

Board of Directors Minutes

**Virginia National Defense Industrial Authority
Fort Belvoir Officers' Club
550 Schulz Circle
Ft. Belvoir, VA 22060
September 13, 2006**

The Honorable Joe R. Reeder, Chairman, called the meeting to order at 10:05 a.m. and welcomed all of the Authority Board members, staff, and guests in attendance.

Other Authority Board members present:

Gen. John N. Abrams, USA-Ret.
Mr. John B. Adams, Jr.
Mr. G. William Beale
Mr. Mark D. Betts
Ms. Reta R. Busher

Rear Adm. Robert R. Fountain, Jr. USN-Ret.
Chief Alfred M. Jacocks
Dr. Roseann O'Riley Runte
Mr. Kurt H. Tripp
Mr. William L. Welch

Board Members Absent:

Mr. Stuart A. Heaton
The Honorable John W. Knapp, Sr.

Mr. Cord A. Sterling

Chairman Reeder introduced Del. Scott Lingamfelter, Virginia House of Delegates, who sponsored and was instrumental in the passage of legislation creating the Virginia National Defense Industrial Authority (VNDIA). Del. Lingamfelter discussed the effort initiated by Governor Warner's administration to create the Authority and the unanimous level of support received in the General Assembly for its mission. He shared his desire to be the "go to" guy for the Authority in the House of Delegates as needs arise for additional legislation or funding. He suggested an aggressive effort to "get the word out" regarding the Authority's work to meet the challenges and opportunities BRAC 2005 has presented for the Commonwealth. Mr. Reeder presented Del. Lingamfelter with a Jefferson goblet in appreciation for his work in support of the Authority. Mr. Reeder then asked Del. Lingamfelter to introduce an amendment to the enabling legislation which would allow VNDIA employees to participate in the full package of state employee benefits. This language currently exists in the 2006 Budget, but it needs to be detailed in the Authority's enabling legislation. Del. Lingamfelter agreed to move this item forward in the upcoming legislative session.

Chairman Reeder then welcomed Colonel Brian W. Lauritzen, Garrison Commander, Fort Belvoir, who presented an overview of Fort Belvoir's current missions and proposed expansions as a result of 2005 BRAC. Col. Lauritzen introduced his Deputy, Ms. Joann Blanks, as the other staff member available to provide information and support to the Authority's efforts. Col.

Lauritzen then provided an extensive overview of “Fort Belvoir Today” and the planning effort underway to integrate the 22,000 additional personnel slated to move to Fort Belvoir as a result of BRAC 2005. As the top receiver of additional commands and personnel in BRAC 2005, Ft. Belvoir is facing a tremendous challenge in preparing the infrastructure and facilities to accommodate a “doubling” of personnel population, buildings and parking. In response to the enormity of change required at Ft. Belvoir, a BRAC Board of Advisors has been created to bring together the many public and private sector partners needed to effectively plan and manage the upcoming expansion. He presented extensive details regarding various property areas at Ft. Belvoir and the major projects that have been identified. In summary, the forecasted growth on post is 22,000 personnel, 7 million square feet of new buildings, and 7 million square feet for parking. Transportation is a key issue that will require major commitments at all levels to maintain efficiency of operations and morale for existing and future personnel. He spoke to the broad array of concerns being considered, including security, environmental, and quality of life issues. Col. Lauritzen expressed his appreciation of Governor Kaine’s comments in Congressional testimony on August 31, 2006 regarding the transportation challenge and his pledge of Virginia’s support in helping fund the necessary improvements. In the Colonel’s view, this congressional meeting provided an opportunity for the public officials representing all levels of government, to be publicly identified and go “on record” as being invested in the process.

Col. Lauritzen expressed his appreciation for the Authority’s support of the Ft. Belvoir expansion and encouraged members to share their considerable expertise as the process continues. He emphasized the assistance the Authority could provide in communicating with decision makers regarding the many needs involved in the process. He then entertained questions from the Authority members regarding the presentation. Adm. Fountain expressed his concern about the level of security on EPG property vs. the main post. Col. Lauritzen assured that in-dept consideration had been given to the ability to secure commands in all areas of the property, including the EPG portion. He also stressed that a major goal of the planning process was not just to meet immediate needs but to provide for permanent, long-term solutions and options.

Chairman Reeder inquired about the impact of the Army Museum being located within Pence Gate and the security risks posed by a large number of visitors to the facility. Col. Lauritzen highlighted the thought process involved in the proposed placement of the facility and the natural barriers existent on the property to provide separation. He felt confident the risk could be adequately mitigated. Vice Chair Busher asked about resources Fairfax County has committed to support the expansion. Col. Lauritzen responded that the majority of the critical issues were at the state and federal levels, including the transportation challenge involving the widening of Route 1 between Tulley Gate and points north.

Dr. Runte asked for a few comments regarding the planning process relative to environmental concerns, both in terms of clean-up and protection. Col. Lauritzen stressed the enormous effort that goes on continuously in terms of environmental monitoring and wildlife management. Of total Ft. Belvoir acreage, approximately 60% is considered buildable, with the remaining 40% legally set aside as wildlife protected land. Finally, Mr. Beale questioned the number of entrance points to the EPG property and the practicality of limited entrances handling projected traffic

flow. Col. Lauritzen responded that the level of detail in the maps presented did not reflect all proposed entry points.

Chairman Reeder thanked Col. Lauritzen for the excellent briefing and his time spent with the Authority. He further expressed his gratitude to Col. Lauritzen and his staff for their assistance in meeting preparations and arrangements for a windshield tour of the property at the conclusion of the meeting. A copy of Col. Lauritzen's presentation is available as an addendum to these minutes.

Chairman Reeder then invited Vice Chairman Busher to provide an overview of the Virginia Military Strategic Response Fund Grant Program. Ms. Busher presented details regarding program design, funding and a proposal for the application and grant approval process. The total program for the biennium is \$25 million with \$15 million of that amount being reserved by the Governor to address the land use issue surrounding NAS Oceana. Deputy Secretary of Commerce and Trade Rick Siger was asked to comment on the administration's review and approval of the proposal. Deputy Secretary Siger relayed that he was speaking on behalf of the Secretary of Finance, the Secretary of Commerce and Trade and the Assistant to the Governor for Commonwealth Preparedness who have collectively voiced their approval and support of the program design presented. He emphasized that the combined secretariats oversee a large number of grant programs, and the Authority's plan is very similar to other grant opportunities currently in place. The documents have undergone a thorough review by secretariat staff members. He encouraged endorsement as presented. Upon recommendation by the Authority, the plan will be presented to the Governor for final approval through a Governor's Decision Brief. Once that approval is received, program details will be communicated publicly to all interested parties and a formal timeline adopted for application acceptances and approvals. As the VNDIA Grant Review & Oversight Committee confers over its collective recommendation, Chairman Reeder opined that the committee should involve the Authority as a whole, if there is dissent. Chairman Reeder also stated that such involvement would not be protracted in terms of time but would need to be concluded within 48 hours.

Vice Chairman Busher made the following motion; "Be it resolved that the Virginia National Defense Industrial Authority hereby recommends that attached program design for the Governor's consideration to implement the Virginia BRAC Grant program authorized in the current State Budget. Furthermore, we stand ready to assist in the implementation of this important BRAC response program."

Second: Adams

The motion was passed by unanimous vote by the members present.

Chairman Reeder then presented the May 25, 2006 meeting minutes for approval. There were no changes or additions noted. Chairman Reeder called for a motion to approve the minutes. Mr. Beale made a motion to approve the minutes. Chairman Reeder seconded and the minutes were approved by unanimous voice vote.

Chairman Reeder then recognized Executive Director of the Authority, David Dickson, for his report to the members.

The first order of business was to agree on the months for the Authority's regular meetings. After a brief discussion, it was decided that our regular quarterly meetings will be held in January (Annual Meeting), April, July and October.

The Authority then had a discussion on finalizing standing committee assignments and Chairman Reeder appointed committee chairs. Those committees and chairs are as follows;

GRANT REVIEW AND OVERSIGHT

- Reta Busher, Chair
- Roseann Runte
- Kurt Tripp
- Bill Welch

LOCAL COORDINATION AND SUPPORT

- John Knapp, Chair
- Billy Beale
- Robert Fountain
- Alfred Jacocks

STRATEGIC PLANNING

- John Abrams, Chair
- Jay Adams
- Mark Betts
- Stuart Heaton
- Cord Sterling

A discussion took place on the request from the Fredericksburg Military Affairs Council which had asked VNDIA to appoint a member to their Council. During our discussion, it was learned that three of our Directors are individual members of the Military Affairs Council. It was decided not to make a formal appointment in order to avoid any potential charges of conflicts of interest. Also we are mindful that there currently exist seven other local and regional groups focused on their own military related interests.

Mr. Dickson pointed out that now that VNDIA is funded, we have a travel reimbursement form for the Directors covering such costs as mileage, meals and hotel accommodations.

Mr. Dickson reported that a Memorandum of Agreement had been finalized with the Virginia Economic Development Partnership for administrative support services including the following:

- Fiscal and support services
- Human resources

- Office space
- Information technology services
- Vehicle usage
- \$25K annual fee
- Remains in effect until either party gives a minimum of 90 days notice of termination.

Staff offices have moved from the 18th floor to the 19th floor of the Virginia Economic Development Partnership offices in Riverfront Plaza.

Mr. Dickson then introduced two new staff members:

Cynthia Arrington has joined the staff as Executive Assistant. She previously served as Communications Manager for the Virginia Commission on Military Bases, the Authority's predecessor. She received a B.B.A. from Roanoke College and has held a variety of positions in the fields of commercial banking and economic development.

Bruce Edmiston joins the staff as Military Projects and Grant Manager. He holds a BS from Texas A & M, a Masters in Management from Cornell University, and is a retired Lt. Colonel from the U.S. Army. Bruce most recently worked as a consultant for a number of defense firms.

As reported in earlier meetings, work is underway on a draft of the Authority's Milestone Plan. The draft will be mailed to members by October 1, 2006.

Mr. Dickson directed the members' attention to a package of information regarding Ft. Belvoir in their meeting packets. Maps, future installation needs, challenges, strategies, the Governor's six requests, a current road plan for the Fairfax Connector, and a regional orientation map were included.

Mr. Dickson announced that a firm has been selected to construct a website for the Authority. Staff will be meeting with WebWorx early next week to begin design and construction of the site.

Mr. Dickson provided an update on efforts in Florida to reopen Cecil Field. Tomorrow a Florida judge will render a decision in the City of Jacksonville's suit against referendum language to change the City's charter requiring city council to give former Cecil Field back to the Navy. Information on the decision will be promulgated to the members when available.

Chairman Reeder thanked Mr. Dickson for his report and for organizing an informative and substantive meeting. He thanked the members for their continued commitment to the work of the Authority. There being no further business, a motion was made by Mr. Adams to adjourn. Mr. Welch seconded the motion and the meeting was adjourned at 12:45 p.m. by unanimous vote.