

Minutes from 15 December 2022

HRMFFA Board of Directors Meeting

1. HRMFFA's quarterly Board of Directors meeting was held at the Regional Building on 15 December 2022. Public Board members present were Mayors Alexander, Duman, Dyer, Glover, Pons, Price, Rabil, Tuck and West; Supervisors Hipple and Shepperd. Councilman Southall represented Poquoson. Private Board members present were: Bruneau, Faulkner, Honecker, Klett, and Monaco. Bill Brown represented ECPI and Nneka Chiazor represented Cox Communications. Executive Director Dwyer, Deputy Executive Director Todd Nichols and Treasurer Wilson were also present. A quorum was achieved.
2. Board Chair Pons called the meeting to order at 10:31 a.m. and welcomed HRMFFA's new Deputy Executive Director Todd Nichols and Nneka Chiazor representing Cox Communications. Mr. Dwyer stated no public comments had been submitted.
3. Mayor Pons introduced Jefferson Lab Director Dr. Stuart Henderson, who presented the Jefferson Lab update from Washington DC via Zoom. Dr. Henderson presented the background mission and lab purposes, noting a budget of \$275M with 820 employees over a 169-acre site. The lab received a one-time infusion of \$76M from the Inflation Reduction Act for continued support of four DOE projects. Dr. Henderson announced the onboarding of Dr. Johnathon Huff as the new Chief Operating Officer. Other highlights from Dr. Henderson's presentation included:
 - The brisk pace of recruiting due to growth in Jefferson Lab's programs and attrition; with 170 jobs filled in FY22, and total staff of 810 with ~80 open positions.
 - Jefferson Lab's role in the \$2.0-2.5B Electron-Ion Collider partnership with Brookhaven National Lab is firmly established with integrated project team and defined scope. JLAB will perform about 25% of development bringing substantial work to the lab.
 - Positioning and preparation for the DOE/NSF Nuclear Science Long-Range Planning activity.
 - Developing concept to upgrade Jefferson Lab's CEBAF Facility, a major upgrade which would occur in approximately eight years.
 - Progress towards the High-Performance Data Facility (HPDF): \$2M in FY2022 appropriation and \$2M in FY 2023 DOE Budget Request, with the Department of Energy considering next steps.

Commonwealth of Virginia Support

- Received \$3M for detailed Data Center building planning
 - Goal is to garner a significant Virginia commitment to construct the data center building (awaiting Governor's Budget announcement)
 - Submitted request to Commonwealth for data center construction
 - Virginia Universities: building connections through joint faculty, collaboration and outreach
 - JLAB working closely with DOE, Commonwealth to establish data center building, VA universities and SCHEV to identify data that universities and key industries want as part of the Center.
 - Dr. Henderson elaborated upon the HPDF's wide-ranging benefits, including economic, education, health and environment, commercialization opportunities and industry engagement. The HPDF offers an incredible opportunity for economic development, education, innovation and entrepreneurship in Big Data applications, making Virginia the place for data-intensive supercomputing, benefitting the Commonwealth's economy, education, health and environment. Additionally, Jefferson Lab's scientific mission diversification would provide potential opportunities across the full breadth of research fields, setting the stage for future growth.
 - At the conclusion of Dr. Henderson's briefing to the BoD, Mayor Price stated he just received notification that \$43.3M had been included in the governor's requested budget amendments released that day.
4. Mr. John Simmons of The Roosevelt Group (TRG) provided the Board a Washington Update. Highlights of his presentation included:
- Mid-Term election results indicate Democrats outperformed, significantly stemming the "red wave" tide pundits were expecting. There were 81 new members, a record 149 women and may be one of the most diverse in congressional history. Kevin McCarthy (R-Calif.) is struggling to achieve the 218 votes needed to become Speaker, impacting incoming Republican Chairman selection.
 - Mr. Simmons highlighted members leaving Congressional Appropriations and Armed Services committees and only change to Virginia CODEL is Rep.-Elect Jennifer Kiggans who defeated Elaine Luria. Congresswoman-elect Kiggans Defense priorities include securing critical funding for military bases, never voting for defense cuts, and always advocating for military families.
 - Republicans will push for larger military budgets. Armed Services Republicans argue 3 to 5 percent annual inflation-adjusted increases for the military are needed to keep pace with China and Russia. Republicans want to increase U.S. military presence and cooperation with allies in the Indo-Pacific region to deter China and slash a yearslong backlog of weapons sales to Taiwan.

- The Lame Duck Congressional priorities include the Fiscal Year 2023 Appropriations Bill, the Continuing Resolution expiring December 16th, and completing the National Defense Authorization Act (NDAA). The House passed an \$847 Billion NDAA which now moves to the Senate. Raising the national debt limit, continued Ukrainian assistance, and Senate confirmation of Biden Nominees are all on the table before Congress adjourns.
 - FY23 NDAA highlights include \$858 billion for national defense - \$45 billion above the FY23 PBR and matches amount appropriators are using for an omnibus spending bill. The bill includes the Coast Guard and MARAD Authorization bill; a 4.6% pay hike for military personnel and DOD civilians; authorizing almost \$129 million for the Defense Community Infrastructure Program; earmarks \$72 billion to adjust for inflation for food, fuel, housing and acquisition; addresses numerous quality of life and child care access issues; adds Basic Allowance for Housing funds, increases the maximum allowable income to receive Basic Needs Allowance, adds \$210 million for commissary funding; provides \$32.6 billion for eleven battle force ships procurement and establishes a Navy shipbuilding workforce development initiative. The bill restricts the Navy's plan to decommission 12 ships and includes Air Force and Navy Next Generation Air Dominance aircraft programs funding support.
 - Mr. Simmons introduced new TRG Teammates--RADM (ret.) Rock, RDML (ret.) Quigley, LCDR Link Mustin, and provided an overview of the HRMFFA October visit with Pentagon Leadership, Reagan National Defense Forum, and the co-sponsored Langley AFA event.
5. Mr. Dwyer reviewed end-of-November financials for the Board, noting the budget is right on track. Payroll expenses were significantly under budget as we had not hired a Deputy Executive Director. Mr. Dwyer noted that would change with the recent hiring of Mr. Nichols. Mr. Dwyer noted some expenses were higher than normal for the quarter as they included the cost of the October Washington DC trip and purchase of office equipment for Mr. Nichols.
6. Chair Pons invited Mayor Duman to present the Budget and Finance (B&F) Committee report. Mayor Duman said the B&F Committee met on 1 December to review the FY2024 proposed budget and discuss replacement of two B&F Committee members.

FY2024 Proposed Budget:

- Mayor Duman stated the committee reviewed the budget noting revenues and expenses having modest increases. The Board was provided a copy of the budget in their binders.
- Returning of Funds: Mayor Duman presented the End of FY24 Retained



Earnings with an estimated amount of \$1,142,035 and reminded the members of the Board's decision in June to return funds that exceeded the \$1 million reserve and \$100,000 stabilization funds proportionately to the members.

- Mayor Duman discussed CD and money market interest income should increase this year due to the prevailing market interest rates.
- Mayor Duman referred the board members to the FY2024 municipality funding requests in their binders, which is based upon a \$0.50 per capita funding rate using the 2021 Weldon Cooper Center Population Data.

New B&F Committee Members: Mayor Duman thanked Mayors Price and Rabil who served on the committee and are leaving office at the end of this year. Mayor Shannon Glover (Portsmouth) and Supervisor Tom Sheperd (York County) agreed to serve on the B&F committee as replacements and were recommended by the committee to the Board for approval. Mayor Tuck motioned these members be appointed to the B&F Committee; Mayor Price seconded the motion. It was unanimously approved by the Board. Mayor Pons (Chair) thanked Mayors Price and Rabil for their committee service.

7. Futures Advisory Committee: Chair Pons invited Mayor Tuck and Mr. Klett to provide the Board an update on the Futures Advisory Committee. Mayor Tuck and Mr. Klett provided an overview of the committee's work, background, installation and agency concerns with recommendations which will be presented to the Board for approval. To align with the Commonwealth's efforts to support military installations in Virginia, the Futures Committee grouped common findings from installation leaders into three categories: Resilience (climate and energy), Compatibility, and Quality of Life.

- Resilience:
 - Sea level rise and persistent flooding
 - Energy (sufficient, reliable, and resilient)
- Compatibility
 - Encroachment
 - Broadband connectivity and growth of 5G technology
- Quality of Life
 - Quality of K-12 education
 - Childcare
 - Spouse licensure reciprocity and employment
 - Affordable workforce housing
 - Healthcare and mental health access/capacity
 - Attracting and retaining talent (local QoL has big impact)

The committee also learned of several promising future missions or opportunities at the Federal installations in the coming years and presented a summary of those items. Recommendations for each of these items were found in the detailed report in each board member's binder.

- a. Jefferson Lab High Performance Data Facility (supercomputer)
- b. Shipyard Infrastructure Optimization Plan (SIOP) at Norfolk Naval Shipyard
- c. New Navy Constellation Class Frigate (FFG) being fielded
- d. Next Generation Air Dominance (NGAD) Fighter for Air Force and Navy (retirement of F-22s in 2030s)
- e. Growth of Air Force Intelligence, Surveillance Reconnaissance (ISR) Missions
- f. Increased Use of Unmanned Platforms
- g. Community Partnerships & Intergovernmental Support Agreements
- h. TRACEN Yorktown Pier Repairs to Accommodate Homeporting of Cutters
- i. Demystify "Behind the Fence Line" with Local Community
- j. Encourage Industry/Startups Associated with Research at Federal Labs

Mr. Klett stressed the committee's continued involvement with TRG regarding National Defense Strategy impacts on the Hampton Roads region. Mayor Tuck requested the HRMFFA BoD endorsement of the report, actions and recommendations. Mayor Tuck committed to semi-annual progress updates to the Board and opened the floor for questions or comments. Mayor Dyer recommended involving the Hampton Roads Planning Commission for the numerous Quality of Life issues. Mayor Dyer motioned to endorse and adopt the report; Mayor West seconded the motion. The report, actions and recommendations were unanimously endorsed by the Board. Mayor Tuck and Mr. Dwyer thanked the committee members involved for their work in gathering information and compiling the report.

8. Draft FY2024 Federal Legislative Priorities: Mr. Dwyer presented an overview of the Federal legislative priorities, which added some Quality-of-Life items identified from the Futures Advisory Committee report. Mr. Dwyer requested board members review the priorities and provide feedback by the March 2023 board meeting. Following Board approval, staff will schedule meetings with the CODEL and request their support on the priorities. Mayor Duman asked where the 21 Naval vessels were relocated from the region. Mr. Dwyer explained some were lost due to planned decommissioning, and some relocated in a

home port shift to Mayport FL and other naval stations resulting in a net loss of the number of US Navy ships in Hampton Roads. Mark Honecker commented DoD is increasing the number of unmanned vessels and Hampton Roads has the potential to become the Center of Excellence for this technology.

Draft 2023 Virginia Legislative Priorities: Mr. Dwyer presented the Board with a new document presenting a slate of legislative priorities developed from the Futures Advisory Committee report to advocate within Virginia's General Assembly. Mr. Dwyer requested the BoD approval of the legislative priorities by so they could be distributed among local General Assembly members prior to the 2023 session. Ms. Donna Lawson, representing NASA Advisory Subcommittee, commented that NASA would be holding their National Aerospace Day at the General Assembly and their legislative priorities include many aerospace and aviation STEM programs, workforce initiatives, unmanned systems and support for NASA. Ms. Lawson stated she would share HRMFFA's legislative priorities with the Virginia Aviation Business Association.

Mayor Dyer motioned to approve the Virginia Legislative priorities; Supervisor Hipple seconded the motion. The Board unanimously approved the Virginia legislative priorities.

9. 27 Oct 2022 Board of Directors Washington DC Trip: Mayor Pons commented that the trip went very well and noted some key takeaways such as ensuring local electrical infrastructure can accommodate DoD's planned transition to electric vehicles and removing barriers to military spouse employment. Mayor Price agreed and noted that Acting Assistant Secretary of Defense for Installations, Michael McAndrew, commented that as the Pentagon makes strides to decarbonize military facilities, there will be added stresses placed upon the existing electrical grid capacity. Mayor Price commented that there may be an opportunity for increased use of nuclear technology to meet electrical needs given experience in the region with building and maintaining nuclear Navy ships. Mayor Dyer mentioned other projects such as transportation, broadband fiber, offshore wind, etc. Mr. Dwyer and Mr. Simmons proposed a placeholder date of October 2023, reserving another trip to Washington DC.
10. Mayor Pons concluded the meeting by presenting Mayors Price and Rabil with certificates of appreciation for their service on the HRMFFA Board. The meeting was adjourned at 11:40 am.