

**Board of Directors Quarterly Meeting Minutes**  
**Virginia National Defense Industrial Authority**  
**Virginia State University**  
**Ettrick, Virginia**  
**July 15, 2009**

The Hon. John Knapp, Vice-Chairman, called the meeting to order at 10:02 a.m., welcoming Authority board members, staff, and guests attending, and led the group in the Pledge of Allegiance.

Authority board members present:

Mr. G. William Beale	Vice Adm. James D. McArthur, Jr., USN (Ret.)
Rear Adm. Robert R. Fountain, Jr., USN (Ret.)	Dr. Eddie N. Moore, Jr.
Mr. Jeff B. Franzen	Maj. Gen. Robert B. Newman, Jr.
The Hon. Patrick O. Gottschalk	Mr. Cord A. Sterling
Gen. Richard E. Hawley, USAF (Ret.)	Capt. Leonard P. Wales, USN (Ret.)
The Hon. John W. Knapp, Sr.	Mr. William L. Welch
Gen. Robert Magnus, USMC (Ret.)	

Members absent:

Gen. John N. Abrams, USA (Ret.)	The Hon. Joe R. Reeder
Mr. John B. Adams, Jr.	Mr. Kurt H. Tripp
Rear Adm. John G. Hekman, USN (Ret.)	

Vice-Chair Knapp introduced Dr. Eddie Moore, Jr., president of Virginia State University and the host for the day's meeting. Dr. Moore welcomed the group on behalf of the university, and introduced Brig. Gen. Al Cade who provided words of welcome on behalf of the university's Board of Visitors. Brig. Gen. Cade is the first of eight graduates of the VSU ROTC program to achieve a flag rank.

Vice-Chair Knapp presented the April 15, 2009 VNDIA minutes for approval. Mr. Beale moved that the minutes be approved as presented, Gen. Hawley seconded the motion, and the minutes were approved by unanimous vote.

Vice-Chair Knapp asked Maj. Gen. Newman to present a proclamation naming 2009 the *Year of the Non-Commissioned Officer; Army, Navy, Air Force, Marine Corps & Coast Guard* on behalf of Gov. Tim Kaine. The proclamation began as a request from Fort Belvoir for state recognition of the Army's *Year of the NCO*. The VNDIA board voted at its April meeting to recommend an expanded request to Gov. Kaine to recognize the unique presence of all service branches in the Commonwealth.

With the assistance of the Virginia Department of Military Affairs, non-commissioned officers representing each service branch were on hand for the ceremony as the proclamation was read and Maj. Gen. Newman presented a framed copy to Command Sgt. Major Carl Holcomb, the senior enlisted person in the Virginia National Guard. Presentation copies will be sent to each military installation in the Commonwealth.

Ms. Melissa Magowan presented an update on BRAC and military construction at Fort Lee. Nineteen projects worth \$1.85 billion will be completed at the installation by 2013, the majority through BRAC. In addition, \$23 million in transportation projects have been made necessary by BRAC growth, not all of which have been funded. The approximately \$2 million a day being spent on construction has been very positive for Virginia, as almost all materials and 80 percent of subcontractors are being sourced from the Commonwealth.

The Prince George County installation is currently exploring a possible enhanced use lease for a logistics research center, and is moving toward the construction of a 1,000-room lodging facility. Dr. Moore commented that he would like to see some discussion between Virginia State University and Fort Lee as opportunities may exist for the school's hospitality management program to be involved with the lodging facility.

Vice-Chair Knapp thanked Ms. Magowan and recognized Mr. Denny Morris, executive director of the Crater Planning District Commission (PDC). Mr. Morris thanked the board for its support and oversight of several grants to the Fort Lee area, including those to the PDC for transportation projects, and provided the board with an introduction to the Virginia Logistics Research Center, a proposed project that would add commercial modeling and simulation capabilities to the area's logistics focus.

The next speaker was Mr. Joseph Maroon, director of the Virginia Department of Conservation and Recreation (DCR). The DCR is the second largest land management organization in Virginia after the Defense Department. Department programs include Virginia State Parks, pollution control, natural heritage, outdoor recreation, dam safety, floodplain management and land conservation. It is through the latter that the department has worked with several state, federal and non-government agencies to purchase land and conservation easements near military installations.

In addition to helping to create encroachment buffers, the DCR supports Virginia's defense partners through a partnership called the Northern Virginia Regional Land Conservation Forum, targeted at the Quantico-A.P. Hill-Dahlgren area. The DCR also manages Virginia's DoD Eagle Awards, a new competitive program that recognizes military installations' environmental stewardship. The first three installations to win the award will be announced later this year.

Gen. Hawley reported for the Strategic Planning Committee, and asked Mr. David Dickson, VNDIA Executive Director, to present the committee's recommendations for an updated Strategic Plan for FY2010. Mr. Beale moved to adoption the updated Strategic Plan as presented, Gen. Magnus seconded the motion, and the plan was adopted unanimously.

Rear Adm. Fountain, chair of the Local Coordination, Support & Communications Committee, reported that in April he and Mr. Dickson attended a ceremony establishing the Navy Air and Missile Defense Command at NSF Dahlgren. The command will employ 75 with an annual payroll of \$10 million, and is expected to grow in importance to the Navy's missile program.

On June 17 Rear Adm. Fountain, Vice-Chair Knapp, Mr. Franzen and staff visited both the Naval Medical Center Portsmouth and the US Army Corps of Engineers, Norfolk District. The 256-bed NMCP is the oldest and largest naval medical center in the country, employing around 6,000 and performing 40-50 major surgeries each day. The center also serves a significant academic role as a teaching hospital. The Corps of Engineers' Norfolk District directly employs 500 people and

oversees more than 2,000 tradesmen daily, primarily at Forts Lee and Belvoir. The district has seen around 12 percent growth in workload annually since 1998, a trend it expects to continue through 2014.

Mr. Welch, Grants Review & Oversight Committee chair, reported that that the committee reviewed three grant applications for the coming two fiscal years. These are:

- Actions to Retain NAS Oceana (\$7.5 million to the City of Virginia Beach)
- Fort Lee Mahone Gate Improvements (\$2 million to the Crater PDC)
- DARPA Retention (\$10 million to Arlington County)

Although the funds for these projects have been earmarked through the 2009 General Assembly, it is still necessary for the same process to be followed that has been used for past grants. The committee review led to recommendations being made to Gov. Kaine who approved the grants.

Mr. Dickson reported that a first draft for the economic impact study being conducted by George Mason University will be submitted to the Strategic Planning Committee by the end of September, and the final report will be presented to the full board at the October meeting. Mr. Dickson presented each board member with a copy of the VNDIA Annual Report for FY 2009. A copy of the report will be given to Gov. Kaine, and electronic copies will be provided for other key state leaders.

Mr. Dickson submitted the following proposed VNDIA budget for FY 2010 (July 1, 2009 through June 30, 2010):

**Budget Revenue Sources**

General Fund Revenue	\$448,130
Carry Forward Funds	<u>186,465</u>
<b>Total</b>	<b>\$634,595</b>

**Budget Expenditures**

Compensation	\$393,086
Web Site & Promotion	3,000
VNDIA Meetings	5,000
Travel	23,309
Services	166,500
Supplies & Materials	5,000
Fixed Asset Payments	32,000
Other Expenditures	<u>6,700</u>
<b>Total Budget</b>	<b>\$634,595</b>

Gen. Hawley moved the following:

Be it resolved by the Virginia National Defense Industrial Authority that the above outlined operating budget totaling \$634,595 be adopted to provide basic expenditure guidance to the Executive Director in personnel and operating matters for the current fiscal year July 1, 2009 to June 30, 2010.

Capt. Wales seconded the motion, and the budget guidance was passed unanimously.

Mr. Dickson noted that all state agencies have been asked to submit budget scenarios for FY 2010 reflecting five, 10 and 15 percent reductions in base budgets.

Finally, Mr. Dickson presented two items necessary to satisfy Freedom of Information Act requirements, the first being a person designated by the organization as point of contact for FOIA requests. Mr. Beale moved that Mr. Dickson, as executive director, be named VNDIA's FOIA contact. Rear Adm. Fountain seconded the motion, which passed unanimously. The second FOIA requirement is that the organization's policy on FOIA and types of records that may be withheld from release be posted. Capt. Wales move that draft language, submitted by Mr. Dickson having consulted with legal counsel, be approved, posted on the VNDIA website and made available by request. Dr. Moore seconded the motion, which passed unanimously.

There being no additional items of business, Vice-Chair Knapp reminded the board that the next meeting will be held on October 28, 2009 at the Lincoln Military Housing Little Creek Clubhouse in Virginia Beach, and adjourned the meeting at 12:50 p.m.