

Board of Directors Meeting Minutes
Virginia National Defense Industrial Authority

VEDP/VNDIA Offices
Richmond, Virginia
November 29, 2010

Chairman Robert Magnus called the meeting to order at 10:30 a.m., welcoming Authority board members and staff and leading the group in the Pledge of Allegiance.

Authority board members present:

Mr. John B. Adams, Jr.	Vice Adm. James D. McArthur, Jr., USN (Ret.)
Mr. G. William Beale	Col. William H. Parrish, USMC (Ret.)
Rear Adm. Robert R. Fountain, Jr., USN (Ret.)	Mr. Kurt H. Tripp
Mr. Jeff B. Franzen	Capt. Leonard P. Wales, USN (Ret.)
Rear Adm. John G. Hekman, USN (Ret.)	Mr. Jeffrey D. Wassmer
The Hon. John W. Knapp, Sr.	Mr. William L. Welch
Gen. Robert Magnus, USMC (Ret.)	

Members absent:

Gen. John N. Abrams, USA (Ret.)	Maj. Gen. Daniel E. Long
The Hon. James S. Cheng	The Hon. Cord A. Sterling
The Hon. Craig W. Duehring	

The draft minutes from the October 13, 2010 meeting were presented. Mr. Adams moved that the minutes be accepted as presented, Maj. Gen. Knapp seconded the motion and the minutes were approved by unanimous vote.

Gen. Magnus asked Rear Adm. Fountain, chair of the Executive Director Search Committee, to report on the committee's selection process. The following motion to close the meeting was made by Mr. Beale:

I move that the Virginia National Defense Industrial Authority (the "Authority") go into closed meeting pursuant to the provisions of Section 2.2-3711.A.1 of the Code of Virginia for a discussion on the consideration of prospective candidates for employment.

Therefore, Be It Resolved, that I hereby offer a motion to close this meeting for the above noted purpose. The Authority will certify upon reopening of the meeting that issues, other than those permitted to be discussed in closed session under the Code of Virginia, have not been addressed.

Second: Rear Adm. Fountain

The motion was passed by the following roll call vote:

Authority members for:	
Mr. John B. Adams, Jr.	Vice Adm. James D. McArthur, Jr., USN (Ret.)
Mr. G. William Beale	Col. William H. Parrish, USMC (Ret.)
Rear Adm. Robert R. Fountain, Jr., USN (Ret.)	Mr. Kurt H. Tripp

Mr. Jeff B. Franzen
Rear Adm. John G. Hekman, USN (Ret.)
The Hon. John W. Knapp, Sr.
Gen. Robert Magnus, USMC (Ret.)

Capt. Leonard P. Wales, USN (Ret.)
Mr. Jeffrey D. Wassmer
Mr. William L. Welch

Authority members against: None

Authority members absent at the time of the vote:

Gen. John N. Abrams, USA (Ret.)
The Hon. James S. Cheng
The Hon. Craig W. Duehring

Maj. Gen. Daniel E. Long
The Hon. Cord A. Sterling

Recorded time of action: 10:37 a.m., November 29, 2010

At 11 a.m. Mr. Beale made the following motion:

The Virginia National Defense Industrial Authority (the “Authority”) voted to close a portion of its meeting on November 29, 2010, pursuant to the provisions of section 2.2-3711.A.1 of the Code of Virginia., for a discussion concerning the consideration of prospective candidates for employment.

The Authority has completed its business in closed meeting.

The Authority certifies that the closed meeting discussions were limited to those personnel matters lawfully exempted from open meeting requirements by Virginia law and that only such public business matters identified under its motion for a closed meeting were heard, discussed or considered by the Authority.

Therefore, Be It Resolved, that I hereby offer a motion to reconvene the meeting in open session and to certify as required by section 2.2-3712.D of the Code of Virginia that the Virginia National Defense Industrial Authority discussed only those matters consistent with the motion to close this meeting.

Second: Rear Adm. Fountain

The motion was passed by the following roll call vote:

Authority members for:

Mr. John B. Adams, Jr.
Mr. G. William Beale
Rear Adm. Robert R. Fountain, Jr., USN (Ret.)
Mr. Jeff B. Franzen
Rear Adm. John G. Hekman, USN (Ret.)
The Hon. John W. Knapp, Sr.
Gen. Robert Magnus, USMC (Ret.)

Vice Adm. James D. McArthur, Jr., USN (Ret.)
Col. William H. Parrish, USMC (Ret.)
Mr. Kurt H. Tripp
Capt. Leonard P. Wales, USN (Ret.)
Mr. Jeffrey D. Wassmer
Mr. William L. Welch

Authority members against: None

Authority members absent at the time of the vote:

Gen. John N. Abrams, USA (Ret.)
Maj. Gen. Daniel E. Long

The Hon. James S. Cheng
The Hon. Craig W. Duehring

The Hon. Cord A. Sterling

Recorded date of action: November 29, 2010

Rear Adm. Fountain moved that: Be it resolved by the Virginia National Defense Industrial Authority that the board authorizes the chairman of this Authority to extend an offer of employment to Mr. R. Stanton Scott for the position of Executive Director. Further this board authorizes the chairman to negotiate the terms for employment and finalize with the candidate. Once employment understanding has been finalized, the chairman shall report back to the board the result. Mr. Adams seconded the motion, which passed by unanimous vote.

Maj. Gen. Knapp asked that the record show that the entire board appreciates the efforts of Rear Adm. Fountain and the Executive Director Search Committee (Mr. Beale, Rear Adm. Hekman, Gen. Magnus and Vice Adm. McArthur), and thanked them for a thoughtful and expedient process in recommending a candidate for the position. Gen. Magnus said that he would negotiate the terms of employment with Mr. Scott following the meeting.

Gen. Magnus stated that recent events have called into question the continued existence of the Authority following the 2011 General Assembly session, and offered a resolution to allow for a severance package for staff should the Authority be repealed either through specific legislative action or by not being funded in the next biennial budget.

Therefore, Gen. Magnus moved that the board allow for severance pay equal to three months of salary for VNDIA staff members who are unable to continue to work for the Authority because of legislative repeal of VNDIA from the Code of Virginia, or budgetary action that would end the Authority's ability to fund a staff.

A discussion followed on how the proposed severance pay compares to other existing state programs. It was noted that VNDIA is not subject to the provisions of the State Personnel Act. Maj. Gen. Knapp moved that the initial resolution be amended to be consistent with the state's Workforce Transition Act, and therefore read:

Be it resolved by the Virginia National Defense Industrial Authority that if the enabling legislation of this Authority is repealed or if the funding for this Authority is removed making operations unworkable, that the full-time staff, at that time, be provided with no more than three month's severance, but consistent with the Commonwealth's Workforce Transition Act regardless of their future employment prospects. At the appropriate time, the chairman of this Authority will direct this payment. This resolution shall expire on July 2, 2011.

Capt. Wales seconded the motion, which passed by unanimous vote.

A further discussion followed on the board's stance regarding the value of VNDIA as a state authority. It was the sense of the board that because VNDIA was created by and serves the government of the Commonwealth, it is not the board's responsibility to lobby for its own continued existence. Individual board members, however, are encouraged to express their concerns to elected officials.

In order to ensure that any decision made by the administration or General Assembly be fully informed, Gen. Magnus asked that the staff draft a letter that summarizes the value of VNDIA and the purpose of the Authority's work. This letter will be sent to the full board for comment, and will then be sent to relevant decision makers under Gen. Magnus' signature.

Gen. Magnus opened the floor to new business. Seeing none, Maj. Gen. Knapp moved to adjourn, Rear Adm. Fountain seconded, and by unanimous vote the meeting was adjourned at 11:25 p.m.