

MILITARY ECONOMIC DEVELOPMENT ADVISORY COMMITTEE
23 MAY 2011 ✂ 1500-1630
ECONOMIC DEVELOPMENT CONFERENCE ROOM

Present: VADM Ed Clextan, RADM Jack Dantone, LCDR Adalberto M. Diaz, VADM Joseph S. Donnell, RADM Dick Dunleavy, RADM Mark Gemmill, RADM Bud Jewitt, RADM Phillip R. Olson, RADM Fenton Priest, CAPT Robert Rieve, RADM Fred Ruehe, Councilman John Uhrin, CAPT Daniel R. Walters

Staff: Scott Hall, Steve Herbert, Jerry Stewart

Visitors: Ellen Bennett (ADM Robillard's COS), LT Noël Koenig (NEXCOM), Steve Bain (US Information Technologies), Trish Night (3DIS CON), RADM Craig Quigley (HRMFFA), RADM Glenn C. Robillard (NEXCOM), Charlie Stanton (Senator Webb's Office), CAPT Charles Stuppard (JEB Little Creek)

Absent: Councilwoman Rita Sweet Bellitto, RADM William J. Ecker, Joseph Gianascoli; Don Jellig, Vice-Mayor Louis Jones, Jerry Miller, MCPO Paul Pierce, Dr. Roger Whiteway, Ph. D

APPROVAL OF 28 MARCH NOTES

The notes were approved as written.

INTRODUCTION OF VISITORS

RADM Dunleavy recognized all visitors.

NEXCOM BRIEF - RADM Glenn C. Robillard

RADM Fenton Priest introduced RADM Robillard.

The primary goal of NEXCOM is to provide sailors and the Navy community with quality goods and services at a savings.

The secondary, yet critical goal is to give 70% of profits go back to MWR across the Navy. In 2010, NEXCOM provided \$65M to MWR services.

List of Other Services

- Lodges (40 lodges across the world - three locally)
- Overseas lunch program
- 161 Ship (afloat) stores (\$80M annually)
- Telecommunications
- Uniform Shops
- Call Center – National/International Call center for Uniforms
- Clothing textiles research facility

NEXCOM employs 14,000 associates in 104 NEX stores worldwide. Associates can move from NEX to NEX - 26% are military dependents. When families receive orders, under the spousal preference program, associates can transfer with the NEX store at the next duty station.

NEXCOM merchandises, markets, and creates the stores based on demographics. They do not have any “cookie cutter” stores.

Stores locations are: Dam Neck, Little Creek, Norfolk, Oceana, Portsmouth, Wallops Island, North West (Chesapeake), Yorktown, and Cheatham Annex

Support Programs

- A-OK program
- Customer Appreciation Day – (USO type shows)
- Celebrity appearances
- Homecoming Events
- Health and Safety Awareness Programs
- Joint Events with MWR
- Base Education Programs

When NEXCOM Headquarters moved to Virginia Beach in 1993, 19 of their military retail brokers came with them. Total Hampton Roads employment is approximately 1,000.

In Norfolk, NEXCOM will complete a \$30M renovation project and have a ribbon cutting 29 June for the largest and number one store.

Using all local contractors NEXCOM will be kicking off a \$6M project for a new mini-mart and gas station as well as an addition to the lodge at Little Creek.

Topics of Interest

- Exchange/Commissary consolidation – DoD and the Navy did not support.
- Tax Prevention and Reconciliation Act of 2005 (3% withholding provision) – not supported and has been extended out until 2013
- NEXCOM Headquarters facilities – budget issues
- Current Flag bullet for NEXCOM will shift to a civilian position – part of the Gates efficiencies memo. Civilian director provides continuity. Deputy Commander will still be a military (06) position, as well as a Command Master Chief.

Issues for Economic Development

1. NAVFAV RFP for new NEXCOM warehousing apace. (Virginia Beach has two competitive locations.
2. Expansion of current NEXCOM headquarters (Scott Hall lead for Virginia Beach)

Note: a copy of RAMD Robillard's brief will be provided to the Mayor's Envision 2040 Committee.

JOINT EXPEDITIONARY BASE LITTLE CREEK - *Capt Charles Stuppard*

Overview

- 155 Resident Commands
 - Includes 11 Flag Officers and two SES Officers
- 61 Piers, 3,947 acres, 7.6 miles of beachfront
- 18 Navy and auxiliary ships
- 126 Small craft
- 1,155 Base housing units (Little Creek base population: 15,286)

Two of five Navy Enterprises are located at JEBLC - One at Fort Story and one at Little Creek.

Little Creek was the very first of the 12 “joint” expeditionary bases. CAPT Crow did an excellent job at joining Little Creek and Fort Story.

JEB Fort Story is unique in several ways:

- Only ocean and bay beaches for littoral training
- 3.6 miles of beach terrain
- Training ground for Navy Special Warfare (SEAL and EOD) and other forces
- Old Cape Henry Lighthouse
- New Lighthouse at the entrance to Chesapeake Bay
- Cape Henry Memorial Park

Green and Conservation Initiatives

- Oyster Reef Erosion Control Structure at Mudflats
- Two Silver LEED Buildings

Summary

- Diverse in nature, JEBLCFS is effective and efficient
- Constant reshaping to meet ongoing and growing needs
- The base is a valued “National Joint Training Asset”

Issues for Economic Development

1. Opportunity to market Burton Station to JEB Little Creek tenant commands.

HRMFFA UPDATE– *RADM Craig Quigley*

Turbo Prop FCLP

ADM Quigley spoke with Fleet Forces Command this afternoon concerning the Turbo Prop FCLP site. The bids were due to the Navy 29 April. Review to be complete by the end of June. Next step is the NEPA process that will identify a number of these municipal airports in the region to go into an environmental assessment. A solution is needed to relieve the pressure on Fentress.

Mayport Carrier

Taken to the Readiness Subcommittee which made it past the full House Armed Services Committee side deleting the \$30M and specifically prohibiting the Navy from spending any money to move a carrier to Mayport, FL. It will take multiple years to complete.

CITY UPDATE *Councilman John Uhrin, Steve Herbert, Scott Hall*

BRAC – *Councilman Uhrin*

Governor McDonnell was instrumental in returning the \$7.5M to our budget for BRAC. Virginia Beach will be spending \$15M in this budget cycle and have some really big wins to address encroachment around Oceana. Both ADM Harvey and CAPT Webb were very helpful with this effort.

Laskin Gateway Ribbon Cutting – *Steve Herbert*

27 May - Laskin Gateway Ribbon cutting at 1000 at the intersection of Arctic Avenue and Laskin Road.

Memorial Day Event – *Steve Herbert*

On 30 May the Memorial Day Events are at 1000 on 19th Street. Congressman Rigell and Mayor Sessoms will both speak.

Envision Virginia Beach 2040 – *Steve Herbert*

CAPT Geis (Oceana), LTC Thomas Netzel (Little Creek), and RADM Quigley (HRMFFA) will speak at the 3 June Envision Virginia Beach 2040 meeting 0900-1100 in the SGA office. Envision 2040 is a committee of business and educational leaders that the Mayor and City Council selected to take a look at Virginia Beach 30 years from now. They have been meeting for the past three months and will be reporting out to Council in September. RADMs Dunleavy and Olson and Dr. Whiteway will address the committee on 17 June.

Economic Development – *Scott Hall*

On the business development front, Economic Development staff has been in contact with two UK companies from their recent marketing mission. Both companies visited last week with several Virginia Beach companies to discuss commerce and business partnerships.

Joint Warfare Conference – *Scott Hall*

The conference went well. MEDAC member attendance were RADMs Dantone, Dunleavy, and Priest. There were more attendees this year than last and they are looking forward to coming back next year.

GENERAL DISCUSSION

Centennial of Naval Aviation – *RADM Mark Gemmill*

The Centennial of Aviation reception flyover and dinner is 4 June at Oceana 1800-2000. There are other events all over the county related to the Battle of Midway. Also there is another major event 23 September in conjunction with Oceana air show at the VBCC.

Adjourned at 1615

Next meeting 27 June