

**SOUTHERN ALLEGHENIES PLANNING AND DEVELOPMENT COMMISSION  
BOARD OF DIRECTORS' MEETING  
September 18, 2019  
Commission Office**

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

**Adjourned: 12:15 P.M.**

**Members in Attendance:**

Mr. Jay Cessna  
Mrs. Sharon Clapper  
Hon. S. Paul Crooks  
Hon. Barry Dallara  
Hon. Bruce Erb  
Mr. Jim Foster  
Hon. Josh Lang  
Mr. Ricky Leese (via conference call)  
Mr. Tom Luciano

Hon. Rodney McCray  
Ms Beth McGregor  
Hon. Mark Sather  
Hon. Jeff Thomas  
Hon. Pamela Tokar-Ickes  
Hon Gerald Walker  
Hon. Scott Walls  
Mr. Arthur Wilkin  
Hon. Mark Wissinger

**Others in Attendance:**

Mr. Daniel Bowers  
Mr. Brandon Carson  
Mr. George Gvozdich  
Mr. Steven K. Howsare

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

**CALL TO ORDER:**

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

**MINUTES, July 18, 2018:**

A motion was entered by Commissioner Lang to approve the July 17, 2019 Board of Directors meeting minutes, as presented. The motion was seconded by Mrs. Clapper and was unanimously approved.

**FINANCE COMMITTEE REPORT:**

Mr. Daniel Bowers, SAP&DC Director of Finance briefly reviewed several of the payables and reported no changes to the information presented.

He then presented and reviewed a summary of available funds in the Commission's bank accounts stating that finances are as expected for this time of year and no concerns are yet noted.

Maher Duessel, SAP&DC's audit firm, has completed their field work for the audit and everything went very well. The audit went smoothly, and no issues were noted. The audit ran on schedule and will be completed in time to present a full report at the November 20, 2019 Board of Directors' meeting.

An auditor for the Appalachian Regional Commission (ARC) was also at SAP&DC's office for approximately two weeks reviewing costs associated with ARC funding. This audit also went very well, and no issues were noted.

A motion was entered by Mr. Wilkin to approve the Accounts Payable, as presented. The motion was seconded by Mr. Foster 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. The application for Merle & Priscilla Fox was approved, as presented. The application is now presented for concurrence by the Board of Directors.

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

#### **PREP FY 18-19 YEAR-END REPORT:**

Mrs. Prosser presented and reviewed a report summarizing the performance of SAP&DC's core and region-specific components under its Appalachian Regional Commission and Commonwealth-funded Programs for FY 2018-2019. These programs represent the largest single revenue source within the Commission's operating budget and support much of the Commission's economic and community development efforts.

Mrs. Prosser reported that the "Bring the World to PA" event held at the Omni Springs in Bedford on Monday, September 16, 2019 was a huge success. All 15 authorized trade representatives attended and 17 companies within the region had one-on-one appointments with the representatives.

In summarizing the report, Mrs. Prosser stated that, as a whole, SAP&DC fell a little short on job creation; but surpassed the goal for job retention. She then commented that when companies create new jobs, they are

having trouble finding individuals to fill those positions. Board members raised questions regarding why companies are having issues with finding competent individuals to fill positions. Mrs. Prosser explained that she and Mrs. Susan Whisler, SAWDB Director, recently had the opportunity to attend a meeting of the Governor's Command Center and there was discussion on this subject and it was noted that the SAP&DC region has one of the lowest workforce participation rates (46%) in the Commonwealth. Lengthy discussion was held regarding the reasons why the region is having a hard time filling open positions and the specifics for the low workforce participation rate.

### **ENGAGE STATUS REPORT:**

Mrs. Prosser reported that the ENGAGE Program is still lagging behind in meeting the goals for company calls. This is a performance-based contract and for every call made the relevant organization receives \$1,000. The calls consist of asking approximately six questions and therefore, should only take approximately one hour of the caller's and company representative's time. Additional monies are going to be available through the DCED to extend this program, but the additional monies will only be awarded to those who are performing by meeting or exceeding their goals and will be based on the performance for the first quarter of the year.

Board members stated that they would talk with their respective economic development agencies to ensure that calling goals are met.

### **START-UP ALLEGHENIES STATUS REPORT:**

Mrs. Deborah Prosser, Director, Business Development Services, reported that the Start-Up Alleghenies program continues to grow. Mrs. Prosser took time to briefly review the goals and outcomes of the program. She also provided information on the profiles of the type of individuals who are pursuing entrepreneurship and a detailed list of the type of businesses being pursued by these individuals.

Mrs. Prosser then provided videos of several of the region's "Start-Up Alleghenies" entrepreneurs, that are beginning to achieve success with their service/product.

### **EXECUTIVE ORDER 12372 PROJECTS:**

Mr. Carson presented and provided information on requests for funding under Executive Order 12372.

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. Those projects requesting federal financial assistance, as presented, are consistent with the Commission's Comprehensive Economic Development Strategy.

A motion was entered by Commissioner Tokar-Ickes to approve the Projects Under Executive Order 12372, as presented. The motion was seconded by Commissioner Crooks and was unanimously approved.

**OTHER BUSINESS:**

Mr. Steven Howsare, SAP&DC Executive Director, reported that SAP&DC reached its goal of \$72,000 for initial funding of the Sothern Alleghenies Angel Fund, Alleghenies Angel Fund, LLC. Those funds have now been "turned over" for management by the Alleghenies Angel Fund Board members. Initially 16 applicants requested funding; of these, three were selected to move forward for presentation to the Board. The Board is scheduled to meet this evening and will consider investment in those three projects. It is expected that further monies will be provided to the Angel Fund for investment in promising opportunities.

Mr. Howsare reminded members that SAP&DC's office space lease expires September 30, 2020. The Building Committee has met several times and discussed various options including negotiating a new lease for the current building, purchasing the current building, moving and leasing another space building construction, etc. At this time, it has been determined that the best alternative is to negotiate a new lease with Lawruk Properties for the current building. Mr. Howsare, Mr. Bowers and Mr. Wilkin met with representatives from Lawruk properties yesterday, Tuesday, September 17, 2019 to begin negotiations. Mr. Howsare will keep members updated as negotiations move forward.

Mr. Carson reported that SAP&DC is proposing a "Broadband Pilot" project to overcome the gaps in high-speed broadband internet and reliable cellular service for rural areas of the region. Broadband and cellular service was identified as one of the top critical issues identified in the recently completed regional comprehensive plan. SAP&DC formed a Regional Broadband Task Force in 2019 that is now charged with guiding the recently awarded POWER grant to conduct a broadband infrastructure assessment for the Bedford, Blair, Cambria, Fayette, Fulton, Huntingdon, Somerset and Westmoreland counties.

A component of the ARC funded broadband study will include a strategy for forming a telecommunications cooperative to partner with existing service providers with a focus on deploying high-speed wireless broadband services to the unserved and underserved areas of the region. The proposed project requests \$125,000 in funding and will serve as a pilot to inform the Regional Broadband Task Force on the viability of partnering with existing providers in the region to improve internet connectivity in rural areas. Lengthy discussion was held on the specifics of the pilot program and the issues with getting high-speed connectivity in rural areas.

The next SAP&DC Board of Directors meeting will be held Wednesday, November 20, 2019.

**ADJOURNMENT:**

There being no further business the meeting was adjourned at 12:15 PM.

Respectfully submitted,

Hon. Josh Lang  
Secretary