

**SOUTHERN ALLEGHENIES PLANNING AND DEVELOPMENT COMMISSION
BOARD OF DIRECTORS' MEETING
May 20, 2015
Commission Office**

Convened: 10:00 A.M.

Adjourned: 11:30 A.M.

Members in Attendance:

Mr. Jay Cessna
Mrs. Sharon Clapper
Mr. S. Paul Crooks
Hon. Craig Cutchall
Hon. Barry Dallara
Hon. Rodney McCray
Hon. Doug Lengenfelder

Hon. Rodney McCray
Mrs. Heather Meck
Hon. Kirt Morris
Hon. Jeff Thomas
Hon. John P. Vatauvuk
Hon. Mark Wissinger
Mr. Robert Yelnosky

Others in Attendance:

Mr. Brandon Carson
Mr. George Gvozdich
Mr. Jim Hartling
Mr. Clark Hostetter, CPA
Mr. Steven K. Howsare
Mr. Isaac Kwon

Mrs. Trudy Mitchell
Mrs. Debbi Prosser
Ms Deborah Shaffer
Mr. Wade VanLandingham
Mrs. Susan Whisler

CALL TO ORDER:

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

MINUTES, MARCH 18, 2015:

A motion was entered by Mrs. Clapper to approve the March 18, 2015 minutes, as presented. The motion was seconded by Commissioner Vatauvuk and was unanimously approved.

DRAFT 2014-2018 Comprehensive Economic Development Strategy Update:

Commissioner Thomas called on Mr. Brandon Carson, Director, Planning & Community Development Division. Mr. Carson explained that the Economic Development Administration requires that SAP&DC update its Comprehensive Economic Development Strategy every five years. The Commission contracted with Urban Partners to complete the update. To develop the update, Urban Partners interviewed key stakeholders, reviewed existing plans, completed population projections and conducted a series of public meetings in the region.

He then introduced Mr. Isaac Kwon and Mr. Jim Hartling of Urban Partners and Mr. Wade VanLandingham of VanLandingham Consulting, the firm that worked with Urban Partners by [analyzing regional and county-level demographic, workforce, and industry data for the quantitative analysis portion of the plan.](#)

Mr. Kwon and Mr. Hartling then presented SAP&DC's draft 2014-2018 Comprehensive Economic Development Strategy Update. The draft update will once again be open for Project Steering Committee and Board of Director comment until June 5, 2015. It will be then opened for final public comment.

Members of SAP&DC's Board of Directors were strongly encouraged to review the document and provide any comment. An electronic copy of the document along with links to various information utilized in the document will be sent to all members.

FINANCE REPORT:

Mr. Clark Hostetter, CPA, 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 still remains in a strong cash position.

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

FISCAL YEAR 2015-2016 SAP&DC OPERATIONAL BUDGET:

Mr. Steven Howsare, SAP&DC Executive Director, explained that several changes to SAP&DC's Compensation Plan were presented at the Finance/Personnel Committee meeting held early this morning. These changes were approved and are incorporated as part of SAP&DC's Fiscal Year 2015-2016 Operational Budget.

He further explained that SAP&DC's compensation plan was developed and approved in 2009. Since that time changes were made in the minimum and maximum salary for all grade levels with the exception of Pay Grades P-2 (Specialist Level 1) and A-1 (Program Assistant). It has recently become somewhat difficult to recruit at the minimum salary level for the P-2 Pay Grade and salary compression and maximum issues have developed due to the longevity of employees in the A-1 Pay Grade,

Therefore, it was recommended to the Finance/Personnel Committee that the minimum salary level for Pay Grades P-2 and A-1 be raised by providing a Cost of Living increase of 2% which will also carry through to the maximum salary level. This represents the average of the federal Cost of Living rates since 2009. SAP&DC's

2015-2016 Operational Budget includes a three percent General Pay increase for all employees, thus, the employees on Pay Grade Levels P-2 and A-1 will receive a total five percent increase. This is a very low cost remedy and should not increase the level of applicant competition for similar positions at the county level, which may have be slightly lower.

Also, due to changes from the Workforce Investment Act to the Workforce Innovation and Opportunity Act it became necessary to revise job descriptions for two employees in the Workforce Division. At the same time, one of SAP&DC's long time employees retired and it was decided not replace that position, but to incorporate those duties into the revised job descriptions for the two remaining Workforce Division employees. The revised job descriptions for the two Workforce Division employees include duties which necessitate those positions be re-classed from P-2 (Specialist Level 1) to P-1 (Specialist Level 2). Under SAP&DC's policies those employees affected would receive a ten percent salary increase. Those employees are not then eligible for the three percent general pay increase proposed for Fiscal Year 2015-2016.

One final recommended personnel change is to promote Ms Regina Klevan, EARN Program Manager, from Pay Grade Level M-2 to Pay Grade Level M-1 with the title of EARN Program Administrator. Ms Klevan is the only program manager that meets the exempt status requirements, supervises six subordinates and manages a "stand alone" program. Under SAP&DC's personnel policies this promotion necessitates a ten percent salary increase. Ms Klevan would also not be eligible for the three percent general pay increase proposed for Fiscal Year 2015-2016.

Mr. Hostetter then reported that at the Finance/Personnel Committee meeting held earlier this morning, SAP&DC's Fiscal Year 2015-2016 Operational Budget was approved and recommended for presentation and approval to SAP&DC's Board of Directors.

He further explained that for Fiscal Year 2015-2016, 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. Hostetter then provided members with a summary of items included as part of SAP&DC's Fiscal Year 2015-2016 budget. He also provided information on some possible new revenue streams and explained some reductions in funding that SAP&DC received.

He further explained that there is the possibility of that approval of the Commonwealth's Fiscal 2015-2016 budget may be delayed which would, in turn, delay the Commonwealth's payments to the Commission. However, SAP&DC now has an external and internal line of credit that can be utilized to cover any delays in payment thus avoiding the possibility of layoffs as occurred in 2009.

A motion was entered by Commissioner Wissinger to approve SAP&DC's Fiscal Year 2015-2016 Operational Budget, as presented. The motion was seconded by Mr. Cessna and was unanimously approved.

BUSINESS LENDING SERVICES:

Mrs. Trudy A. Mitchell, Director, Business Lending Services, presented and reviewed the action taken by the Loan Review Committee at its meeting held Friday, May, 15, 2015. The application for Williamsburg Holdings, LLC/Williamsburg Foods, LLC was approved, as presented. This application is now presented to the Board of Directors for concurrence.

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

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY RESOLUTION:

Mr. Brandon 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 Cutchall 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 Crooks and was unanimously approved.

TECHNOLOGY PURCHASE/HOST SERVER REPLACEMENT:

Mr. Carson explained that SAP&DC's existing host server was purchased in 2010 and is currently at capacity. Staff researched the equipment needed and recommend purchasing a Dell PowerEdge R730 server from Link Computer Corporation at a total cost of \$7,891.54. Funding is available through several Commission grants.

A motion was entered by Mr. Yelnosky to approve the purchase of a new host server, Dell PowerEdgeR730, as presented. The motion was seconded by Commissioner McCray and was unanimously approved.

SOUTHERN ALLEGHENIES WORKFORCE INVESTMENT BOARD REPORT:

Mrs. Susan Whisler, Director, SAWIB, reported that in order to be in compliance with the Workforce Innovation and Opportunity Act by July 1st, several new board members must be appointed to fill the seats designated for Apprenticeships, Mr. Rick Tomlinson, Regional Council of Carpenters; Organized Labor, Mr. Dominique Sgro, Director AFSCME Council 83; Adult Education, Ms Jennie Jamieson, Adult Literacy Coalition; and, Community-Based Organizations serving youth with barriers to employment, Gail Clapper, Big Brothers/Big Sisters. Also, two current SAWIB members have retired and Mr. David Mrozowski, Executive Director, Community Action Partnership for Somerset County and Mrs. Wendy Melius, Executive Director, Center for Community Action have been selected as replacements to serve on the Workforce Development Board.

A motion was entered by Mrs. Clapper to approve the appointment of the new members to the Workforce Development Board, as required under federal law and as presented. The motion was seconded by Commissioner Vatauvuk and was unanimously approved.

Mrs. Whisler announced that the Workforce Development Board has been awarded a \$100,000 under the Business and Education Partnership competitive grant made available through the Pennsylvania Department of Labor and Industry. Funds will be utilized to support innovative programs that were submitted by the Title I providers throughout the six county region and will help lessen the impact of funding cuts to the youth programs.

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 Wissinger to approve the Projects under Executive Order 12372, as presented. The motion was seconded by Mr. Yelnosky and was unanimously approved.

RENEWAL OF CONTRACT WITH ACTION ACCOUNTING FOR CONTROLLER SERVICES:

Mr. Howsare explained that Mr. Clark Hostetter, CPA, Action Accounting, provided financial management oversight services for SAP&DC for several years. Last year, with Board of Director approval, SAP&DC contracted formally with Mr. Hostetter, as a contracted controller, at a monthly rate of \$3,000. SAP&DC's financial system is running smoothly under Mr. Hostetter's guidance.

Mr. Hostetter has requested an increase of \$100 per month in his contract beginning July 1, 2015 through June 30, 2016 and is recommended for approval.

A motion was entered by Commissioner Cutchall to approve the increase and contract between Action Accounting, Inc. and SAP&DC, as presented for the Fiscal Year July 1, 2015 through June 30, 2016. The motion was seconded by Commissioner Lengenfelder and was unanimously approved.

OTHER BUSINESS & INFORMATIONAL ITEMS:

Mr. Howsare explained that the Appalachian Regional Commission (ARC) is holding a series of "listening session" to assist with developing a new strategic plan to guide its economic and community development efforts over the next five years. The SAP&DC region was selected to hold one of these "listening sessions". The session in our region is scheduled for Thursday, June 11, 2015 from 10:00 AM to 3:00 PM at the Blair County Convention Center in Altoona, PA. Mr. Howsare and Mr. Carson will be attending the local session representing the Commission.

Mr. Carson reported that SAP&DC planning staff had been working to obtain funding for a feasibility study on the practicality of acquiring space for a shared local commercial kitchen to be utilized by farmers to develop value added process/products. Currently, local farmers must travel as far as West Virginia for shared commercial kitchen space.

However, the Greater Johnstown Career and Technical Center (GJCTC) approached SAP&DC with a strategy for utilizing the commercial kitchen that is already located in their building and underutilized. Working with SAP&DC allows the GJCTC to expand offering use of their commercial kitchen regionally. Use of the actual commercial kitchen space would require a lease between GJCTC and the farmer requesting to utilize it.

SAP&DC's role would be to lease a small space from GJCTC for storage by local farmers of those items needed for preparation of their value added process/products such as canning jars, labels, etc. SAP&DC would then in turn lease the storage space to local farmers saving them the cost of shipping and storing these items in trucks.

There will be no risk exposure to the Commission and the cost is minimal. As an added benefit, students in the Culinary Arts and several other GJCTC programs would gain valuable hands on experience by working with the local farmers in preparation of their value added process/products.

SAP&DC will also apply for a \$60,000 Local Food Grant through the USDA to further help offset costs to the local farmers. At this time, SAP&DC is requesting authorization to move forward with this project.

A motion was entered by Commissioner Lengenfelder to authorize SAP&DC to proceed in developing the project. The motion was seconded by Commissioner Wissinger and was unanimously approved.

Commissioner Lengenfelder thanked all Board members and staff for their support by voting for Johnstown, during the Kraft Hockeyville USA contest. On May 2, 2015, Johnstown was named as the winner of the Kraft Hockeyville USA contest that is conducted in partnership with the National Hockey League Players' Association and the National Hockey League. As the recipient of the Kraft Hockeyville USA title, the Cambria County War Memorial Arena will be provided \$150,000 to use for arena updates and the War Memorial will host an NHL Pre-Season game between the Pittsburgh Penguins and the Tampa Bay Lightning. The game will be televised live on NBCSN on September 29, 2015. There will be many festivities during the week before the live, televised game and Commissioner Lengenfelder encouraged members to attend.

Mrs. Debbi Prosser, announced that SAP&DC sponsored a preliminary Governor's Impact Award celebration on Thursday, May 14, 2015 at the Omni Bedford Springs. This event was very successful.

The next meeting of the Board of Directors meeting is scheduled to be held Wednesday, July 15, 2015.

ADJOURNMENT:

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

Respectfully submitted,

Heather Meck
Secretary