

HRMFFA Quarterly Board of Directors Meeting Minutes from 11 December 2025

1. HRMFFA's Quarterly Board of Directors meeting was held at the Regional Building on 11 December 2025. Public Board members present were Mayors Duman, Dyer, Gray, Hux, Glover, Kaplan, West; Supervisors Cornwell, Hipple, Rosie, and Shepperd. Mr. Len Remias represented the City of Norfolk, and Ms. Jerri Wilson represented the City of Newport News. Private Board members present were Garcia, McKenna, Merritt, Monaco, and Sutton. Mr. Bill Brown represented ECPI University. Executive Director Dwyer and Deputy Executive Director Nichols were present; Treasurer Hansen was represented by Ms. Jaquil Tatum. A quorum was achieved.
2. Board Chair Shepperd called the meeting to order at 10:31 a.m. and made a call for public comments. Mr. Nichols reported none; however, Dr. Trina Dyal, Acting Director, NASA Langley Research Center, was introduced with a public service announcement. Dr. Dyal provided an Artemis II mission update, scheduled to launch between February and April 2026 from Kennedy Space Center. This 10-day test flight will send astronauts around the moon to establish a long-term lunar presence and prepare for future deep-space exploration. Dr. Dyal emphasized the region's technical and economic contributions, noting NASA Langley developed the mission's Launch Abort System and conducted critical wind tunnel testing and landing simulations. Dr. Dyal committed to providing further updates.
3. Supervisor Shepperd welcomed Commander, Navy Region Mid-Atlantic, Rear Admiral (RADM) Steve Barnett, inviting him to provide his regional vision and current Navy priorities. RADM Barnett opened his remarks by articulating his vision of a "relational rather than transactional" leadership philosophy, emphasizing community engagement as a core duty for commanding officers. This approach aligns with the Chief of Naval Operations' (CNO) strategic framework of *"the Foundry, the Fleet, and the Way We Fight,"* where the *"Foundry"* represents shore-based infrastructure essential to forging fleet readiness. With thirteen installations and 161 special-use areas, he underscored the Navy's role as a vital economic stabilizer within the Mid-Atlantic region.

Priorities included the *"No Sailor Left Behind"* and *"No Sailor Left Afloat"* initiatives, which transition junior Sailors from shipboard berthing to shore-based housing. To mitigate a deficit of approximately 1,500 beds, the Navy is utilizing the Basic Allowance for Housing for E-4 Sailors. CAPT Schlarmann (CO, Naval Station Norfolk) further detailed a \$400 million Public-Privatized Venture project, scheduled to provide 8,000 additional beds with private-sector facility management. To manage the temporary accommodations scarcity required during facility refurbishments, the Navy is implementing unconventional spatial optimization strategies, such as "hoteling" and shared installation resources.

Other challenges centered on systemic fragilities in regional utilities, noting the average age of electrical and water distribution systems exceeds 40 years. With sustainment funding at 70% of requirement levels, RADM Barnett characterized the state of infrastructure maintenance as a perpetual cycle of liabilities, recognizing the necessity for expanded

Intergovernmental Service Agreements (IGSAs) to leverage local partnerships for executing infrastructure modernization.

In response to inquiries from Mayor Kaplan and Ms. Jerri Wilson regarding first responder shortages and the Secretary of War's Barracks Task Force, the Admiral confirmed a \$14 million allocation for regional health-related improvements to facilities, including mold remediation. Addressing the competitive labor market, he cautioned against zero-sum recruitment tactics that create an asymmetrical drain on municipal resources. Instead, RADM Barnett suggested a collaborative workforce development model and joint training frameworks to synchronize regional safety strategies without degrading the operational readiness of partner agencies.

Concluding the session, Mr. Len Remias inquired about the methodology for investment prioritization within the *"Foundry, Fleet, and Fighter"* framework. In response, RADM Barnett articulated a tiered strategic hierarchy that places Quality of Service as the foundational priority, essential for personnel retention and combat readiness. The second tier focuses on mission-enablement infrastructure, specifically ensuring the integrity of piers and runways to maintain operational mobility and the Navy's capacity for power projection. Finally, the third tier is directed to utility stabilization, which involves mitigating persistent operational risks posed by aging utility distribution systems. He reaffirmed that the efficacy of the Navy's maritime assets remains fundamentally dependent on the stability of its human capital and resilience of its shore-based support systems.

4. Mr. John Simmons of The Roosevelt Group provided a Washington Update. Highlights included federal legislative activity and strategic sustainment efforts:

The Shipyard Infrastructure Optimization Plan (SIOP) remains a primary focus, with Mr. Simmons noting a strategic shift toward large-scale revitalization versus selected minor projects. Recent funding achievements include \$380 million for Navy barracks privatization, and an additional \$400 million for regional MILCON projects.

Regarding the recent government shutdown, the primary challenge involved passage of appropriation bills. A Continuing Resolution (CR) was passed, extending funding through January 30, 2026. Notably, Senator Kaine cast a deciding vote that restored positions for terminated workers and halted further workforce reductions. A three-bill "minibus" covering Agriculture, Military Construction, and Veterans Affairs appropriations passed, with Mr. Simmons underscoring the necessity of executive involvement to safeguard regional projects and earmarks. A second package of minibus bills are under consideration.

The National Defense Authorization Act (NDAA) passed the House with slim margins, with similar margins expected in the Senate. Key NDAA provisions include 3.8% military pay raises, investments in 5th and 6th generation aircraft, shipbuilding and submarine production, funding for Child Development Centers (CDC), demolition of obsolete properties, and dry dock repairs. Mr. Simmons highlighted a shift toward acquisition reform, where the government is increasingly accepting administrative risks to mitigate operational risks; a whole-of-government approach designed to streamline delivery of deterrence equipment. Additionally, the Defense Community Investment Program was expanded to include demolition, with ongoing efforts to raise the project funding cap beyond \$100 million.





The 2025 National Security Strategy reflects a strategic pivot toward the Indo-Pacific, necessitating European allies assume greater responsibility as primary security providers. This shift reflects the economic reality of balancing sovereign debt against Pacific-region priorities.

Local advocacy efforts are focused on:

- **Childcare Partnerships:** A first-of-a-kind collaboration between Langley AFB and Old Dominion University, utilizing Bright Horizons for facility staffing.
- **TRICARE Reforms:** Aggressive advocacy for congressional hearings to secure systemic legislative changes and improve healthcare access and service delivery, despite anticipated opposition from healthcare industry lobbyists.
- **NASA Langley Research Center:** Protecting mission and facility integrity against potential downsizing or privatization.
- **Quality of Life:** Enhancing Navy barracks and housing options to ensure Sailors are not residing on ships during multi-year maintenance periods.

The session concluded with an update on Norfolk Naval Shipyard utility privatization, which is awaiting private industry proposals.

5. Chairman Shepperd invited Executive Director Dwyer to provide the Futures Committee Update. Highlights included:

- **Regional Resilience and Encroachment Mitigation.** Continued advocacy through the Hampton Roads Caucus and state legislators for a \$200 million Commonwealth Community Flood Prevention Fund. Concurrently, federal advocacy efforts continue to ensure military installations are integrated into the U.S. Army Corps of Engineers' Coastal Storm Risk Management (CSRM) studies.
 - Regarding encroachment, a state legislative priority to safeguard low-level flight training routes is included, which would require wind farm developers to coordinate with the Department of War (DOW) prior to local permit issuance, thereby preventing unintended technical interference with military operations.
- **Quality of Life Initiatives.** Several initiatives aimed at improvements for service members:
 - **Child Care:** Mr. Dwyer commended Colonel Anderson (Commander, 633rd Mission Support Group) and the Langley AFB team for pioneering a first-of-its-kind IGSA for a private childcare provider to staff and operate an on-base childcare facility. This model is being evaluated as a nationwide template for other installations.
 - **Spouse Licensure:** Advocacy continues for expanding the Virginia Values Veterans (V3) program to include military spouses. Following passage of enabling legislation, the region is now seeking budget language to empower the Department of Veterans Services to award employer grants.
 - Advocacy continues for Virginia to join the final six interstate licensure compacts.



- Affordable Housing: Advocacy for a federal low-income housing tax credit specifically for developers building within 15 miles of major military installations.
- TRICARE: Collaborating with Congresswoman Kiggins' office, continued efforts to address healthcare access issues resulting from the recent contract transition. To address the scale of these issues, a national coalition is being aligned to seek congressional intervention, hearings, and legislative reforms.
- Future Missions. Closely monitoring NASA budget fluctuations and Project Athena. The Navy intends to conduct an Environmental Impact Statement (EIS) regarding basing F-35s to replace seven Super Hornet squadrons, with NAS Oceana and NAS Lemoore in consideration. The region will submit support letters during the comment period to advocate for NAS Oceana's selection.
- Community Partnerships and Infrastructure. Mr. Dwyer emphasized the Virginia Military Community Infrastructure Grant Program, which assists localities in offsetting the non-federal cost-share of DOW grants. As existing funds have nearly depleted, advocacy for replenished appropriations in the upcoming General Assembly session continues.

Mr. Dwyer concluded by inviting questions or comments and offering to brief local community groups on regional federal developments. No comments or questions were raised by the Board.

6. Chairman Shepperd invited Executive Director Dwyer to present the initial look at the proposed Fiscal Year 2027 (FY27) Federal Legislative Priorities.

Mr. Dwyer opened the discussion emphasizing the need for federal installations to be included in U.S. Army Corps of Engineers coastal storm risk management studies. He noted previous studies excluded major installations due to funding constraints. The goal for the 2027 Water Resources Development Act is to secure legislative language that ensures these installations are integrated into future studies.

Focus remains on the future of NAS Oceana and Langley AFB supporting the transition to F-35s and next-generation aircraft to succeed the Super Hornet and F-22 fleets. Regarding SIOP, Mr. Dwyer highlighted the critical Norfolk Naval Shipyard modernization requirements, reporting that current resourcing levels would ostensibly extend the project's duration to 2087. Consequently, the region is intensifying congressional delegation advocacy efforts to accelerate this projected 60-year timeline and secure the capital investment necessary to achieve a technologically advanced facility.

A significant portion of the legislative agenda focuses on the intersection of infrastructure resilience and quality of life:

- Sustainment, Restoration, and Modernization Funding: Continued advocacy to strictly adhere to the established FY25 NDAA funding floors. The law requires an investment between 1.75% and 4% of plant replacement value toward facility sustainment.
- TRICARE Reforms: Enhancing healthcare access for TRICARE beneficiaries through mandated congressional hearings and comprehensive legislative reforms.



- CDCs: The region is seeking report language that could eventually authorize IGSA's that allow partners to manage all on-base facilities if desired, moving beyond the current model that only allows supplemental care.
- Personnel Support: Efforts remain focused on expanding military spouse employment initiatives and increasing affordable housing availability in the vicinity of regional installations.

Non-DOW Strategic Priorities: NASA, Jefferson Lab, and U.S. Coast Guard

- NASA Langley Research Center: Actively monitoring Project Athena to oppose potential consolidation or relocation of aeronautics and science missions to California. Additionally, there is a concerted effort to restore Small Business Innovation Research grants and enhance NASA's discretionary authority to ensure the Langley facility's long-term viability.
- Jefferson Lab: Continued support for the High-Performance Data Facility development, a critical component for regional research and data processing capabilities.
- U.S. Coast Guard: Advocacy remains focused on securing additional homeported vessels for the region. Furthermore, seeking Coast Guard legislative parity granting the same partnership and infrastructure funding authorities available to the DOW (DCIP and IGSA authorities).

Mr. Dwyer invited comments and questions; the Board had none.

7. Monthly Financial Statements: Executive Director Dwyer presented the November 2025 financials. Some expenses paid early in the fiscal year reflect disproportionately high percentages in the expense report; Mr. Dwyer clarified these were in line with annual budget projections and would normalize throughout the FY. Overall, expenses were on track with the budget. The Board had no questions or comments.
8. Budget & Finance Committee: Chairman Shepperd invited Mayor Duman to present the Budget and Finance (B&F) Committee Report. The B&F Committee met virtually on December 2, 2025. The committee reviewed the initial draft FY27 budget. FY27 revenue projections are based on standard \$0.50 per capita rates for municipalities and \$5,000 for private sector members, calculated using 2024 Weldon Cooper Center population data. Based on Federal Reserve forecasts, the committee recommended revising the Cash Sweep Interest Rate projections from 4% APY down to 3.5% APY.

FY27 Labor expenses reflect a notional 3% inflationary increase from FY26. This increase will be reviewed in the spring with comparison of staff COLA adjustments across HRPDC, HRTAC, and local municipalities. The budget also includes a car allowance adjustment for Deputy Director Nichols due to tax treatment identified in the recent annual audit.

Regarding non-labor expenses, the Roosevelt Group expenses will remain at previous levels. While select expenses received a 3% inflationary adjustment based on FY26 spending, many non-labor expenses saw reductions. Initial estimates indicate approximately \$15,000 in total expense reductions, primarily driven by event sponsorship returning to the



annual norm of \$10,000. Unless there were board objections, the B&F committee agreed to include a \$5,000 expense for a reserved table at the May 2026 Association of Defense Communities (ADC) 50th Anniversary reception, as this cost could be readily absorbed due to savings from the cancelled trip to the Pentagon. In summary, projections estimate a FY27 net positive cash flow of approximately \$4,000. After accounting for interest rate adjustments and overall expense reductions, the net difference in FY27 end-of-year cash flow is estimated to be nearly the same as FY26. The Board had no comments or questions regarding the draft FY27 budget.

9. Supervisor Shepperd transitioned to the Nominating Committee report; Mr. Dwyer informed the board of Supervisor Rosie's departure in January 2026, creating a Vice Chair vacancy. On behalf of the Nominating Committee, Mayor Duman was recommended as the new Vice Chair. Supervisor Shepperd subsequently called for a vote on the recommendation; the motion unanimously passed.
10. Supervisor Shepperd requested an update regarding the Virginia Defense Forum. Mr. Dwyer reminded the Board that, following board approval of sponsorship funds in June, the forum is being organized in collaboration with Virginia Office of Veterans and Defense Affairs and ADC. The forum is scheduled for April 1-2, 2026, at the Waterside Marriott in downtown Norfolk. Mr. Dwyer noted the event will be modeled after national ADC conferences but will maintain a Virginia focus. He encouraged military commanders to bring their broader teams, including staff, public works personnel, and planners, to engage in discussions regarding regional partnerships, industry trends, and workforce challenges affecting the military and the defense industrial base.

Upon conclusion of the Virginia Defense Forum, the incoming Secretary of Veterans and Defense Affairs is expected to host the first Virginia Military Affairs Council meeting on the afternoon of April 2nd. Mr. Tom Crabbs stated he has briefed Governor-Elect Spanberger's transition team on the forum, who expressed strong interest in the event, with active efforts to secure the Governor-Elect's attendance.
11. Supervisor Shepperd called upon Mike Hipple and Don Rosie to recognize their significant contributions and long-standing service to various regional boards and committees. He expressed his sincere gratitude for their dedicated service, and as a token of the board's appreciation for their support and commitment to the community, presented them with HRMFFA Certificates of Appreciation.
12. Mr. Dwyer provided an update regarding the ADC 50th anniversary, which will be celebrated in Washington, D.C., in May 2026. He proposed the organization purchase a table for the anniversary gala at a cost of approximately \$5,000. This purchase would provide 12 seats, allowing regional staff and congressional staffers to attend and showcase the work of the Hampton Roads defense community. Mr. Dwyer noted that because the board did not take its annual Pentagon trip, sufficient funds remain in the budget to cover this expense.
13. Chairman Shepperd adjourned the meeting at 11:53 a.m.