The Chief Administrative Officers (CAO) Committee meeting was called to order at 11:32 a.m. by Mary Bunting, Hampton City Manager and Chair of the CAO Committee, at the Mary M. Torggler Fine Arts Center (“The Torggler”) located at 1 Avenue of the Arts, Newport News, VA 23606.

The following members of the CAO Committee were in attendance:

- Cynthia Rohlf, Newport News
- Mary Bunting, Hampton
- Patrick Roberts for Chip Filer, Norfolk
- Amanda Jarratt, Franklin
- Randy Keaton, Isle of Wight County
- Al Moor, Suffolk
- Neil Morgan, York County
- Chris Price, Chesapeake
- Melissa Rollins, Surry County
- William Saunders, Town of Windsor
- Carol Steele, Gloucester County
- Bob Baldwin for Angel Jones, Portsmouth
- Andrew Trivette, Williamsburg
- Randy Wheeler, Poquoson

**Others in Attendance:**
- Robert Crum, HRPDC/HRTPO
- Keith Cannady, HRPDC
- Greg Grootendorst, HRPDC
- Whitney Katchmark, HRPDC
- Benjamin McFarlane, HRPDC
- John Harbin, HRPDC
- Michael King, NAVFAC
- Brian Ballard, NAVFAC
- John Broughton, SIA Solutions
- Pete Sun, SIA Solutions
- Bryan Stephens, Hampton Roads Chamber
- Chris Stone, Hampton Roads Chamber
- Mark Geduldig-Yatrofsky, Portsmouth Resident
- Drew Lumpkin, Senator Warner's Office
Approval of Agenda

Ms. Bunting asked if there were any additions or revisions to the agenda. Mr. Chris Price from Chesapeake made a motion to approve the agenda as presented. A second was provided by Ms. Jarratt. The motion passed unanimously.

Approval of Minutes

Ms. Bunting asked if there were any additions or revisions to the Summary Minutes from the January 5, 2022 CAO Committee meeting. After hearing no additions or revisions, Ms. Amanda Jarrett from Franklin made a motion to approve the Summary Minutes from the January 5, 2022 CAO Committee meeting as presented. A second was provided by Mr. Price. The motion passed unanimously.

Public Comment Period

Ms. Bunting asked if there were any members of the public who wanted to address the CAO Committee.

Mr. Chris Stone of the Hampton Roads Chamber addressed the CAO Committee and spoke about the upcoming Leadership Exchange Visit to Charlotte, North Carolina planned for June 22-25, 2022. He said the trip would be an excellent opportunity for CAOs to learn from a community facing many of the same issues as Hampton Roads and encouraged their attendance. Mr. Stone also expressed support for the proposed Legislative Affairs/Grants position and said it would help push important legislative priorities for the region, such as resiliency and transportation.

There were no other members of the public who wished to address the CAO Committee.

Leadership Exchange Visit

Mr. Bryan Stephens, President and CEO of the Hampton Roads Chamber, briefed the CAO Committee on the Leadership Exchange Visit to Charlotte, North Carolina planned for June 22-25, 2022. The proposed agenda includes deep dives on economic mobility, workforce development, infrastructure, and placemaking. Mr. Stephens noted that Charlotte's current City Manager, Marcus Jones, would like to host a roundtable discussion with CAOs in attendance to discuss issues of shared concern and exchange ideas.

Mr. Bob Crum, Executive Director of the HRPDC/HRTPO, asked when CAOs should express interest in attending. Mr. Stephens replied that any interested CAOs should let him know soon as the Hampton Roads Chambers is working to ensure the delegation of 75-100 local leaders includes a balanced representation from local government, businesses, and educational institutions.
Potential for Intergovernmental Services Agreement

Mr. Michael King from NAVFAC Mid-Atlantic introduced the topic of Intergovernmental Services Agreements (IGSA) generally by saying that the goal is to find where military installations and localities can share services instead of providing them individually, allowing for efficiencies and cost-savings for both parties.

Mr. John Broughton and Mr. Pete Sun from SAI Solutions presented an overview of the IGSA Program, which brings together communities and the military to form mutually beneficial partnerships. The IGSA Program works to develop collaborations between military installations and local and state government agencies to reduce operating and service costs and support the DOD mission. Partnerships encourage innovation and collaboration between partners, which drives modernization throughout the military. Additionally, partnerships identify cost efficiencies, reduce installation service response times, and improve communications, which contribute to readiness, modernization, and reform. With the Hampton Roads region being home to 15 installations, IGSA can play a crucial role in bringing together partnerships among the military and public sector. Mr. Broughton provided examples of IGSA, including a waste management/refuse collection partnership, an emergency services partnership, and an environmental services partnership. IGSA are not limited to one installation and one partner but can also come in the form of a Regional IGSA (R-IGSA) where they service multiple installations and/or multiple partners. R-IGSA have the same benefits as a traditional IGSA, but often with greater economies of scale, efficiencies, and cost savings. A R-IGSA between the Virginia Department of Transportation, Northern Virginia Regional Commission, and several military facilities in northern Virginia provides for the purchase of road maintenance supplies and bulk materials and resulted in 46% lower project management fees and hundreds of thousands in cost savings over a 10-year period.

Ms. Bunting asked how communities without military facilities could benefit from the IGSA Program. Mr. Broughton said that military facilities can work with communities adjacent to or nearby, depending on the type of services looking to be shared. Ms. Carole Steele from Gloucester asked how communities can understand the types of services needed by military facilities and noted that existing staffing shortages at local governments may make it difficult for them to provide additional services to military facilities. Mr. Broughton said that military facilities in the region, including Naval Station Norfolk, are in the process of determining what specific services they are in need of and that could be provided by local government or other institutions. Once finalized, this information will be shared with localities. Mr. Randy Keaton from Isle of Wight County said that the Navy’s long history with the waste-to-energy plant in Portsmouth has been a sort of informal IGSA and the Navy’s recent decision to build a steam generation plant and cease purchasing steam from the Portsmouth plant has significantly impacted the Southeast Public Service Authority’s ability to manage municipal waste in the long-term. Mr. Patrick Roberts from Norfolk asked if IGSA are subject to the Davis-Bacon Wage Act and other federal regulations. Mr. Broughton said that IGSA are not subject to Davis-Bacon, the National Environmental Policy Act, and other federal regulations.
Mr. King encouraged the CAOs to think about how IGSAs could save their localities money and asked them to contact Mr. Crum if they are interested.

**Information Sharing on Budget Preparation and Discussion of Need for a Legislative Affairs/Grants Position at the HRPDC**

Ms. Bunting asked Mr. Crum to brief the CAOs on the Legislative Affairs/Grants position at the HRPDC before each locality is asked to report on budget preparations, salary adjustments for staff, and mask requirements. Mr. Crum said that for the past six years, the HRPDC and HRTPO have adopted a regional legislative agenda to convey to the General Assembly and the region’s Federal Delegation issues of regional significance. At present, regional legislative efforts at the HRPDC are largely coordinated by the Executive Director. While the General Assembly is in session, the Executive Director has an average of 20-30 interactions with local legislative liaisons per week, not including interactions with other HRPDC/HRTPO staff. Mr. Crum noted that at the last CAO Committee meeting, the Legislative Affairs/Grants position was discussed extensively with most expressing support for the position; however, additional information was requested on the total cost of the position and how the cost would be distributed among member localities on a per capita basis. Mr. Crum presented a breakdown of expenses and requested input from the CAO Committee on whether the proposed position should be included in the FY2023 HRPDC/HRTPO Budget.

Ms. Bunting also requested localities share how they intend to address real estate and personal property taxes in the upcoming budget cycle.

Mr. Price said that many of the duties and responsibilities of the Legislative Affairs/Grants position are already performed by the HRPDC and he supports creating an in-house position to enhance service delivery. He noted that personal property tax revenues are much higher than anticipated and City Council will likely seek ways to reduce the tax burden. Real estate tax revenues are also higher, but tax rate changes will depend on how Council proceeds with or without curbside recycling service. The City is implementing a recent pay and classification study that will increase salaries by 3% and an additional cost of living adjustment of 2.5-3.5% will likely be recommended.

Ms. Bunting said she supports the Legislative Affairs/Grants position. Hampton will temporarily reduce assessments of personal property to ease the tax burden. Reducing the real estate property tax rate will depend on if the grocery tax is eliminated and if localities are made whole. The City is raising the minimum wage above the state requirement and is providing a raise of approximately 4% to staff. Mask requirements have been lifted in accordance with new guidance from the Centers for Disease Control and Prevention (CDC).

Mr. Andrew Trivette from Williamsburg said he supports the Legislative Affairs/Grants position. The City will adjust the ratio for personal property tax to reduce the burden and likely reduce the real estate property tax rate due to higher than expected assessments. Raises of between 7-10% are expected to address longstanding compression issues. Mask requirements have been lifted in accordance with new guidance from the (CDC).
Mr. Neil Morgan from York County expressed concerns about the increase in per capita contributions required to fund the Legislative Affairs/Grants position. He noted York County does not have a Legislative Affairs position. He suggested that the increase be presented separately from current contributions during budget planning. The personal property tax rate will remain unchanged and real estate tax rate will likely decrease by a small amount to account for higher assessments. York County did not provide raises during the first year of the pandemic and plans to make up for that by providing around a 5% increase. Mask requirements have been lifted.

Mr. Randy Wheeler from Poquoson said he does not support the Legislative Affairs/Grants position but would not object to it if the Committee is largely supportive of it. Real estate and personal property tax rates and ratios will remain unchanged. A raise of 5% is planned for general government to be consistent with the school district. Mask requirements have been lifted.

Ms. Steele said she is neutral on the Legislative Affairs/Grants position and would support the discretion of the Committee. Real estate and personal property tax rates are not likely to change. A cost of living adjustment will be provided to employees. Mask requirements have been lifted.

Mr. Crum explained that the duties and responsibilities of the Legislative Affairs/Grants position that are already being performed by HRPDC will continue regardless, but a new position will allow for significantly more time and resources to be devoted to them.

Mr. Al Moor from Suffolk said he supports the Legislative Affairs/Grants position. Personal property and real estate tax revenues are higher than expected and the City is exploring ways to reduce the tax burden. The City recently completed a market analysis and is implementing a step plan with raises, so no additional cost of living or raises are planned at this time. Mask requirements have been lifted.

Mr. William Saunders from Windsor did not comment on the Legislative Affairs/Grants position. The Town is providing bonuses to public safety and general government employees and a 2% raise. Mask requirements have been lifted.

Ms. Cynthia Rohlf from Newport News said she supports the Legislative Affairs/Grants position. The personal property tax ratio will likely change but real estate tax rates will remain unchanged, especially if the grocery tax is repealed. A 5% raise is planned for all public safety and general government employees. Mask requirements have been lifted.

Mr. Bob Baldwin from Portsmouth said he supports the Legislative Affairs/Grants position. Personal property and real estate tax rates will not be adjusted until the City has a more complete understanding of needs for the FY23 budget. Raises will be targeted to address compression issues. There has been no change to mask requirements yet, but it will likely be left to individual departments in the future.
Ms. Jarrett said she is not opposed to the Legislative Affairs/Grants position but is already working with a tight FY23 budget. The City is looking at its personal property tax ratio and is currently reassessing real estate. A 3% raise is planned. Mask requirements have been lifted.

Mr. Randy Keaton from Isle of Wight County said he supports the Legislative Affairs/Grants position. The County is anticipating a $4 million increase in personal property tax revenue and the County Attorney advised there is no authority to adjust the tax ratio, so the County is looking at lowering the tax rate. A 4% raise is planned as well as a pay and compensation study. Public safety salaries were recently increased by 7%. Mask requirements have been lifted.

Ms. Bunting noted that her City Attorney identified a section of state code that enables localities to address personal property tax ratios and offered to provide it to Mr. Keaton.

Mr. Patrick Roberts from Norfolk said he supports the Legislative Affairs/Grants position. He expressed a desire to better communicate to citizens the services resulting from taxes in lieu adjusting the tax rates. A raise of 3-6% is planned as well as implementing steps for certain positions. The City will require masks for face-to-face meetings but has stopped tracking vaccination status.

Ms. Melissa Rollins from Surry County said she supports the Legislative Affairs/Grants position. The County is reassessing real estate values and depending on the results, the tax rate may be adjusted. A 5% raise is planned to be consistent with the school district. Mask requirements will be discussed at the next Board of Supervisors meeting.

**Update on Regional Items**

Mr. Crum briefed the CAOs on a potential HRPDC letter to the region’s Federal Delegation requesting a policy change to the Water Resources Development Act of 2022. The change would allow federal properties to be included in an upcoming Coastal Storm Risk Management study by the United States Army Corps of Engineers. A similar letter was submitted by the Hampton Roads Military and Federal Facilities Alliance.

Mr. Crum shared updates from the General Assembly. He explained there is $190 million in the Senate budget to expand Interstate 64 for 9 miles in James City County, but only $20 million in the House budget. Reconciliation of the two budgets should occur by the next Hampton Roads Transportation Planning Organization Board meeting on March 17. On resiliency issues, bills that would create the Resilient Virginia Revolving Loan Fund and require regular updates to the Virginia Coastal Resilience Master Plan are moving forward. A bill that would have established the Commonwealth Flood Board has been revised to a study.

Mr. Crum said that the contracts for construction of the southside fiber ring have been signed and groundbreaking is set for April. A meeting of the CAOs from peninsula localities will be
Mr. Crum also mentioned that Isle of Wight County, Southampton County, and the City of Suffolk were awarded funding through the Virginia Telecommunications Initiative to provide universal broadband access.

Mr. Crum said the HRPDC will be convening a focus group of the region’s planning directors to support a Growth and Opportunity Virginia grant funded project on unmanned systems. Mr. Crum noted the March HRPDC meeting will include a presentation by Hampton University on extreme weather forecasting.

**Other Business**

No other business was discussed.

**Adjournment**

There being no further business to come before the CAO Committee, the meeting was adjourned at approximately 1:17 PM.

Respectfully Submitted,
Robert Crum
Recording Secretary