

**SOUTHERN ALLEGHENIES PLANNING AND DEVELOPMENT COMMISSION
BOARD OF DIRECTORS' MEETING
July 19, 2017
Commission Office**

Convened: 10:00 A.M.

Adjourned: 12:00 P.M.

Members in Attendance:

Mr. Jay Cessna
Mrs. Sharon Clapper
Hon. S. Paul Crooks
Hon. Barry Dallara
Hon. Bruce Erb
Hon. Josh Lang
Mr. Rick Leese
Hon. Rodney McCray
Mr. Denny Munko

Hon. Mark Sather
Hon. Jeff Thomas
Hon. Stuart Ulsh
Hon. John Vatavik
Hon. Gerald Walker
Hon. Scott Walls
Mr. Arthur Wilkin
Hon. Mark Wissinger

Others in Attendance:

Mr. Brandon Carson
Mr. George Gvozdich
Mr. Clark Hostetter
Mr. Steven K. Howsare
Ms Katie Kinka

Mrs. Trudy Mitchell
Mrs. Debbi Prosser
Mrs. Deborah Shaffer
Mrs. Susan Whisler

CALL TO ORDER:

Commissioner Wissinger, President, called the meeting to order at 10:00 A.M

MINUTES, May 17, 2017:

Commissioner Erb requested a correction to the minutes indicating that he was present at the May 17, 2017 meeting. A motion was then entered by Mrs. Clapper to approve the May 17, 2017 minutes, as corrected. The motion was seconded by Commissioner Walker and was unanimously approved.

ACCOUNTS PAYABLE:

Mr. Clark Hostetter, Action Accounting, presented the Accounts Payables and reported no changes to the information submitted. He also provided a brief overview of the bank summaries indicating that SAP&DC's financial position is the same as normal for this time of year.

A motion was entered by Mr. Cessna to approve the Accounts Payable report, as presented. The motion was seconded by Mr. Wilkin and was unanimously approved.

RED CROSS PRESENTATION:

Mr. Steven Howsare, SAP&DC Executive Director, announced that Mr. Kenneth Geary of the Red Cross was unable to attend today's meeting.

Therefore, Mr. Howsare introduced a request to contract for the establishment of an Angel Fund in Pennsylvania within the Appalachian Regional Commission (ARC) targeted counties of Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset, Fayette, Greene and Westmoreland.

ARC awarded a Power grant to Rain Source Capital, Inc. Rain Source Capital together with Angel Capital Group established five Angel funds in; and, two more are also nearing establishment in Appalachian states. ARC estimates that the current grant can support the formation of four more funds. Currently, there are no Angel Funds located in Pennsylvania. SAP&DC was contacted by ARC staff regarding the opportunity to form an Angel Fund in Pennsylvania due to our Start-UP Alleghenies (Entrepreneurial) project. The cost to assist with establishing an Angel Fund in the targeted counties of Blair, Bedford, Cambria, Fulton, Huntingdon, Somerset, Greene, Fayette and Westmoreland is \$15,000 (\$10,000 for legal costs and \$5,000 for travel). The \$15,000 would serve as match to ARC's grant of up to \$30,000 and is available from the \$40,000 SAP&DC received from the Commonwealth for administration of the PREP grant. Following the establishment of an Angel Fund, SAP&DC would not incur further costs unless, with Board of Directors approval, it was decided to utilize unrestricted funds as an investor in the project.

Discussion and a question/answer period was then held regarding the establishment of an Angel Fund and an investment of \$15,000 by SAP&DC.

A motion was entered by Commissioner Thomas to authorize SAP&DC to contract with RainSource Capital/Angel Capital Group to help establish an Angel fund in the targeted counties Blair, Bedford, Cambria, Fulton, Huntingdon, Somerset, Greene, Fayette and Westmoreland. The cost of the contract cannot exceed \$15,000 and is to be utilized to cover approximately \$10,000 for legal fees and up to \$5,000 for travel. The motion was seconded by Mr. Cessna and was unanimously approved.

BUDGET DISCUSSION:

Mr. Howsare updated members on the status of the Commonwealth's Fiscal Year 2017-2018 General Fund Budget. Originally, funding for SAP&DC and other economic development agencies appeared bleak, but it now seems that SAP&DC will experience a modest increase in its allocation. Also, the Local Development District Association of Pennsylvania (of which SAP&DC is a member) has secured some additional money (approximately \$40,000) for administration of the Partnership for Regional Economic Performance (PREP) funds.

Mr. Howsare reminded members that at the May 2017 Board of Directors' meeting, SAP&DC's budget was unanimously passed with staff salary increases being held until the Commonwealth's Fiscal Year 2017-2018 General Fund budget was in place. Therefore, staff salary increases will be awarded beginning with SAP&DC's next pay period and will be made retroactive to July 1, 2017.

BUSINESS LENDING SERVICES:

Mrs. Trudy A. Mitchell, Director, Business Lending Services, presented and reviewed the action taken by the Loan Review Committee. The applications for Dazzling Realty, LLC/Mama Randazzo's, Inc., Geisco Holdings, LLC/Academy Performance & Exercise (APEX) and Shawnee Vinyl, LLC/James Barnes were approved, as presented. These applications are now presented to the Board of Directors for concurrence.

A motion was entered by Mr. Wilkin to concur with the action taken by the Loan Review Committee, as presented. The motion was seconded by Commissioner Erb and was unanimously approved.

Mrs. Mitchell then reported that the PA Department of Community & Economic Development (DCED) has requested that SAP&DC submit charge-off requests for Eugene & Christine Kinley and Jerome & Mary Kinley for \$125,629.32, Seasonal Air, LLC for \$68,711.70 and Wind Turbine Solutions, LLC for \$79,928.10. These loans were funded through the Small Business First Program in 2007 and 2009. DCED has determined that SAP&DC Business Lending staff has satisfied all requirements of the due diligence policy in attempting to recover the funds; no further collection efforts will be required.

A motion was entered by Mr. Wilkin to authorize submission of the charge-off requests, as requested by the Pennsylvania Department of Community & Economic Development. The motion was seconded by Mrs. Clapper and was unanimously approved.

FY 2017 APPALACHIAN REGIONAL COMMISSION (ARC) INVESTMENT PACKAGE:

Mr. Brandon Carson, Director, Planning and Community Development Division, reported that SAP&DC is required each year to submit its project recommendations for funding through the Appalachian Regional Commission (ARC).

Mr. Carson then presented and provided a detailed review of the list of the projects that were developed from requests received by SAP&DC staff. He then reported that an additional access road request has been received from the Everett School District for erection of a stop sign at the intersection of Old Route 30 and North River Lane. This access road serves the Bedford County Campus of the Allegheny College of Maryland and the Everett Middle and High School and, therefore, experiences significant congestion during the morning and afternoon commutes, when school buses are running. SAP&DC staff recommends that this project be added to the ARC 2017 Investment Package contingent upon approval by Everett Borough.

Mr. Carson explained to members that additional projects may be added later by the Board, as requested. He further stated that there is a limited amount of money allotted for projects submitted by all seven of Pennsylvania's Local Development Districts (LDDS); therefore, all projects may not be funded.

A motion was entered by Mr. Cessna to approve the projects recommended for Appalachian Regional Commission FY 2017 funding, including the access road request from Everett School District, contingent upon Everett Borough approval, as presented. The motion was seconded by Commissioner Lang and was unanimously approved.

EXECUTIVE ORDER 12372 PROJECTS:

SAP&DC is designated by the Federal Office of Management and Budget (under E.O. 12372) to review requests for Federal financial assistance within its six-county service area for concurrence with relevant regional planning documents. Mr. Carson briefly reviewed those projects requesting federal financial assistance, as

presented, and stated that all are consistent with the Commission's Comprehensive Economic Development Strategy.

A motion was entered by Commissioner Lang to approve the Projects Under Executive Order 12372, as presented. The motion was seconded by Commissioner Vatauk and was unanimously approved.

SOUTHERN ALLEGHENIES WORKFORCE DEVELOPMENT BOARD (SAWDB) REPORT:

In the absence of Mrs. Susan Whisler, Workforce Development Board Director, Mr. Martin Culp, Employer Services Development Specialist, reported that The Southern Alleghenies Workforce Development Board's (SAWDB) regional and local workforce plans which are due to the State by September 1, 2017 have been prepared and are being released for the required 30-day public comment period. He requested approval for submission of the Plans to the State by September 1, 2017.

A motion was entered by Mrs. Clapper to approve submission of the Southern Alleghenies Workforce Development Board regional and local workforce plans to the State by the September 1, 2017 deadline. The motion was seconded by Commissioner McCray and was unanimously approved.

Mr. Culp then presented a request for appointment of Mr. Joseph Caldron, Director of Operations for Somerset Welding and Steel to the Workforce Development Board to replace Mr. Shawn Kaufman, Director of Human Resources for Somerset Welding and Steel who recently resigned from the Board.

A motion was entered by Commissioner Dallara to approve the appointment of Mr. Joseph Caldron, Director of Operations for Somerset Welding and Steel to the Workforce Development Board, as presented. The motion was seconded by Commissioner Thomas and was unanimously approved.

Mr. Culp also reported that the transition of WIOA Title I providers in Bedford and Blair Counties from the Private Industry Council of the Central Corridor (PICC) to Goodwill of the Southern Alleghenies is going very smoothly. Goodwill hired all those employees from the Private Industry Council who applied for positions.

Mr. Howsare reminded members of the electronic ballot that was sent on June 14, 2017 requesting approval to award the One-Stop Operator to the consortium of Goodwill of the Southern Alleghenies, Employment & Training, Inc. of Huntingdon and Tableland Services, which submitted the only proposal in response to the RFP. Enough ballots were received to approve the award. In order that the approval becomes part of the permanent recorded Board of Directors' minutes concurrence of the approval is now requested.

A motion was entered by Commissioner Walls to concur with the decision made by electronic ballot to award the One-Stop Operator to the consortium of Goodwill of the Southern Alleghenies, Employment & Training, Inc. of Huntingdon and Tableland Services. The motion was seconded by Mr. Cessna and was unanimously approved.

OTHER BUSINESS:

Mr. Howsare also reminded members of the electronic ballot that was sent on June 15, 2017 requesting approval for the purchase of a new copier for the Cambria EARN program. Enough ballots were received to approve the purchase. In order that the approval becomes part of the permanent recorded Board Directors' minutes concurrence of the purchase is now requested.

A motion was entered by Commissioner Walker to concur with the authorization to purchase a new copier for the Cambria EARN program, as presented. The motion was seconded by Commissioner Crooks and was unanimously approved.

Mr. Howsare announced that Mr. Robert Yelnosky, At-Large Member, has submitted his resignation due to the demands of his new position with Juniata College. Mr. Yelnosky was a dedicated member of this Board and will be missed.

A motion was entered by Commissioner Thomas to accept, with regret, the resignation of Mr. Robert Yelnosky as an At-Large member of the Southern Alleghenies Planning & Development Commission Board of Directors, effective July 1, 2017. The motion was seconded by Commissioner Ulsh and was unanimously approved.

Mr. Carson reminded members that in coordination with each of the six counties, SAP&DC contracted with czb, LLC to complete a regional comprehensive plan that follows DCED's implementable approach. A

significant amount of work has been completed to date, including initial quantitative analysis on county-specific and region-wide census and GIS data along with a review of existing data and relevant planning documents to provide guidance on data collection. Work to date also includes the completion of four rounds of county committee meetings in each of the respective counties.

Mr. Pete Lombardi from czb, LLC along with Ms Katie Kinka, Manager of the Regional Implementable Comprehensive Plan, provided a detailed update on the work completed and facilitated a discussion with Board members as it relates to the next steps in the planning process. Mr. Mark Collussy, Director of the Huntingdon Planning Commission, and Mr. Don Schwartz, Director of the Bedford County Planning Commission, also participated via telephone in the update/discussion of the Regional Implementable Plan.

The next meeting of SAP&DC Board of Directors will be held Wednesday, September 20, 2017 beginning at 10:00 A.M.

ADJOURNMENT:

There being no further business the meeting was adjourned at 12:00 PM.

Respectfully submitted,

Heather Meck

Secretary