



Minutes from 19 Sep 2019

HRMFFA Annual Board of Directors Meeting

1. HRMFFA's quarterly Board of Directors meeting was held at the Regional Building in Chesapeake on 19 September 2019. Public Board members present were: Mayors Dyer, Johnson, Rabil, Rowe, Tuck and West; Supervisor Hipple. Private Board members present were: Baugh, Black, Curtis, Dreyfus, Faulkner, Klett (via phone) and Melo. Mr. Rick Starcher represented Thom Watkins and Cox Communications. Executive Director Quigley, Deputy Executive Director Dwyer and Treasurer Wilson were also present. A quorum was achieved.
2. Board Chair Tuck called the meeting to order at 10:30 a.m. and offered welcoming remarks. He then thanked Mr. Dave Bowles, NASA Langley Research Center Director, for his service to NASA and our country and wished him well as he retired from NASA. Mr. Bowles thanked Mayor Tuck and HRMFFA for their support to NASA LaRC. He said NASA made the right choice in selecting Clayton Turner to succeed him as Center Director and that LaRC will be in great hands. Mr. Turner thanked Mr. Bowles for the kind words, he thanked HRMFFA for the important support they provide to the Center and that he looked forward to continuing to work with the Board.
3. Chair Tuck asked if there were any public comments; there were none.
4. Chair Tuck welcomed Mr. Mike Melo, President and CEO of ITA International, to the HRMFFA Board of Directors as a new private sector Board member.
5. Executive Director Quigley went over the end of August financials. He noted there were a few items running slightly ahead of projections, but not by much. There was also the one-time expense of sponsoring the dinner for Acting Assistant Secretary Niemeyer. There were no comments or questions from the Board on the financials.
6. Mayor Tuck then invited Supervisor Hipple as Chair of the Budget and Finance Committee to update the Board on HRMFFA's retained earnings investment vehicles. Mr. Hipple explained how the \$750,000 in retained earnings that the Board approved to be invested in CDs at the annual meeting was to be invested. The committee chose to go with two local banks to keep the majority of the funds invested locally, and one on-line bank to get a higher rate of return. Mr. Quigley added that Ms. Tiffany Smith of the HRPDC called just about every local bank in Hampton Roads and researched on-line banks that would offer the





best rates to non-profits. Mr. Quigley thanked Ms. Smith for all her hard work on the research. The result was three CDs, at three different banks, for time periods from 9 to 16 months, for \$250,000 each to stay within FDIC insured limits.

7. Mr. Hipple then briefed the Board that the Budget and Finance Committee also recently reviewed the draft FY2019 audit and financial statements. He stated it was a clean audit and the committee recommends the Board approve the audit results. Mayor Johnson seconded the motion. The vote was unanimous to approve the draft audit.
8. Chair Alexander asked John Simmons from The Roosevelt Group (TRG) to provide his Washington Update. Mr. Simmons provided the Board a status update of the President's FY20 budget request, 2019 budget agreement, Senate appropriations highlights, future Navy military construction in Hampton Roads, Navy shipbuilding plans, and Navy leadership changes.

Key items of interest include:

- Congressional leadership and the White House agreed to a two-year budget deal that raises spending caps on defense and non-defense spending. The agreement also raised the debt limit until 2021 and provided a measure of assurance that decreases the likelihood of an immediate government shutdown. The agreement provides \$90 billion above the current budget law for defense spending as well as nearly \$80 billion in Overseas Contingency Operations (OCO) funding. The deal also provides near parity for non-defense spending with an increase of nearly \$80 billion for non-defense discretionary spending. Eliminates sequestration threat and future budget caps. This decreases the likelihood of a shutdown but a continuing resolution until 21 November is likely.
- House Defense Appropriations Committee included language in their appropriations bill that includes \$30.4M for the Office of Economic Adjustment for programs that support defense communities. While not specifically calling out the Defense Communities Infrastructure Program (DCIP), it is assumed it could be used for that program. The Senate Defense Appropriations Subcommittee included \$75M specifically for DCIP. The issue will have to be resolved in conference. If approved, it will force DoD to develop governing regulations and establish the program. Mr. Quigley invited the Board to Tab 7 in their binders for the Association of Defense Communities letters to the Senate and House Appropriations Committees that were signed by local elected officials from across the country. He said only California and Texas had more signatures and all 13 signatures from Virginia were from Hampton Roads.





DONNIE R. TUCK, CHAIR . JOHN L. ROWE, JR, VICE-CHAIR . SHEILA S. WILSON, TREASURER

CRAIG R. QUIGLEY, EXECUTIVE DIRECTOR . RICHARD E. DWYER, SECRETARY

- Navy shipbuilding program includes \$24.4B for 14 ships. Also includes additional \$16.9M for USS Harry S. Truman mid-life refueling and fully funds the Columbia Class ballistic missile submarine.
 - Language included requiring each of the four Navy public shipyards to induct a minimum of 100 apprentices in FY20 and include costs for apprentices in its FY21 budget request.
 - The Secretary of Defense recently announced the MILCON projects whose funding was being diverted to pay for the border wall. Four projects in Hampton Roads worth \$77.12M were included on the diversion list.
 - The FY19 Supplemental and FY20 Disaster Recovery bills included \$263.4M for construction in support of the F-22 Formal Training Unit beddown at Joint Base Langley-Eustis (Langley).
 - Current Navy FY21-23 MILCON program includes nine projects worth \$559.2M at Norfolk Naval Station, NWS Yorktown, and Norfolk Naval Shipyard.
 - Admiral Michael Gilday was confirmed as the 32nd Chief of Naval Operations. He has a surface warfare background, and will likely bring a new perspective given his significant cyber experience.
 - Lucian Niemeyer was named Acting Assistant Secretary of the Navy for Energy, Installations and Environment on 26 June. HRMFFA hosted him at a dinner with Board members and local officials on July 31. Served 15 years active duty in the Air Force and five years in the Virginia ANG. He also worked as a professional staff member for the Senate Armed Services Committee and Readiness and Seapower Subcommittees.
9. Chair Tuck invited Mr. Hipple to speak on adding the Greater Williamsburg Chamber and Tourism Alliance CEO, Ms. Terry Banez, to the HRMFFA Board of Directors. Mr. Hipple made a motion to add Ms. Banez to the Board as an ex-officio member just as the Peninsula and Hampton Roads Chamber CEOs are ex-officio members. Ms. Black seconded the motion. The Board voted unanimously to approve.
10. Executive Director Quigley discussed the rescheduling of the Board trip to DC to meet with various DoD and other Federal leaders and our CODEL. He briefed that the Breeden aircraft had to unexpectedly go into phased maintenance and would not be available in the near future and recommended that we not plan to use the plane. The Board therefore needed to decide on a new trip date and mode of travel. After discussing with John Simmons and reviewing the Congressional calendar, the new recommended trip date is 30 October. There are two recommended options for travel: 1) HRMFFA could charter a bus for all Board members to travel together to DC with pickup/drop-offs on the south side and the peninsula; 2) or, Board members could arrange





for their own travel to DC and meet at the Pentagon Metro Entrance at 10:00 am. Mayor Dyer commented that he thought it was a good idea for the Board to ride the bus together due to potential traffic, keeping everyone together, and the ability to have conversations along the way. Mayor Tuck agreed with Mayor Dyer's comments and asked for other comments or thoughts. Board members agreed the bus would be the best way to go. Mr. Quigley asked Board members to hold 30 October open on their calendars and the HRMFFA staff would begin working the logistics.

11. Chair Tuck congratulated Board Members Mark Klett, Thom Watkins and Cindy Black for their businesses being named in the Top 15 "Best Places to Work" by CoVA Biz.
12. Chair Tuck asked if there was a motion to go into closed session so the Board could discuss the re-compete of the HRMFFA lobbying contract. Mr. Hipple made the motion which was seconded by Mr. Dyer. Vote was unanimous to go into closed session. The room was cleared other than Board Members, Executive Director Quigley, and Deputy Executive Director Dwyer for the closed session.
13. The HRMFFA Board came out of closed session at 11:04 a.m. Mayor Johnson made a motion for the Board to approve awarding the new lobbying contract to The Roosevelt Group and was seconded by Mayor Dyer. The Board vote was unanimous to award the contract to The Roosevelt Group.
14. Chair Tuck thanked the Board for their attendance and adjourned the meeting at 11:06 a.m.

