

**SOUTHERN ALLEGHENIES PLANNING AND DEVELOPMENT COMMISSION  
BOARD OF DIRECTORS' MEETING  
May 16, 2018  
Commission Office**

**Convened: 10:00 A.M.**

**Adjourned: 11:30 A.M.**

**Members in Attendance:**

Mr. Jay Cessna  
Hon. S. Paul Crooks  
Hon. Barry Dallara  
Mr. Jim Foster  
Hon. Josh Lang  
Hon. Rodney McCray  
Mrs. Beth McGregor  
Mr. Dennis Munko (via telephone)

Hon. Mark Sather  
Hon. Jeff Thomas  
Hon. John Vatavuk  
Hon. Gerald Walker  
Hon. Scott Walls  
Mr. Art Wilkin  
Hon. Mark Wissinger

**Others in Attendance:**

Mr. Daniel Bowers  
Mr. Brandon Carson  
Mr. George Gvozdich  
Mr. Steven Howsare  
Ms Regina Klevan

Mrs. Trudy Mitchell  
Ms Abigail Roberts  
Ms Deborah Shaffer  
Ms Tina Taylor  
Mrs. Susan Whisler

**CALL TO ORDER:**

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

**MINUTES, MARCH 15, 2017:**

A motion was entered by Commissioner Walker to approve both the April 25, 2018 Executive Committee Meeting and March 21, 2018 Board of Directors Meeting minutes, as presented. The motion was seconded by Mr. Foster and was unanimously approved.

**FINANCE REPORT:**

Mr. Daniel Bowers, Director of Finance, presented the Accounts Payable and reported no changes to the information submitted. He also provided a summary of available Commission funds and reported that SAP&DC has now received the outstanding ARC/PREP funds and is in a good cash position.

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

**FISCAL YEAR 2018-2019 SAP&DC OPERATIONAL BUDGET:**

Mr. Wilkin, Chairman, Finance Committee, reported that at the Finance Committee meeting held earlier this morning, SAP&DC's Fiscal Year 2018-2019 Operational Budget was approved and recommended for presentation and approval to SAP&DC's Board of Directors.

Mr. Daniel Bowers, Director of Finance, explained that for Fiscal Year 2018-2019, SAP&DC's budget was again prepared and designed through a collaborative effort with all members of SAP&DC's management team. He reported that the process went smoothly due to the hard work and cooperation of all management team members.

Mr. Bowers then provided members with a summary of items included as part of SAP&DC's Fiscal Year 2018-2019 budget and reviewed the budget in detail. Mr. Bowers also stated that the budget contained a proposed 3% wage increase for employees.

He provided information on some new revenue streams and explained that of an \$8 million budget approximately \$6.3 million goes back into the region in the form of direct services while only \$1.7 million is used for administrative/overhead costs.

A motion was entered by Mr. Wilkin to approve SAP&DC's Fiscal Year 2018-2019 Operational Budget, as presented. The motion was seconded by Commissioner Walker and was unanimously approved.

**BUSINESS LENDING SERVICES:**

Mrs. Trudy A. Mitchell, Director, Business Lending Services, presented and reviewed the loan applications approved by the Loan Review Committee in May. The applications for Bedford Farm Bureau Cooperative Association, Matthew S. & Loretta R. Garman and Lifestyle Support Properties were approved, as presented. These actions are now presented to the Board of Directors for concurrence.

A motion was entered by Commissioner Vatauk to concur with the actions taken by the Loan Review Committee, as presented. The motion was seconded by Commissioner Lang and was unanimously approved.

### **APPALACHIA REGIONAL MINING EXPORTS (ARMEX) PROMOTION INITIATIVE REPORT:**

Ms Tina Taylor, International Trade Program Manager, explained that SAP&DC was funded by the Appalachian Regional Commission (ARC) to lead a three-year initiative (ARMEX) designed to create job opportunities and boost economic activity through the increase of goods and services exported from mining equipment manufacturers and service providers located in Appalachia.

Ms Taylor then provide a presentation on ARMEX including the scope of the project by phase and the overall project goals. She stated that once all the results are received, they should prove that the ARMEX initiative was very successful.

### **COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY RESOLUTION:**

Mr. Bandon Carson, Director, Planning & Community Development, explained that the Economic Development Administration (EDA) requires the Commission's Board of Directors to certify that, through its meetings, there has been opportunity to review and act upon proposed EDA programming. Accordingly, a resolution in support of SAP&DC's Comprehensive Economic Development Strategy planning process and the activities undertaken by the SAP&DC for the Southern Alleghenies Region is now presented for approval.

A motion was entered by Commissioner Dallara to approve the Resolution in Support of SAP&DC's Comprehensive Economic Development Strategy planning process and the activities undertaken by the SAP&DC for the Southern Alleghenies Region. The motion was seconded by Commissioner McCray and was unanimously approved.

### **AMENDED FY 18 ARC INVESTMENT PACKAGE:**

Mr. Carson reported that SAP&DC is required each year to submit its project recommendations for funding through the Appalachian Regional Commission (ARC). The annual investment package is submitted in early August each year and can be amended at any time. This flexibility allows staff to identify viable projects throughout the year that would be a good fit for an ARC investment.

Mr. Carson then presented and provided a detailed review of the list of the projects that were submitted in August last year for the FY 18 Investment Package and then reported that an additional project had requested funding assistance. The Bedford County Development Association is requesting that funding for an economic needs assessment be added to the FY 18 Investment Package. The Appalachian Regional Commission has invited this project to submit a full application for consideration.

A motion was entered by Mr. Cessna to approve amending the FY 18 ARC Investment Package to include the request from the Bedford County Development Association for the Bedford County Economic Needs Assessment, as presented. The motion was seconded by Commissioner Lang and was unanimously approved.

Mr. Carson told Board members that SAP&DC is now accepting projects for ARC FY 19 funding and requested that he be contacted regarding any projects within their individual counties that may be eligible.

**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. Brandon Carson, Director, Planning & Community Development, presented and reviewed the project requesting federal financial assistance and reported it as consistent with the Commission's overall Comprehensive Economic Development Strategy.

A motion was entered by Commissioner Crooks to approve the Projects under Executive Order 12372, as presented. The motion was seconded by Commissioner Walker and was unanimously approved.

**REQUEST FOR PROPOSALS FOR EARN PROVIDERS:**

Ms Regina Klevan, EARN Program Administrator, reported that the Commonwealth of Pennsylvania's Department of Public Welfare periodically requires a RFP process be conducted for the provision of Welfare-to-Work Program services. Five proposals were received in response to the RFP. Proposals were initially reviewed by SAP&DC staff to ensure they met the basic proposal criteria. They were then reviewed by the RFP Subcommittee of the Local Management Committee (LMC).

The recommendations of the Subcommittee were then reviewed by the full LMC who approved the awarding the EARN service contracts as follows: Bedford, Blair, Cambria and Fulton Counties to Center for Community Action; Huntingdon County to Huntingdon County Child and Adult Development Corporation and Somerset County to Tableland Services, Inc.

SAP&DC will, therefore, no longer be providing services in Blair and Cambria counties so this will affect the employment of two of our current EARN staff. However, as part of the agreement with the Center for Community Action, they will interview these individuals for positions within their organization.

A motion was entered by Commissioner Walls to approve the awards for EARN services, as presented. The motion was seconded by Mr. Foster and was unanimously approved.

**OTHER BUSINESS:**

Mr. Steven Howsare, Director of Finance, explained that the Commission's current pension administrator, Principal Financial, is moving towards divesting itself from small plans such as SAP&DC's 357(b) plan. Principal notified SAP&DC in September of last year that they will no longer provide any document service to our plan. Therefore, SAP&DC was put in the position of either contracting with a documentation provider or changing pension plan administrators.

SAP&DC considered both alternatives and reached out to Mr. Paul Good the Financial Advisor for SAP&DC's current pension plan for advice. He researched document providers and the associated costs. He then contacted Mr. Zachary Craig of First National Bank Wealth Management since this the bank that carries SAP&DC's banking accounts. Mr. Craig then contacted various pension providers and presented an option for switching the pension plan from Principal Financial to FNB Wealth Management (Empower) utilizing investment options through Putnam, Vanguard, JP Morgan, T. Rowe Price and several others. Utilizing this plan will save SAP&DC employees a substantial amount in fees and SAP&DC will not incur extra fees for a document provider.

A motion was entered by Commissioner Erb to approve switching SAP&DC's pension administration from Principal Financial to FNB Wealth Management, as presented. The motion was seconded by Mr. Wilkin 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. The plan has now been completed and the next step will be implementation of the plan's recommendations in each county.

Mr. Carson explained that money was withheld from each payment to czb, LLC and kept in escrow to be paid once the plan was completed satisfactorily. Czb, LLC is considered to have performed their service in an exceptional manner, have completed all requirements of their contract and have continued to provide a level of service. Therefore, it is requested that approval be given to release to czb, LLC the remaining funds due under their contract with SAP&DC.

A motion was entered by Commissioner Vatauvuk to authorize releasing the remaining funds on the contract with czb, LLC. The motion was seconded by Commissioner Thomas and was unanimously approved.

Mr. Howsare announced that a meeting with representatives from the PA Department of Community and Economic Development to discuss possible funding that may be available to assist counties with implementation of the Regional Comprehensive Economic Development Plan is scheduled for Wednesday, June 27<sup>th</sup>. Further information will be provided to Board members once it becomes available.

Also, the Economic Development Administration (EDA) along with other federal agencies will be holding a Regional Economic Diversification Summit (REDS) in Johnstown on July 25, 2018. This summit is designed to respond directly to locally identified economic development strategies and priorities.

The purpose of this summit is to assist in finding ways to advance project implementation. This summit will provide a forum where EDA and its federal partners can directly engage with representatives from local counties, municipalities, etc. that have completed economic development strategic plans, identified economic growth objectives and related project priorities, but lack the necessary resources to commence with project implementation. The hope is that this will assist in bridging the gap between planning and implementation. Further information will be provided to Board members as it becomes available.

**ADJOURNMENT:**

There being no further business the meeting was adjourned at 11:30 P.M.

Respectfully submitted,

Gerald Walker

Secretary