



Minutes from 16 June 2022

HRMFFA Board of Directors Meeting

1. HRMFFA's annual Board of Directors meeting was held at the Regional Building on 16 June 2022. Public Board members present were: Mayors Alexander, Duman, Dyer, Glover, Price, Rabil, Tuck and West; Supervisors Hipple, Shepperd and Rosie (via phone). Vice Mayor Dent represented Williamsburg and Councilman Southall represented Poquoson. Private Board members present were: Bruneau, Faulkner, Honecker, Klett and Stephens. Bill Brown represented ECPI. Executive Director Quigley, Deputy Executive Director Dwyer were also present. A quorum was achieved.
2. Board Chair West called the meeting to order at 10:34 a.m. and asked if there were any public comments. Mr. Dwyer stated no public comments had been submitted.
3. Mayor West asked Mr. Quigley to go over the financials and audit schedule. Mr. Quigley stated the end-of-May financials represented the actual numbers as of 31 May, but the end-of-June financials were estimated based on projected expenses through the rest of the month and staff would have firm end of FY22 figures at the September Board meeting. Mr. Quigley noted we were projected to overrun the FY22 budget but that was due to the \$40,000 grant to William & Mary the Board approved at the April meeting. He noted there was nothing else remarkable about year-to-date revenues or expenses. There were no comments or questions from the Board on the monthly financials. Mr. Quigley then mentioned HRMFFA's annual audit would take place the first week of August and the auditor's report should be available for review at the September Board meeting.
4. Mr. Quigley invited the Board to the proposed FY23 Board meeting schedules. He noted the dates had been coordinated with HRTAC, HRPDC and HRTPO. Since the 2023 General Assembly session is a short session, the spring Board meeting was moved back to March. Supervisor Hipple made a motion to approve which was seconded by Mayor Dyer; the Board unanimously approved the meeting dates as presented.
5. Mr. John Simmons of The Roosevelt Group (TRG) provided the Board a Washington Update. Mr. Quigley informed the Board that the slides Mr. Simmons was presenting were slightly different than the ones in their binders and read-aheads due to last minute updates on actions Congress had taken





this week on the defense bills. The updated slides would be provided to the Board when the meeting minutes are distributed (attached). Highlights of his presentation included:

- The House Armed Services Committee (HASC) National Defense Authorization Act (NDAA) Chairman's mark was released and the core defense topline of \$773 billion was the same as the President's FY23 budget request. The topline number is a big issue and while there is no agreement yet, consensus is that it will increase substantially. The full HASC markup is scheduled for 22 June.
- Draft HASC bill currently prevents the retirement of 33 Block 20 F-22s that are used for training and scheduled to come to Langley AFB with the F-22 training mission. It also prevents the retirement of four amphibious warships and one cruiser. Two of the amphibious ships are homeported at Joint Expeditionary Base Little Creek – Fort Story, and the cruiser is homeported in Norfolk.
- The language allowing the Navy to convey land at NAS Oceana to HRSD is included in the bill.
- Language requested by HRMFFA to have DoD look at providing 100% childcare discounts to providers working at on-base child development centers was included in the draft bill.
- Senate Armed Services Committee (SASC) NDAA full markup took place yesterday but was a closed session. SASC Chair Senator Jack Reed has been quoted saying the topline has to increase due to inflation.
- The Air Force had a \$10.5 million construction project at Langley on their unfunded priority list that HRMFFA asked the CODEL to support. Appears Rep Luria has gotten that in the HASC NDAA.
- The Marine Corps has a \$10.4 million construction project at Dam Neck on their unfunded priority list that HRMFFA asked the CODEL to support. We expect that project to be in the SASC bill.
- House military construction bill includes \$15.1 billion which is \$2.9 billion more than President's request. Includes \$1.3 billion for the Shipyard Infrastructure Optimization Plan projects.
- The language HRMFFA has been championing to allow the Army Corps of Engineers to include federal lands when conducting coastal storm risk management studies with communities has made it into the Senate and House versions of the Water Resources Development Act (WRDA). The Senate's language provides a better fix to the issue and HRMFFA staff and TRG are working with the CODEL to get that language adopted in conference.
- FY22 Defense Community Infrastructure Program proposals from communities are due on July 18. Mr. Simmons mentioned TRG recently hired Mr. Teran Judd, formerly head of the Air Force Community Partnership office, and he is available to assist any HRMFFA communities with drafting their proposals.





- Sharene Brown, spouse of Chief of Staff of the Air Force Gen C.Q. Brown, announced “Five & Thrive” initiative to focus attention on top five quality of life challenges facing military families: childcare, K-12 education, healthcare, housing, and spouse employment. Mr. Simmons stated the Hampton Roads community needs to make sure they are in line with these initiatives as all the services will account for them in future basing decisions.
 - Mr. Simmons said he recently attended the Naval War College Current Strategy Forum where the focus was on recent Russian aggression and China’s ambitions. China is DoD’s focus. U.S. has lost two major historical advantages of material resources and advanced technology superiority.
 - U.S. defense spending projected to decline as a percentage of GDP from 3.2% to 2.7% where average U.S. defense spending from 1949 – 1989 was 7.42% of GDP. Spending and national debt will hamper DoD budgets in the future.
 - Alan Baker of the Maritime Industrial Base Ecosystem asked Mr. Simmons to comment on Secretary of the Navy comments about private shipyard sustainment and infrastructure upgrades. Mr. Simmons stated the Navy does not have enough money to upgrade their own four shipyards, much less take on private shipyard modernization. The Navy is supportive of private yard upgrades, but the money will have to come from somewhere else.
6. Next item on the agenda was a discussion about a Board trip to Washington, DC to meet with DoD and other Federal leaders. Now that COVID seems to be subsiding, does the Board see value in these trips and desire to resume them? Mayor Dyer said he thought HRMFFA should make the trip as there are lots of pressures on DoD and it’s too important to the regional economy. Mr. Stephens agreed and said he thought it was very beneficial hearing from DoD leaders and demonstrating that both elected and business leaders in our region care and support DoD. Mr. Simmons said the Fall would be good timing and that DoD expects communities with a large military presence to visit. He said the region should take advantage of the opportunity to inform DoD leaders what the region is doing regarding transportation improvements, resiliency, etc. Comments from other Board members were all supportive of the trip. Mr. Quigley stated staff would work with TRG to determine suitable dates with goal of late September or early October and get back to the Board.
7. Chair West invited Mayor Duman to present the Budget and Finance Committee report. Mayor Duman said the B&F Committee met virtually on 31 May to finalize the FY23 budget, revise the investment policy, and review the draft internal controls policy.
- FY2023 Budget: Mayor Duman stated all but one municipality has approved their FY23 budget and all are providing funding in line with what HRMFFA requested.



Gloucester and Southampton Counties have approved funding and intend to accept our invitation to join HRMFFA. The same is expected from Surry County once they approve their budget. The budget also includes a 5% staff raise to be in line with other regional organizations. Some expense line items such as HRPDC support, office rent, and travel were increased over FY22 levels to account for projected inflation. As there were no questions, Mayor Duman submitted the draft budget as the Budget & Finance Committee's recommendation to the Board. Mayor Dyer seconded the motion and the FY2023 budget was unanimously approved by the Board.

- Investment Policy: Mayor Duman reminded the Board this was discussed and approved at the April meeting. However, after approval there was a lot of discussion following the William & Mary grant request about whether HRMFFA should be in the grants business. Consensus appeared to indicate that we should not. This version removes language related to donating excess funds or offering grants to other institutions and states the Board will decide each year on whether to proportionately return any excess funds to member organizations. The other change adds a stabilization fund of \$100,000 to allow a transfer of funds to meet the \$1.0M reserve requirement without having a special assessment. Mayor Duman stated the Budget & Finance Committee feels this version more accurately represents the sense of the Board following April's meeting and recommended approval by the Board. Mayor Dyer seconded the motion and the investment policy was unanimously approved by the Board.

- Internal Controls Policy: Mayor Duman stated the final item is the HRMFFA Internal Controls Policy. He gave credit to the HRPDC Finance team for developing this policy and ensuring it is in line with past auditor comments and industry best practices. There were no questions from the Board. Mayor Duman stated the Budget and Finance Committee recommended approval. Mayor Dyer seconded the motion and the internal controls policy was unanimously approved by the Board.

8. Chair West invited Mayor Tuck and Mr. Klett to provide the Board an update on the Futures Advisory Committee. Mr. Klett said the committee was scheduled to meet with Fort Eustis on 13 June, but Brigadier General Kline was called to a last-minute meeting with his four-star boss so they had to postpone the meeting. He said the team was also working to schedule the last meeting with the National Park Service with the goal of having a report to the Board by the September meeting. He reiterated that the common themes we keep hearing from installation leaders are sufficient/reliable/resilient energy, workforce housing, sea level rise/flooding, spouse licensure/employment, broadband connectivity, and quality of K-12 education. Mayor Tuck mentioned he recently attended an American Flood Coalition meeting in DC where he also spoke to the congressional delegation to discuss flooding. He said Congress is looking at ways to get more money to communities to help address the issue. Mayor



Dyer mentioned the ultra-fast subsea data cables landing in the region offer an incredible opportunity and Virginia Beach was working with Oceana on the subject. Mr. Stephens asked what type of housing the Federal leaders were concerned about and whether there were certain career fields they were focused on for spouse licensure. Mr. Klett stated they were concerned about affordable off-base housing for their personnel and all fields that require a state certification or license. Mr. Tom Crabbs of the Virginia Veterans and Defense Affairs office stated they are working on a legislative proposal for the next General Assembly session to help with licensure at the Commonwealth level. Mr. Honecker said the Futures Committee work is something we should highlight to Federal leaders during the Board trip to DC. He also said he thought there could be opportunities to bring more remote work government jobs to Hampton Roads given our proximity to DC and already robust Federal presence. Supervisor Rosie said the regional broadband initiative was a great opportunity for the region and the more rural communities to accommodate remote workers. Mayor Tuck invited COL Harry Hung, Joint Base Langley – Eustis (JBLE) Deputy Commander, if he had any thoughts on the subject. COL Hung said he thought HRMFFA was a phenomenal group working to support the military in the region. He agreed the DC trip was a good idea as a voice in DC matters to DoD leaders. He mentioned JBLE’s projected growth with the F-22 training and intelligence missions over the next several years and the importance of energy resiliency to those missions. He also said childcare is an especially critical issue to military families and JBLE currently has over 850 kids on their waiting list. He thanked the Board for their support of the childcare legislative language which he thought would be very helpful.

9. Mayor West stated there were several items from the Nominating Committee to discuss.
 - Municipal expansion of HRMFFA. He thanked Mayor Tuck for suggesting HRMFFA approach Gloucester, Southampton, and Surry Counties to ask if they wished to join. Given that they have all approved or recommended funding to join HRMFFA in 2023, the committee recommends adding the three municipalities. Mayor Tuck made a motion to approve, which was seconded by Mayor Duman and passed unanimously.
 - Extending Private Sector member terms: Mayor West stated that Tim Faulkner of The Breeden Companies and Dr. Lisa Monaco of Jacobs current two-year terms were expiring and they both desired to continue on the HRMFFA Board. Supervisor Shepperd made a motion to approve and Mayor Rabil seconded; the motion passed unanimously.
 - New Vice-Chair: Mayor West indicated the committee recommended Mayor Dyer serve as the next HRMFFA Vice-Chair and Mayor Dyer had agreed to serve. Supervisor Shepperd made a motion to approve and Mayor Rabil seconded; the motion passed unanimously.





- HRMFFA Executive Director: Mayor West thanked Board members Pons, Price, Shepperd, Rabil, Honecker, Garcia and Monaco who served with him on the Selection Committee for the next Executive Director. He said the committee received eleven applications for the position. After reviewing the applicants, the committee unanimously felt Deputy Executive Dwyer was the most qualified to serve as Executive Director and recommended him to the Board for approval. Mayor Price made a motion to approve which was seconded by Mayor Tuck. The Board unanimously approved appointing Mr. Dwyer as the next Executive Director.

10. Mayor West then gave the floor to Mr. Quigley for final comments. Mr. Quigley expressed his thanks to the Board for supporting him during his 12-year tenure as Executive Director. He mentioned that HRMFFA is a unique organization because of the vision of elected officials who formed HRMFFA in 2006. He stated HRMFFA matters because we as an organization and region get after issues that are important to the Federal agencies that call Hampton Roads home. He stated that while these agencies are obviously important to our regional economy, the region supports them because it is part of our DNA and who we are. Mayor West and Mr. Dwyer then presented Mr. Quigley a wood engraved nautical chart of Hampton Roads on behalf of the Board of Directors as a symbol of thanks for his leadership and dedication to the region. Board members congratulated Mr. Quigley on his retirement and thanked him for his leadership and years of service to HRMFFA and the Hampton Roads region.

11. Chair West said he would normally pass the gavel to the incoming Chair, Mayor Pons, but since Mayor Pons could not be there, he thanked everyone for their time and participation and adjourned the meeting at 11:46 am.

