth Braswell (Legislative Drafting Division) - [*“Yes, we did have builders appear and they were very interested in the issue. Much of the damage from a hurricane is not from wind-borne debris.”*]

Representative Haire - [*“We have had a lot of good input from many sources.”*]

Mr. R. Paul Wilms (NC Home Builders Association) [*“Unless and until Congress changes the Stafford Act, FEMA will not pull out disaster response to North Carolina. FEMA would like the coastal states to adopt the international model code provisions; these are proposed recommendations not standards. As Senator Boseman indicated, the cost imposed on the citizens (eg. new home buyers) ranges from hundreds to tens of thousands of dollars. If we did that, it would result in insurance premiums (an increase of \$15-\$100 per year) and the payback is not there (the numbers do not work). As Senator Boseman and Representative Haire mentioned, the evidence before the subcommittee is that wind-borne debris is not the problem. We believe that the Building Code Council has done a great job over the years of assessing and weighing the cost benefits, which is what this subcommittee is doing.”*]

Co-Chairman Nesbitt – [*“From what I’ve heard, it sounds like your subcommittee’s findings will not require any State dollars.”*]

Representative Haire – [*“The issue here is that we have these requirements, within 1500 feet of the ocean and the International Code recommending 3,000 feet of the ocean’s edge.”*]

Co-Chairman Cunningham - [*“I’m not sure that we have delved deep enough on the topic of matching money from FEMA. Could your subcommittee work with Staff to research what we should do based on XYZ (i.e. different case scenarios)? “*]

Senator Boseman – [*“Yes, we have Staff researching that now and will be happy to report back to the full committee, Mr. Chairman.”*]

Representative Haire - [*“I’d add one thing: North Carolina is ahead of the curve and just needs to move ahead.”*]

Co-Chairman Nesbitt [*“Thank you.”*]

Public Health/ Bioterrorism Issues:

Co-Chair Malone ([Attachment 4](#))

**Report to the Joint Study Committee on
Emergency Preparedness and Disaster Management Recovery
from the
Subcommittee on Public Health and Bioterrorism**

Committee Membership:

Sen. Vernon Malone, Co-Chair
Sen. Fletcher Hartsell
Rep. Edward Jones
Mr. Bill Gentry
Dr. Marty Zaluski

Rep. Rick Glazier, Co-Chair
Rep. Linda Coleman
Dr. Leah Devlin
Mr. Jeff Frazier

Meetings:

March 23, 2006 (1:30 p.m. – 5:00 p.m.)
April 13, 2006 (9:00 a.m. – 12:00 p.m.)
Meeting #3 (TBD)

Presentations:

Existing Public Health Infrastructure

Public Health 2004 Task Force- Overview

Leah Devlin, North Carolina Division of Public Health

NC Public Health Preparedness Training and Exercises

Steve Cline, North Carolina Division of Public Health

Pandemic Influenza Response Plan

Jeff Engel, North Carolina Department of Health and Human Services

Existing Agriculture and Consumer Services Overview and Concerns

NC Agricultural Overview and Economic Impact- Agroterrorism and Avian Flu

Marty Zaluski, Division of Emergency Programs, NC Department of Agriculture and Consumer Services

Division of Public Health- Priority Issues and Needs

Hospital Preparedness and Medical Surge Capacity

Drexal Pratt, North Carolina Office of Emergency Medical Services

State Public Health Laboratory

Chief Medical Examiner Office

Lou Turner, Director, State Public Health Laboratory

Antiviral Medications

Annual Flu Vaccines

Leah Devlin, North Carolina Division of Public Health

Anticipated Subcommittee Direction / Potential Recommendations (estimated cost):

- Pursue design and construction of a new co-located State Laboratory of Public Health and Office of the Chief Medical Examiner to replace current facilities (\$ 86.5 million).
- Implement the Health Information System (HIS) for local health departments (\$8.6 million FY1, \$19.5 million FY2).
- State appropriation to purchase essential vaccines for children through age 5 (\$15.6 million recurring); assure flu vaccine for high risk populations (\$662, 562 recurring); purchase Antiviral Medications (\$14.5 million - \$16 million).
- School Nurse Initiative (\$8.25 million recurring).
- Establish a statewide healthcare personnel registry for licensed or credentialed healthcare professionals desiring to assist during disasters.
- Update of Department of Agriculture and Consumer Services' laboratories. (\$20 million)
- Increase testing capacity of Agriculture food defense activities. (no cost estimate yet)
- Clarify existing language to provide liability protection and workers' compensation for members of the State Medical Assistance Team when responding to incidents beyond their normal jurisdiction.
- Consideration of future appropriations to sustain current response capabilities. (no cost estimate yet)

DISCUSSION

Co-Chairman Nesbitt – Called for questions and recognized each for questions or comments.

Co-Chairman Cunningham – [*“ I want to reiterate how important it is to prioritize the needs and expenditures involved in the event that funding sources get depleted.”*]

Senator Malone [*“The subcommittee has presented a summary of recommendations today and will get more detailed estimates to the full committee in the next meeting. Your request is the exact roadmap that the committee is following.”*]

Co-Chairman Nesbitt – [*“In regards to the design and construction of a new lab, we have heard for years that this lab is inadequate. If we attempted to do something this summer, could we do much passed design? Planning and design funds may be more feasible short-term if in fact it can’t be built until the following year. This topic has been discussed for 20 years.”*]

Senator Malone [*“If the design is that old, we may need to re-do that. The overall need to upgrade the lab is certainly high among the priority needs to be effective in this service delivery. Staff will assist the subcommittee in getting answers to your questions and we will attempt to respond to those in our next meeting.”*]

Co-Chairman Nesbitt – [*“Another question is on this HIS System; is that a system already in place needing to be finished or something new, and has the Health Department signed off on it? The concern is whether the communication part works.”*]

Senator Malone [*“One of our discussion issues was the need to have an information system that is compatible, so people are able to talk to each other. That is something that we will be exploring more fully as we go along, Mr. Chairman.”*]

Co-Chairman Nesbitt – [*“The appropriation to purchase essential vaccines for children (\$15 million recurring); is that something we should be doing now, or something that we are not doing, or is new vaccines that we are currently giving children?”*]

Andrea Russo (Fiscal Research Division) [*“If I recall correctly, Dr. Devlin indicated that while North Carolina is a universal vaccine state, there are some vaccines that are universally given. There are three (3) that they would like to expand: (1) Expand the flu vaccine up thru age 5 from age 2 currently; (2) and (3) are new to have universal vaccination of those particular diseases.”*]

Co-Chairman Nesbitt – [*“Is this a crisis type thing, or just a good health measure? Not knowing what the vaccines are for, I’m not sure what we are talking about.”*]

Senator Malone [*“Mr. Chairman, the nine(9) recommendations on this report are the issues that we will explore more fully and hopefully price these more accurately in our next report.”*]

Co-Chairman Nesbitt – [*“The appropriation for high risk populations - is that only \$662,562.00?”*]

Andrea Russo (Fiscal Research Division) [*“To clarify: the \$662,562.00 is not necessarily to purchase the vaccines, that was to set up the system where the independent physicians and pharmacist (not the big chains) could make bulk purchases of the vaccines through the Division- something being explored. The \$662,562.00 is the cost to set-up this system. The Division’s purpose is to ensure that the flu vaccine was able to be administered to the high risk populations that need it every year.”*]

Co-Chairman Nesbitt – [*“The appropriation for antiviral medications (\$14.5- \$16 million), is that for the flu pandemic?”*]

Andrea Russo (Fiscal Research Division) - [*“Correct, that would be for two antiviral medications.”*]

Senator Presnell [*“A question on the flu vaccines (we’re speaking of several million dollars), are there federal funds that we need to consider coming to the State for this?”*]

Senator Malone [*“The subcommittee intends to be very detailed and complete. If there is a dollar under a rock, we will look for it.*”

“As a point of information, it has been indicated that in the current budget there is a requirement for the Office of State Budget & Management to develop a plan to consolidate all State labs. The plan would augment capital and space allocation plans already developed for new labs. The RFP (research for purchase) for this is underdevelopment at the moment. Included under that requirement would be Public Health labs, the Medical Examiner’s office, DENR labs, Agriculture labs, and the SBI labs.”]

Co-Chairman Nesbitt [*“Good information as the Subcommittee on Public Health & Bioterrorism makes recommendations on the lab. If there are no further questions, we thank you for the report.*”

“In about 3 weeks we will have final reports at least for the summer session. I would assume that this committee will meet into the fall and into next year as long as there is a potential problem out here. So the next meeting will not be the end; however, we will need to wrap-up what needs to be reported and done for the summer session. For that reason, you may want to separate your issues out should we not get to everything.”]

Disaster Preparedness Issue: **Co-Chairs Snow & Wainwright** **(Attachment 3)**

March 28, 2006 Report from the Joint Study Committee on Emergency Preparedness and Disaster Management Recovery, Subcommittee on Disaster Preparedness Issues

Mission: #3) Hurricane preparedness, evacuation and response, and #6) Floods and natural disaster preparation and response

Chairmen:	Sen. John Snow	Rep. William Wainwright
Members:	Sen. Jeanne Lucas	Rep. Joe Kiser
	Sen. Tom Apodaca	Rep. Michael Wray
	Maj. Gen. William Ingram	Rep. Ray Rapp
	Mr. Doug Hoell	Rep. Mary McAllister
	Mr. Randy Thompson	Mr. Thomas McCarthy

Staff: Denise Thomas (Fiscal Research Division), Barbara Riley (Research Division), Emily Johnson (Legislative Drafting Division), and Blinda Edwards (Subcommittee Assistant)

Meetings: The Subcommittee met on March 9th and March 21st for presentations and discussions of the following topics (presenters):

- The ABC’s of Disaster Preparedness – basic responsibilities and goals common to preparing for all type of disasters (*Doug Hoell, Director, and NC Division of Emergency Management*).
- Overview of the Emergency Management Division’s Findings and Recommendations Regarding State’s Level of Preparedness (*Doug Hoell*).
- Disaster Preparedness Needs of Special Populations: Hospitals, Nursing Homes, People with Special Needs (*Abby Carter Emanuelson, Director of Public Policy, National Multiple Sclerosis Society and Drexdal Pratt, Chief, DHHS Office of Emergency Medical Services*)

Key Issues Identified

- Currently, there is no source of readily available funds to enable the Governor and county officials to prepare for or respond in the immediate aftermath of a hurricane or other natural disaster. The Governor is forced to divert existing funds from the budgets of State agencies and county officials must often make expenditure decisions related to FEMA or other federal funds without knowing if the State will assume the cost of the required federal match.
Recommendation: establish a designated disaster response and recovery reserve fund and appropriate funds for this purpose in the 2006 Short Session. The Subcommittee will continue to develop this recommendation and determine an appropriate funding amount for the disaster reserve.
- The NC Emergency Operations Center (EOC) is spread out among three separate locations, has insufficient space to accommodate state, FEMA, and other staff during disasters, has insufficient parking, and has mold and other health hazards. The State has the opportunity to build a new EOC that would be co-located with a new \$35 million, federally-funded headquarters building for the NC National Guard (NCNG). It would be more cost-efficient for the State to share construction costs and co-locate with the NCNG facility than to build a stand-alone EOC using all State funds. NCNG plans to begin construction of the new headquarters in 2008. *Recommendation: In the 2006 Short Session, appropriate \$8.24 million NR (\$440,000 for planning & design/\$7,800,000 for construction) to the Department of Crime Control and Public Safety for a new EOC.*
- Each county receives federal funds to aid in paying for an employee to carry out emergency management responsibilities. However, this money is usually placed in the county's general fund and the emergency management responsibility is assigned as an additional duty to the fire marshal or EMS director. Emergency management is a complex function requiring knowledge and competency in gathering critical information, developing detailed plans, and managing emergency services, human services, infrastructure, and logistics resources. Yet, currently, there is no requirement that county emergency managers be trained and professionally certified to carry out these duties. *Recommendation: The NC Division of Emergency Management, in collaboration with the Community College System, the University System, and other relevant agencies, should design and implement a professional emergency management certification program. Once fully implemented, all State and local Emergency Managers would be required, by statute, to be professionally certified. The Subcommittee will continue to develop this recommendation, including a schedule and cost estimates, during the 2006-07 interim period. The Subcommittee will have the recommendation ready for consideration during the 2007 Legislative Session.*
- Hurricane Katrina highlighted the difficulties faced by all levels of government to adequately plan, prepare for, and respond to hurricanes and other natural disasters. The Emergency Management Division (EMD) is the NC State agency with the lead responsibility to plan and monitor the level of disaster preparedness among State, county, and local agencies. Yet, most of EMD's positions in its Raleigh and regional offices are time-limited and 100 percent federally funded. When the federal funds expire, the positions must be terminated. In addition, county and local governments have limited resources to devote to disaster planning and preparation. Of particular note in the Hurricane Katrina experience, was government's failure to anticipate the challenges related to evacuating and sheltering people who are hospitalized, elderly, or have special needs. Both the NC state emergency operations plan and the administrative code require that hospitals, nursing homes, long term care and other facilities that house persons with special needs have a plan to evacuate and provide alternate

housing for residents during disasters/emergencies. However, neither EMD nor DHHS has sufficient staff and resources to review these plans or to monitor these facilities during an evacuation. In addition, there is no statutory authority to require facilities to evacuate nor is there a system to track and account for their residents when they are evacuated.

Recommendation: The Subcommittee will continue to explore the weaknesses in state, county, and local governments' ability to plan and prepare for natural disasters and to evacuate and shelter persons with special needs. The Subcommittee will develop recommendations to establish positions in and provide needed resources to the Raleigh and regional offices of the state agencies responsible for developing, reviewing, and monitoring disaster plans and preparation. These recommendations will be ready for consideration during the 2007 Legislative Session.

DISCUSSION

Co-Chairman Nesbitt – Called for questions and recognized each for questions or comments.

Representative Haire [*“I had concerns about this emergency fund, which I think you have presented well. I just want to make sure that the Governor is still in charge of dispersing these funds, not some bureaucrat.”*]

Senator Snow [*“We looked into the issue. Staff brought to our attention issues on access and control of these funds. We will be glad to discuss it further.”*]

Major General Ingram (NC National Guard) [*“In the second issue of the EOC, the minutes mentioned 2008 for the construction of our new headquarters- in fact, it is 2007. The 2007 fiscal year begins October 1, 2006, so there is a need for immediate attention to funding in the EOC.”*]

Co-Chairman Nesbitt [*“When will that building actually be constructed?”*]

Major General Ingram (NC National Guard) [*“It will begin in 2007, exact date to be determined contingent on contracts. It will happen in federal fiscal year 2007, which is before the long session of the NC Legislature.”*]

Co-Chairman Nesbitt [*“Will the construction funds from the State need to be appropriated in the next year, or are you doing planning and preparation?”*]

Major General Ingram (NC National Guard) [*“We are doing planning and preparation presently, and will begin construction in federal fiscal year 2007.”*]

Senator Snow [*“It is very important that we move on this, because it is a wonderful opportunity to co-locate this center.”*]

Representative Wainwright [*“We need to raise with the committee that \$440k for planning & design is money which we need to identify real soon. The NCNG has already completed its planning & design and waiting to hear from us on our decision to co-partner with them to locate the EOC there at the NCNG. If we are going to do that, then we must soon identify the \$440k required. I don't know if we can wait until the end of the legislative session to identify the \$440k. At least at the beginning of the session so the NCNG will be able to incorporate what we want to do in the basement of the EOC by then.”*]

Co-Chairman Nesbitt [*“Let me give you a roadmap on funding; we can’t do anything about funding for sure until Session starts, the Governor could if he has contingency funds. Once we’re in session, we could appropriate money early in the session (generally we do not). The Executive Budget Act says that you can not pass a small bill until the main bill is passed (which in this case was passed this year). So technically, you can pass a small bill; however, a better way may be for the Governor to find the money out of the current year’s budget for the \$440k. From this committee, all we can do is to make a recommendation until we are back in session.”*]

Representative Wainwright [*“Would the Co-Chairmen of this committee be willing to send forth correspondence to the Governor highlighting this recommendation and requesting that he identify the \$440k for planning & design, so the NCNG will know how to proceed with this matter?”*]

Representative Haire [*“I’d like clarification on what we are spending \$8 million for; are we getting a part of that building or is it on the same location?”*]

Mike Sprayberry (Deputy Director of Emergency Management) [*“What will happen is that we will build a separate floor which will be on the bottom side of the military center. There will be three floors; we’ll be on the bottom floor with approximately 48,700 sq. ft., which will belong to Emergency Management. The Governor’s Office knows about this design money as well as does Mr. David McKoy (State Budget Officer). They are aware of the need; we have been talking to them.”*]

Representative Haire [*“How much space do you have now?”*]

Mike Sprayberry (Deputy Director of Emergency Management) [*“Downstairs we have about 24,000 sq. ft..”*]

Co-Chairman Nesbitt [*“According to all reports I’ve heard, the problem is that they can not get everybody in there.”*]

Mike Sprayberry (Deputy Director of Emergency Management) [*“This is also going to allow us to bring all of personnel from our Raleigh Division and a couple of other places; which are currently leasing buildings for about ½ million dollars per year. This will allow us to have a good span of control. They will be moving into this new space and into pieces of the old military center that Major General Ingram will be giving up to us.”*]

Co-Chairman Nesbitt [*“Will all of this square footage be for an emergency or will some of it be for an office building?”*]

Mike Sprayberry (Deputy Director of Emergency Management) [*“Part of it will be for full-time employees, just as currently in the EOC. We have a 24-7 Communications Center (Doug Hoell and I work at the new EOC -upstairs); we also have operations; logistics; and other functions. When there is a disaster, we transition immediately from our daytime jobs into our disaster roles.”*]

Co-Chairman Nesbitt [*“What is the break down of office space versus your emergency space?”*]

Mike Sprayberry (Deputy Director of Emergency Management) [*“Probably around 30k sq. ft. for actual disaster space.”*]

Co-Chairman Nesbitt [*“That would leave about 18,000 sq. ft. for office space, correct?”*]

Mike Sprayberry (Deputy Director of Emergency Management) [*“Right, but we think that we can realize some cost savings. It is not final yet, we’re still in the design phase and we are trying to cut cost. The original estimate was a little lower, but we are trying to keep up with construction cost. We think we can do it for less; but as you know, if you try to build an EOC (or any free standing infrastructure) it will be substantially more expensive than if you tie-in with the building that they are constructing.”*]

Co-Chairman Nesbitt [*“Where will this building be constructed?”*]

Mike Sprayberry (Deputy Director of Emergency Management) [*“It will be located on Reedy Creek Road on the same campus as the current NCNG Military Center (off Wade Ave. of Raleigh, NC.)”*]

Co-Chairman Nesbitt [*“Further questions?”*]

Representative Goforth [*“You mentioned the building having three (3) floors, and you (the EOC) were going to take over the bottom floor? It sounds like the design is complete, why do we need an additional \$440k for design?”*]

Mike Sprayberry (Deputy Director of Emergency Management) [*“It is being designed as we speak, and its contingent on whether the State is going to do this or not. If the State is not going to occupy the first floor, we will not build the third floor.”*]

Representative Goforth [*“To follow-up: Senator Snow Would the fund that you are talking about setting up, would that not be the same as the Rainy-day Fund that we have now?”*]

Senator Snow [*“No, I think it will be different. As I recall, the Rainy-day Fund (as seen in the past) was for money emergencies and of course it did not turn out that way with our hurricane situation. I think this fund is mainly looking at it the way Doug Hoell looked at it: as start-up money (eg. money to get water removed, to get vehicles out of the water, to get started without having to go elsewhere to get money). I think it is a separate thing to the Rain-day Fund and we want it to be separate.”*]

Co-Chairman Cunningham [*“If I understood you correctly Senator Snow, that \$35 million was federal funds being kicked in – is that correct?”*]

Senator Snow [*“Yes that is our understanding, that \$35 million was federal funds to build the NCNG Center.”*]

Major General Ingram (NC National Guard) [*“The \$35 million is all federal funds that is going to build the National Headquarters Building, and the thought of having the EOC co-located is another issue. We can not spend federal military money to locate a State EOC in the same building. There is no State money going into the National Guard share of this, it is all federal.”*]

Senator Dorsett [*“I believe that we already have a contingency and emergency fund that is administered by the Governor and Council of State. My question is: Could we use that fund for this purpose or do we need another fund?”*]

Co-Chairman Nesbitt [*“Let me suggest to you, that’s probably going to be a political decision. You can use any fund that you want to use, the Rainy-day Fund was likely misnamed. It was a money fund set up in 1991 when we were broke and did not want to go broke again, and we have used it for rainy days generally through the years. Secondly, the Contingency and Emergency Fund is a very small appropriation; so that you don’t create a slush fund that can be used for whatever new idea comes along without approval of the General Assembly. You could beef that up, but you run the risk of it being used for other things. From an old budget person standpoint, you probably need to say what you want it spent for and put it in a separate fund for that purpose. That would be my recommendation.”*]

Senator Snow [*“We did talk about having a cap on it too.”*]

Co-Chairmen Nesbitt & Cunningham [*“Both agreed that it would be the best way to do that.”*]

Co-Chairman Nesbitt [*“That’s not hard to do, we have reserve accounts all over State Government. If we need that money for another purpose, the General Assembly can be called back into session to move the money.”*]

Representative Wainwright [*“It was the intent of the fund to be set-up by NC Statue setting out the purpose of this fund; specifically for disaster start-up, only used for that purpose, and with a cap on how much could be generated in this particular fund.”*]

Co-Chairmen Nesbitt [*“Let’s go back to the recommendation that the Co-Chairs write a letter to the Governor requesting that he proceed with the planning money for this EOC, if possible. Is the committee comfortable with that recommendation?”*]

Senator Brown [*“Another question on dollars; the federal funds (\$35 million) are for two floors and the State’s is \$8 million for one floor. Is the \$35 million for more than the building, just what is included in that figure?”*]

Major General Ingram (NC National Guard) [*“The State is getting a very good deal. The price covers the cost of the protection, for the parking lots, landscaping and all the other things that the State would be able to take advantage of because we are going to build it anyway. The State’s portion of this is proportionately smaller than the actual cost of the space that they are buying.”*]

Co-Chairman Nesbitt [*“Further questions? If not, Representative Wainwright makes a motion that the Committee requests the Co-chairs to inform the Governor of their wish to proceed with the planning and design for the EOC space in the NCNG building as early as possible. All in favor say “Aye”...Opposed say “No”... The “Ayes” have it. We will have Staff to draft a letter to the Governor. Are there any further questions on the report?”*]

Bill Gentry (UNC School of Public Health) [*“I fully support the information we’ve heard for the State Division of Emergency Management, have you gotten any input from the local level? I think disasters begin and end on the local level. Have there been reports from the local associations or coordinators to see if there is any support that this subcommittee can offer at the local level where the planning and response is done?”*]

Representative Wainwright [*“Yes, we have members of this subcommittee who are local emergency managers and engaged in that effort.”*]

Bill Gentry (UNC School of Public Health) [*“Are there possible recommendations to support local government positions that are currently occupied?”*]

Representative Wainwright [*“Mr. Doug Hoell, Mr. Pratt, and Mr. Thompson have been charged with the responsibility to pulled together some of the recommendations; so that they would fit into the local emergency plan.”*]

Randy Thompson (Brunswick Co. Emergency Services) [*“We have been tasked as a smaller group to provide more insight from the local point of view. With a number of these recommendations, especially the special needs population, the State definitely needs an EOC. We have a lot of local communities that have already gone through changes with their operations centers. Certainly, funding is an issue with many of those that still need quite a bit of improvements made to and hardening of those facilities. The one issue mentioned in the report was looking at the number of personnel for the planning group. We would like to have local planners within our division; providing professional certification for the local emergency managers. We have a number of local emergency managers, which you frequently work with in your communities, who are very informed and doing an excellent job across the State (I say that as the association’s representative). The thing needed is additional assistance at the local level. To do that, there are the financial disadvantages that we are meeting against. Hopefully, as we continue our discussions with State Representatives on this committee, we can find a good path to travel to be able to fund as much as possible for the emergency planning efforts.”*]

Co-Chairman Nesbitt [*“I would ask you to consider this with regards to training all the EMS directors; many have veteran status, with years of experience, and know what they are doing and may not need as much training as less experienced directors.”*]

Representative Wainwright [*“Mr. Chairman, it was the intent of the committee that there would be some uniformity in planning and administration of these programs, and the requirement would only be a basic requirement for that purpose. We acknowledge the knowledge and experience had by many of these directors, the primary purpose was to put uniformity into what they do.”*]

Co-Chairman Nesbitt [*“Good job.”*]

Energy Security Issues: Co-Chairs Dorsett & McComas (Attachment 6)

Energy Security Issues Subcommittee

Co-chairs: Sen. Katie G. Dorsett
Rep. Daniel Francis McComas

Members: Sen. C.W. Pete Bland
Sen. Keith Presnell
Sen. Harry Brown
Rep. Thomas Roger West
Rep. Grier Martin
Rep. Louis M. Pate

Meeting: The Energy Security Issues Subcommittee met on March 21, 2006.

Larry Shirley, the Director of the State Energy Office, discussed energy security strategies. Robert Gruber, Executive Director of the Public Staff, North Carolina Utilities Commission, explained the state's electric utility infrastructure and emergency planning. John Dorman, Director of Geospatial and Technology Management, Department of Crime Control and Public Safety, reviewed his organization's capabilities.

Findings: The North Carolina Energy Emergency Plan was last revised in 2003. Significant events and disruptions in recent years related to hurricanes and other natural disasters, including events far from North Carolina, have again illustrated the State's energy vulnerability.

Key issue: There needs to be better coordination between state agencies, units of local government and energy provider to ensure that governmental and critical private fuel requirements are properly prioritized during a crisis.

Recommendation: Appropriate State agencies, units of local government, and energy providers should work together to review and update the North Carolina Energy Emergency Plan with particular attention to the following elements:

Need for coordination among state, local, private energy providers, and federal agencies; and

Need for state and local agencies to review their fuel and energy purchasing procedures to ensure that the contracts entered into appropriately minimize the risk of cutoffs during periods of shortage.

The subcommittee believes that the State agencies and the units of local government have the authority to undertake these recommendations and no legislative action is necessary at this time.

The cost of these undertaking is not known.

New Topics: Review coordination for energy emergencies that currently exists between government organizations and identify new requirements.

DISCUSSION

Co-Chairman Nesbitt – Called for questions and recognized each for questions or comments.

Co-Chairman Nesbitt [*“Who is in charge of making sure that we have a good fuel security plan in place?”*]

Senator Dorsett [*“I think it would be the responsibility of the State Energy Office.”*]

Co-Chairman Nesbitt - [*“Should we not involve the emergency preparedness people to some degree in energy security? It seems that this has the potential of being a terrorist type threat or something that could be a catastrophic event.”*]

Senator Dorsett [*“We did not identify which agencies. We talked about all of the appropriate state and local government agencies of which energy preparedness would be a part.”*]

Mike Sprayberry (Deputy Director of Emergency Management) [*“Typically (during an event), we report on energy security and we answer related questions at Emergency Management. John Dorman, who briefed the Energy Subcommittee, is from Emergency Management. We are working plans now for energy security; the Department of Energy is one of our SERT partners. You are correct that there needs to be a clearly delineated line for who answers those kinds of questions and who takes the responsibility for energy security.”*]

Co-Chairman Nesbitt [*“Any recommendations on where those lines should be?”*]

Mike Sprayberry (Deputy Director of Emergency Management) [*“In my only emergency event, I personally answered questions about energy and the security of pipelines and electricity (these kinds of things). Who has the responsibility is something that we have to clearly define. I know that we have some capabilities in that area, as Mr. Dorman explained to your subcommittee. So we are continuing to develop reporting procedures for those, and we are developing plans which need to be in concert with the Department of Energy.”*]

Co-Chairman Nesbitt - [*“Do we need to do any legislative actions to put someone in charge, so the buck stops at a specific place?”*]

Mike Sprayberry (Deputy Director of Emergency Management) - [*“In my opinion, I think it could be done in the framework of a SERT Team.”*]

Co-Chairman Nesbitt - [*“We will need your help on this.”*]

Mike Sprayberry (Deputy Director of Emergency Management) [*“Noted, Sir.”*]

Representative Coleman [*“Since this will be an administrative responsibility among the agencies and the results folded into a bigger plan, what is the timeframe for them to come up with these reporting procedures?”*]

Senator Dorsett [*“We have not discussed any timeframe for this to take place; our subcommittee will look at that. At this point, it was just a recommendation that it should happen.”*]

Representative McComas [*“One of the things the committee did was to decide that there must be more defined lines in reporting and communications amongst the various State agencies. As mentioned, a catastrophic event would obviously not fall under the Department of Energy, but under Emergency Management. We will likely discuss this further in our subcommittee.”*]

Co-Chairman Nesbitt [*“When all the pipelines were broken and gas production was interrupted, there was talk of the fact that we should have a supply of fuel available and apparently we do not. We do not stock pile fuel anywhere, and local law enforcement up to the National Guard might face the possibility of no fuel for a long period of time. Is anyone looking at that?”*]

Representative McComas [*“That was discussed; specifically the issue as it pertains to the three pipelines running through or coming to the State. In Hanover County, where there are several marine terminals, there is fuel oil coming in by ship. Mr. Shirley discussed the fact that last year during a shortage (post Hurricane Katrina), rather than have the Highway Patrol or any emergency vehicle run out of fuel, they considered cutbacks to any non essential vehicles (like school busses) until fuel conservation measures could be put in place. We were close to activating this, but that never became necessary.”*]

Co-Chairman Nesbitt [*“Food for thought, North Carolina is a big state and it was frightening to have our gas cut off like that due to a hurricane (a fact now known to the whole world). Maybe someone could take a look at that.”*]

Representative Haire [*“The other side of this is that it would cost an unknown amount of dollars to try to locate supply depots throughout the State. I wonder if the Governor would have the authority to issue a decree to say that all gas service stations would limit the purchase at 3-5 gallons during a time of emergency, which could freeze the situation. Then we would not have to spend hundreds or millions of dollars to build all of these storage facilities. Does anyone know if the Governor has this executive authority?”*]

Co-Chairman Nesbitt [*“We need to think about this, that is the mission of this committee. We have supply terminals in Greensboro that come here from the pipeline. There might be something as simple as getting oil companies to agree that when the supply is cut, to designate so much of their supply at that terminal or port for emergency operations. Whoever sells and buys fuel could lock-in a specific amount for emergency efforts in the State, when asked by the Governor. It may require paying them a little to do that, but it might be worth it.”*]

Senator Brown [*“Many counties already have plans in place as Onslow County does. I think it would be great if those plans could be assessed (by Staff) to see what is in place for each of these counties. Maybe we could learn from those counties in preparing a State plan.”*]

Co-Chairman Nesbitt [*“We have given those plans to Staff. I’m sure Senator Snow and Representative Wainwright will consider those as examples of readiness. If no further questions, we thank you all.”*]

Co-Chairman Nesbitt [*“This is not a fire drill, we are at a point where the people of North Carolina expect us to be prepared to take care of them in cases of emergencies. This is now mandatory, not optional. You members are doing a very good job in doing that.*

“You had the minutes from the last meeting. Representative Goforth moves adoption and approval of the minutes from the last meeting; all in favor say “Aye”, all opposed say “No”...the “Ayes” have it. With that, we are finished for today. The subcommittees have about three weeks to complete their work before we meet again on April 18th. Thank you very much.”]

The next subcommittee meeting was set for April 18, 2006 at 10:00 am.
The meeting adjourned at 11:30 p.m.
Respectfully submitted,

Valerie S. Rustin
Committee Assistant

Vickie Spears
Committee Assistant

Representative W. Pete Cunningham
Co-Chair

Senator Martin Nesbitt, Jr.
Co-Chair