

## **Minutes from 12 June 2025 HRMFFA Annual Board of Directors Meeting**

1. HRMFFA's Annual Board of Directors meeting was held at the Regional Building on 12 June 2025. The Public Board members present were Mayors Duman, Dyer, Gray, Hux, Jones, Kaplan; Supervisors Bazzani, Cornwell, Hipple, Rosie, Shepperd; Mr. Len Remias represented Norfolk. Private Board members present were Conley, Klett, McKenna, Melo, Merritt, Monaco, Stephens, and Warren. Bill Brown represented ECPI. Executive Director Dwyer, Deputy Executive Director Nichols, and Treasurer Hansen were present. A quorum was achieved.
2. Chair Shepperd called the meeting to order at 10:33 a.m. and welcomed guest speakers Dr. Trina Dyal, Acting Director NASA Langley Research Center, Mr. Chris Hall, Virginia Department of Transportation Hampton Roads District Engineer, Ms. Joyce Reed, Virginia Deputy Secretary of Veterans and Defense Affairs, and CAPT Shane Tanner, Chief of Staff for Navy Region, Mid-Atlantic Captain. There were no public comments.
3. Chairman Shepperd introduced the first of two guest speakers, Dr. Trina Dyal, Acting Director of NASA Langley Research Center (LaRC), who oversees approximately 3,400 staff and contractors. Dr. Dyal recently addressed nearly 1,900 employees, discussing the implications of NASA's direction under the President's technical supplement to the FY26 budget. She highlighted organizational changes and emphasized LaRC's alignment with presidential priorities through workforce and capability adjustments. Dr. Dyal described Langley's 764-acre campus as a national think tank advancing cutting-edge research in aeronautics, atmospheric characterization, intelligent flight systems, systems analysis, and advanced materials. The center's \$917 million FY24 budget supports key national assets, including seven major wind tunnels. She underscored that while NASA faces a 24.8% funding cut in the proposed FY26 budget, \$8.3 billion is committed to human exploration efforts, requiring strategic reductions in other areas. Dr. Dyal shared highlights of Langley's achievements, including the ACS3 solar sail, Firefly Blue Ghost lunar stereo camera technology, the Disaster Response Coordination System proposal, and the X-59 supersonic flight project. Two upcoming launches—Archstone, a calibration instrument using the Moon, and Athena, a rapid-prototype radiation budget satellite developed with Nova Works and the Space Force—were also discussed. Finally, she noted plans to retire two existing wind tunnels and replace them with a more efficient vertical spin wind tunnel as part of Langley's infrastructure modernization strategy.



In response to a question from CAPT Glenn, Naval Station Norfolk Executive Officer, regarding the President's budget prioritizing exploration of the Moon and Mars and its implications for NASA's role amid increasing space industry privatization, Dr. Dyal affirmed NASA continues to heavily partner with private industry. She emphasized NASA is not solely responsible for vehicle development but instead works collaboratively with commercial partners to deliver the necessary capabilities for advancing human exploration.

Executive Director Dwyer expressed concern regarding proposed NASA budget cuts and their potential regional impact on employees and contractors. In response, Dr. Dyal acknowledged that, if enacted, the technical supplement to the President's budget could result in a reduction of 500 to 700 full-time equivalents at NASA Langley, primarily in science, aeronautics, and space technology, and which collectively represent over 90% of Langley's mission. While human spaceflight, the President's top priority, constitutes only 7% of Langley's current work, the center is still assessing the implications for its contractor workforce.

Peninsula Chamber President Bob McKenna recognized NASA Langley Research Center as one of the largest federal employers in the Hampton Roads region and asked how HRMFFA could support its mission. Dr. Dyal emphasized the challenges federal agencies face in adapting to shifting priorities but affirmed that NASA Langley's workforce and research are central to advancing the emerging commercial space economy. She encouraged stakeholders to recognize and support the national and regional value generated by NASA's workforce and facilities—not only in human exploration, but also in aeronautics, science, and space technologies.

Executive Director Dwyer raised concerns about budget constraints impacting STEM Day participation, referencing the longstanding role of NASA Langley at Naval Air Station Oceana's annual air show, inquiring whether LaRC's withdrawal from this year's event was due to budget cuts and if the decision might be revisited. Dr. Dyal confirmed it is indeed a budget-driven decision, noting STEM engagement reductions preceded the current budget realignment and reached a point requiring resource triage. Although NASA LaRC supported the JBLE Air Show this year, it is unable to participate at NAS Oceana, acknowledging a difficult but necessary decision under current fiscal limitations.

4. Chair Shepperd introduced Mr. Chris Hall, Hampton Roads District Engineer for the Virginia Department of Transportation (VDOT), to provide an update on a long-standing infrastructure initiative involving the Intermodal Connector and



critical access improvements in cooperation with the U.S. Navy. The project has been in development since the National Defense Authorization Act of 2000, originally conceived as a trade-off for the right-of-way and construction easements needed to build the Intermodal Connector linking Route 564 to the Norfolk International Terminals and Naval Station Norfolk. Over the past 25 years, Mr. Hall explained the vision has evolved significantly due to security changes post-9/11, planning disagreements, and cost inflation. An initial federal interchange access study completed in 2002 proposed full access points at Chambers Field and the naval annex, but rising security restrictions and feasibility concerns led to an alternative plan eventually splitting the project into two components: ATI West and ATI East.

ATI West, the western at-grade, signalized intersection, is fully funded and will provide full access in both directions along Seabee Road, enhancing mobility between Navy facilities and improving traffic flow on Hampton Boulevard. The contract award is anticipated by October 2025 and project completion in November 2027. In contrast, ATI East—intended to provide similar access from the eastern side—has faced major complications due to rail interference and traffic queuing concerns. The original at-grade design has been replaced with a more complex flyover concept, requiring additional permits and design revisions. While VDOT has collaborated closely with Navy planners to ensure alignment with future gate expansion, this portion remains underfunded and in the early stages of design. Environmental documentation is being updated, with preliminary design expected to reach 30% by 2026. Pending funding availability, the project could be procurement-ready by Spring 2027. To date, approximately \$108 million in funding has been secured, with about \$10 million remaining for near-term phases. Full realization of ATI East will depend on availability of federal or state dollars, but VDOT is working to ensure the design is shovel-ready, allowing rapid execution once resources are in place.

Chair Shepperd opened the floor for questions from the Board. Captain Tanner, Chief of Staff for Commander, Navy Region Mid-Atlantic (CNRMA), noted the initiative supports critical infrastructure benefiting both Navy operations and broader Hampton Roads regional objectives. The project enhances base security by supporting advanced commercial vehicle inspection systems currently in development, and bolsters mission assurance by allowing base commanders to better adapt to and respond to growing environmental challenges such as flooding. Captain Tanner highlighted with increasing roadway congestion around major installations, this project will significantly



improve safety and traffic conditions for both Navy personnel and residents. He further underscored the project lays the groundwork for future joint Navy and regional growth, improving logistic capabilities across truck and rail networks. Captain Tanner expressed his gratitude to Mr. Hall for the sustained effort over the past two decades and reaffirmed the Navy's full support in completing the project. He voiced optimism about the progress of ATI West and emphasized the Navy's commitment to assisting VDOT in bringing ATI East back on track. He concluded by noting the value of the longstanding Memorandum of Agreement (MOA) between VDOT and the U.S. Navy, which will continue to serve as a guiding framework for collaboration moving forward.

5. Futures Advisory Committee Update: Chairman Shepperd invited Executive Director Dwyer to discuss the Futures Committee Update. Mr. Dwyer presented highlights of HRMFFA staff efforts addressing common concerns categorized among Resilience, Compatibility, and Quality of Life.
  - Sea Level Rise and Persistent Flooding. The Roosevelt Group submitted NDAA amendment language to include military and federal properties in the peninsula Coastal Storm Risk Management (CSRMS) Study, and appropriations language to allow additional funds to be added to the study. Mr. Dwyer commented on a recent discussion with Transportation & Infrastructure Committee professional staff members, indicating they continue to be unsupportive of including civil works funds in the study of federal lands.
  - Energy. HRMFFA partnered with the Hampton Roads Alliance and Virginia Nuclear Energy Consortium to host a Nuclear Energy 101 workshop. Additionally, Captain Patrick, Commanding Officer Naval Weapons Station Yorktown, recently signed an MOU with Dominion Energy to work together on resilient energy sources, to include potential Small Modular Reactors (SMR). Additionally, HRMFFA provided a letter of support for Virginia Natural Gas' Chesapeake Compressor Station re-zoning, a project critical for resiliency throughout VNG's system and delivering additional natural gas to the peninsula.
  - Encroachment. A proposed bill to ensure developers coordinated with DoD on Commonwealth land-based wind farms was withdrawn by the patron because of environmental concerns and will be reconsidered in the next session. HRMFFA supported several bills regarding the operation of unmanned aerial systems over defense contractor facilities.
  - K through 12 Education/Childcare. Legislation which HRMFFA supported from the Defense State Liaison Office included priorities for open enrollment, flexibility for military connecting children and special needs education plans passed the



General Assembly. Also, the Armed Services YMCA opened a new facility, adding affordable off base child development centers in defense concentration areas that have the greatest costs. Another facility is planned to open in Virginia Beach next year, and HRMFFA is advocating for a facility on the peninsula.

- Spouse Licensure Reciprocity. A bill was passed which expanded the Virginia Values Veterans Employment grant opportunity to military spouses. Once Department of Veteran Services implements, employers that hire a military spouse will be eligible for a \$1000 grant.
- Unaccompanied Housing. Funding is in the proposed budget documents, which adds 8,000 additional rooms for the Navy, with approximately 1,500 rooms in/around Newport News and 6,500 rooms between Norfolk and Virginia Beach.
- Healthcare access. Since 1 January 2025, TRICARE has not been paying providers due to a changeover in the East Region claims processing contractor. Many beneficiaries and providers are under financial strain from not being reimbursed and passing along the payments to service members. HRMFFA is working with Rep Kiggans's staff to coordinate a round table discussion.
- Future Missions and Opportunities. HRMFFA attended a Friends of JLab meeting with U.S. Senator Warner to discuss the lab's management contract recompetete action and HPDF funding. Senator Warner is working with Congressman Wittman to sustain momentum and HPDF funding levels.
- Shipbuilding and Repair. The Roosevelt Group submitted a technical language request for DoD grants in support of the Defense Industrial Base Workforce Resilience, capitalizing on the administration's shipbuilding and ship repair priorities for military and commercial vessels. This presents tremendous regional economic development and business opportunities that will benefit the Navy and ship repair capabilities.
- Unmanned Systems. HRMFFA had conversations at the ADC conference with OLDCC, city of Hampton and JBLE concerning a potential DoD grant to examine how community areas can assist with integrated airspace awareness that benefit military and federal installations to mitigate unwanted UAS incursions.
- Community Partnerships. Advocating for the Coast Guard to have the same partnership authorities as DoD counterparts, the CODEL signed a bipartisan, bicameral letter to the Secretary of Homeland Security pressing for these authorities for the Coast Guard. DHS responded, stating they are in the final stages of delegating the authorities to the Commandant of the Coast Guard.
- Virginia Defense Forum. In cooperation with the Association of Defense Communities, there are continuing discussions with Secretary Crenshaw's office about hosting a Virginia Defense Forum in Hampton Roads. The event is tentatively scheduled for April 1st and 2<sup>nd</sup> 2026 in Norfolk and will bring military





defense, community contractors, and associated businesses to Hampton Roads.

6. Mr. John Simmons of The Roosevelt Group provided a Washington Update.  
Highlights included:

- A comprehensive briefing on the “One Big Beautiful Bill Act,” with particular emphasis on Department of Defense (DoD) appropriations. While the bill text provides only general funding figures, congressional committees outlined targeted allocations by priority and function. DoD will be required to submit detailed spending plans, as with the FY25 Continuing Resolution to guide allocation of funds. Notably, this defense funding is designated as mandatory and intended to be expended over four years rather than the typical ten-year window.
- The Reconciliation Bill discussion highlighted differences between the House and Senate Armed Services Committee proposals. In the context of the fiscal year 2026 (FY26) budget, the National Defense Authorization Act (NDAA) appears to be the most certain legislative vehicle to advance. However, there remains a high likelihood of a full year Continuing Resolution.
- The Army plans to merge the Training and Doctrine Command with Army Futures Command to create the Army Transformation and Training Command. The Secretary of the Army is required to brief congressional defense committees by July 25, 2025. This briefing will detail the proposed commander’s responsibilities, the interaction between this command and the acquisition enterprise, anticipated costs and resources, and force structure changes. HRMFFA provided a letter of concern to the CODEL asking for assistance in gaining details from the Army about the impacts to TRADOC at Ft Eustis.
- Concerns were reiterated over persistent facility challenges at Naval Air Station Oceana. Although infrastructure investments increased, concerns remain that the Navy’s approach does not adequately address long-term readiness.
- Navy F/A-XX Next-Generation Strike Fighter Program and Air Force F-47 Next Generation Air Dominance platforms. Congress reaffirmed strong bipartisan support for the Navy’s F/A-XX program, identifying it as critical to achieving future carrier-based air superiority. Despite a FY25 \$453 million appropriation, the Navy has not awarded the Engineering and Manufacturing Development contract, viewed as a failure to execute congressional intent. For FY26, \$971.58 million is recommended to continue development. Meanwhile, the Air Force was awarded an F-47 contract, with \$3.19 billion allocated in the FY26 budget.
- The Board examined the FY26 Presidential Budget Request which proposes a 17% reduction in non-defense discretionary spending, while increasing defense-related funding. Homeland Security would receive a 64% boost to \$107 billion,



and DoD budget would increase by 13.4% to \$961.6 billion, with \$848.3 billion in baseline funding and \$113 billion in reconciliation allocations.

- Key FY26 defense investment areas include the “Golden Dome” missile defense system development, continued advancement of the F-47 fighter, shipbuilding capabilities expansion, Space Force technology initiatives, and modernization of the strategic nuclear triad—specifically the B-21 bomber, Sentinel intercontinental ballistic missiles, and Columbia-class ballistic missile submarines. The budget includes a 3.8% pay raise for service members and redirects funds away from diversity, equity, and inclusion and climate-related programs to focus on warfighter readiness and homeland security.
  - FY26 Military Construction (MilCon) funding totals \$18 billion, distributed across military service branches, family housing initiatives, and NATO-related infrastructure. This represents a \$480 million increase over FY25 funding levels. Rep Wittman and Rep Kiggans were able to insert \$29.2M for MilCon earmarks at Weapons Station Yorktown, Naval Station Norfolk, and JEB Little Creek-Ft Story. In total, there is approximately \$800M in MilCon currently slated for Hampton Roads installations in FY26.
  - NASA FY26 Budget Impacts. The President’s FY26 budget proposes \$18.8 billion for NASA, a \$6 billion (24.3%) reduction from the FY25 enacted budget. These significant cuts affect every major mission area: Space Science (-44%), Earth Science (-53%), Aeronautics (-37%), Space Technology (-48%), and STEM Engagement budget elimination. Virginia’s economy could be severely impacted, particularly through reductions at NASA Langley Research Center and Wallops Flight Facility. NASA Langley faces an estimated \$452 million funding loss (~50% cut), which could result in loss of approximately 672 civil servants (39%) and an estimated 700 contractors. Wallops, part of Goddard Space Flight Center, would also be affected. Goddard may lose \$2.1 billion and 1,549 positions, with Wallops potentially losing 124 of 271 NASA staff. These changes could reduce NASA’s \$6 billion statewide economic impact by over \$3 billion.
  - Nuclear Energy & National Security Executive Orders (EOs). A suite of recent EOs signals a strategic federal push to advance domestic nuclear technology for national defense and energy security.
7. FY26 Board Meeting Schedule: Mr. Dwyer presented the proposed FY26 HRMFFA Board meeting schedule coordinated with HRTPO, HRPDC and HRTAC’s meeting schedule. Mr. Dwyer pointed out that the December 2025 Board meeting date was moved to the second week to deconflict with the holidays. Mr. Dwyer invited questions and comments on the FY26 Board Meeting Schedule and received none. Mayor Duman motioned to approve the FY26 Board Meeting Schedule, with a

second from Supervisor Bazzani. The motion unanimously passed.

8. Monthly Financial Statements, FY 25 Audit Schedule: Mr. Dwyer presented the May 2025 financial reports, indicating all expected revenues have been received, and expenses were in-line for the year. The Board had no questions or comments.
9. Budget & Finance Committee: Chair Shepperd invited Mayor Duman to present the Budget and Finance (B&F) Committee Report. Mayor Duman presented minutes from the 27 May 2025 B&F Committee virtual meeting.
  - Proposed FY26 Budget: This was the Committee's final review of the draft FY26 budget. All FY26 municipality funding amounts were confirmed with municipal revenue projections -\$280 less than requested. Overall FY26 revenues are projected to be +\$11,339 greater than FY 2025 due to larger regional population and increased interest income. Mr. Buckless confirmed HRMFFA will continue to receive a 4.0% interest rate on FY26 retained earnings.
  - For labor expenses, the B&F Committee recommends the staff receive a 3% cost of living adjustment (COLA), consistent with staff COLAs for HRPDC, HRTPO, HRTAC, and comparable to municipality COLAs. This represents a +\$11,563 increase from FY25 budgeted labor expenses.
  - Most non-labor expenses have a 3% inflationary adjustment applied, which is a +\$6,652 increase from FY25 budgeted non-labor expenses. HRMFFA's contract with The Roosevelt Group remained unchanged based on the current rate of \$35K/mo. The B&F Committee recommended Event Sponsorship remain at \$25,000 for hosting an FY26 ADC Virginia Defense Forum Event. In total, non-labor expenses were projected to be \$571,144.
  - For FY26, a net positive cash flow of \$3,980 is projected, -\$6,876 less than FY25's budgeted cash flow. The Board had no comments or questions. Mayor Duman recommended to the Board that the FY26 Budget be adopted; Mr. Conley seconded the motion, the budget was unanimously passed.
10. Nominating Committee Report - FY26 Private Sector Board Membership Term Renewals: Private Sector Board Members who desire to renew their two-year terms from July 2025 through June 2027 included Old Point National Bank, ECPI, SimIS, Klett Consulting Group, ITA International, Cox Communications and Newport News Shipbuilding. Messrs. Don Buckless, Mark Dreyfus, Johnny Garcia, Michael Klett, Mike Melo, Jeff Merritt, and Jason Sutton, respectively, would continue to represent these organizations. Supervisor Shepperd invited questions and comments on these recommendations and received none. Mayor Dyer seconded the Nominating Committee's motion, receiving unanimous board approval.







THOMAS G. SHEPPERD, JR., CHAIR . DON G. ROSIE, II, VICE-CHAIR . TEALEN HANSEN, TREASURER

RICHARD E. DWYER, EXECUTIVE DIRECTOR . TODD NICHOLS, SECRETARY

11. Executive Director Dwyer reminded the Board of the upcoming annual trip to the Pentagon, targeting a 23 October 2025 date and asked Board Members to hold that date on their calendars. Schedule details to follow.
12. Chair Shepperd adjourned the meeting at 12:13 p.m.

