

SOUTHERN ALLEGHENIES PLANNING AND DEVELOPMENT COMMISSION
BOARD OF DIRECTORS' MEETING
January 20, 2021
Commission Office/Zoom

Convened: 10:00 A.M.

Adjourned: 12:00 P.M.

Members in Attendance:

Hon. Randy Bunch
Hon. Laura Burke
Mr. Jay Cessna
Mrs. Sharon Clapper
Hon. Barry Dallara
Hon. Colleen Dawson
Hon. Bruce Erb
Mr. Jim Foster

Hon. Scott Hunt
Mr. Thomas Luciano
Ms Beth McGregor
Hon. William Smith
Hon. Jeff Thomas
Hon. Pam Tokar-Ickes
Hon. Gerald Walker
Hon. Scott Walls

Others in Attendance:

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

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.

ELECTION OF OFFICERS:

Commissioner Erb called on Mr. George Gvozdich, the Commission's General Counsel, to conduct the election of officers for 2021. Mr. Gvozdich explained that under SAP&DC's By-laws the positions of President and Vice-President must be filled by County Commissioners and the positions of Treasurer and Secretary may be filled by any member of the Board of Directors.

Mr. Gvozdich then requested nominations for the position of SAP&DC President.

Commissioner Tokar-Ickes nominated Commissioner Walker for the position of SAP&DC President. The motion was seconded by Mrs. Clapper. Hearing no further nominations, the position of SAP&DC President was declared as being filled by Commissioner Walker through acclamation.

Mr. Gvozdich requested nominations for the position of SAP&DC Vice-President.

Commissioner Thomas nominated Commissioner Walls for the position SAP&DC Vice President. The motion was seconded by Commissioner Erb. Hearing no further nominations, the position of SAP&DC Vice-President was declared as being filled by Commissioner Walls through acclamation.

Mr. Gvozdich requested nominations for the position of SAP&DC Treasurer.

Commissioner Erb nominated Mr. Luciano for the position SAP&DC Treasurer. The motion was seconded by Commissioner Dallara. Hearing no further nominations, the position of SAP&DC Treasurer was declared as being filled by Mr. Luciano through acclamation.

Mr. Gvozdich requested nominations for the position of SAP&DC Secretary

Commissioner Smith nominated Commissioner Hunt for the position SAP&DC Secretary. The motion was seconded by Commissioner Walker. Hearing no further nominations, the position of SAP&DC Secretary was declared as being filled by Commissioner Hunt through acclamation.

At this time, Mr. Gvozdich turned the meeting over to Commissioner Walker.

Commissioner Walker thanked Board members for their confidence in him. He further remarked that he looks forward to the serving and working together to face any challenges that may arise during the year.

Commissioner Erb proceeded to thank Board members for their support and the opportunity serve as their SAP&DC President for the past two years. He further stated that his experience was that the Commission is well-managed and that he looks forward to continuing to serve as a member of the Board under the leadership of Commissioner Walker.

Commissioner Walker and Mr. Howsare then presented Commissioner Erb with a plaque in recognition of his service to the communities and citizens of the Southern Alleghenies Region.

EXECUTIVE, FINANCE, PERSONNEL COMMITTEE APPOINTMENTS/2021:

At this time, it was noted that Commissioner Lang had recently resigned his position with Bedford County in order to accept another position. Bedford County is currently considering individuals for appointment to serve until the end of Commissioner Lang's term. Once an individual is selected, Bedford County will inform SAP&DC regarding those who will serve on the Board of Directors and Standing Committees.

In accordance with the Commission's By-Laws, nine members are appointed to each of SAP&DC's three Standing Committees: Executive, Finance and Personnel. Also, in accordance with the By-Laws, at-large members' appointments must be approved by the Board and appointments/reappointments are made in the "odd" years by each member county. Therefore, for 2021 At-Large members were contacted and asked about their interest/willingness to continue to serve. Mr. Arthur Wilkin and Mr. Ricky Leese responded that, unfortunately, they were unable to continue to serve due to other commitments. Therefore, Blair and Fulton Counties will each need to appoint a replacement. Once a new individual is nominated by his/her respective county, the At-Large member appointment will be approved/ratified by the SAP&DC Board of Directors. The Standing Committees each consists of nine members (six County Commissioners and three at-large members).

A motion was entered by Commissioner Erb to approve the standing committee members, as presented. The motion was seconded by Commissioner Hunt and was unanimously approved.

DESIGNATION OF ADVISORY COMMITTEES AND APPOINTMENT OF MEMBERS FOR 2021:

A list of SAP&DC's Advisory Committees and proposed members for each of the advisory committees was presented for approval by the SAP&DC Board of Directors.

A motion was entered by Mr. Cessna to approve the Advisory Committee designations and appointments for calendar year 2021, as presented. The motion was seconded by Commissioner Hunt and was unanimously approved.

MINUTES, November 18, 2020:

A motion was entered by Commissioner Erb to approve the November 18, 2020 Finance Committee minutes, as presented. The motion was seconded by Commissioner Smith and was unanimously approved.

A motion was entered by Commissioner Hunt to approve the November 18, 2020 Board of Directors minutes, as presented. The motion was seconded by Mrs. Clapper and was unanimously approved.

FINANCE REPORT:

Mr. Daniel Bowers, SAP&DC Director of Finance, presented and reviewed the accounts payable and reported no changes to the information submitted. He briefly reviewed the status/balances of the Commission's Bank Accounts and reported that SAP&DC bank account balances are as expected for this time of year.

A motion was entered by Mr. Luciano to approve the Finance Report, as presented. The motion was seconded by Commissioner Smith and was unanimously approved.

Mr. Bowers then reminded members of the discussion at the November Finance and Board of Directors meetings in November regarding the Request for Proposals for SAP&DC's Fiscal Years 2021-2023 audit services. He again explained that SAP&DC is required under State guidelines to go through a Request for Qualifications process for audit services every three years. That process was started in the Spring/Summer of 2020 to ensure it was completed in a timely manner. Following advertising for Request for Proposals, only one response was received, that being from Maher Deussel. The current cost for SAP&DC's audit is \$22,500. Maher Deussel proposed a reduced cost of \$20,500 for FY 2021; for FY 2022 the cost was set at \$21,500 and for FY 2023 the cost was set at \$22,500, keeping us at the current cost. The length of multi-year contracts is limited to (3) three years. No multi-year contracts may be extended past this three-year period without being re-bid through the normal competitive process. Under SAP&DC's Accounting Policies once an existing auditing firm has had (6) six consecutive year contracts, they may not re-bid during the cycle immediately following that sixth-year contract.

Commissioner Smith expressed concern that by the accounting firm indicating their pricing for all three years, another firm may attempt to "under bid" the incumbent firm for services in Fiscal Years 2021-2022 and 2022-2023. Mr. Bowers explained the SAP&DC does not rebid for audit services each year. This is only done if there is an issue with the firm's conduct of its audit services after the initial one-year award.

A motion was entered by Commissioner Erb to award SAP&DC's Fiscal Year 20-21 audit services to Maher Deussel, as presented. The motion was seconded by Commissioner Smith and was unanimously approved.

Mr. Bowers explained that SAP&DC's purchasing is governed by the Code of Federal Regulations, specifically citing 2CFR200.320, the micro purchase threshold for a non-federal entity currently set at \$10,000. However, there is a provision to allow the non-federal entity to increase this limit to a maximum of \$50,000 if the entity meets certain standards and documents those through a "self-certification" process. The certification must provide justification for the increase, clear identification of the threshold being requested and documentation supporting the "low risk" financial management of the organization.

SAP&DC is requesting a micro purchase threshold increase to \$25,000. Justification for the increase is that due to the current nature of grants SAP&DC is being awarded, many require specialized services for which quotes are difficult to obtain. SAP&DC was qualified as a "low risk" auditee by Maher Deussel following

performance of its Fiscal Year 2019-2020 audit. Therefore, it is recommended that approval be given for SAP&DC to increase its micro purchase limit from \$10,000 to \$25,000.

A motion was entered by Mr. Cessna to approve SAP&DC increasing its micro purchase limit to \$25,000, as presented. The motion was seconded by Commissioner Hunt and was unanimously approved.

BUSINESS LENDING SERVICES:

Mrs. Trudy Mitchell, Business Lending Director, presented and reviewed two loan applications that were submitted to and reviewed by the Commission's Loan Review Committee: Kauffman Metals, LLC and Reuben, Martha & Wilmer Newswanger.

Mrs. Mitchell also presented a list of six applications for EDA Cares Act funding which were all approved by the Commission's Loan Review Committee.

All applications, as presented this date, were approved by the Loan Review Committee, for submission to the Board of Directors for concurrence.

A motion was entered by Commissioner Smith to concur with the actions taken by the Loan Review Committee, as presented. The motion was seconded by Commissioner Bunch and was approved with Mrs. Clapper abstaining.

REGIONAL GREENWAYS MINI-GRANT – ROUND 7:

Mr. Brandon Carson, Director, Planning and Community Development Division, reported that SAP&DC has again been awarded DCNR funding for a seventh round of the Greenways Mini-Grant Program. As in the past, the program will advance the priorities identified in the Southern Alleghenies Regional Greenways and Open Space Network Plan as well as the Southern Alleghenies Bicycle and Pedestrian Plan.

Funding has been slightly decreased to \$125,000 for Round 7; awards can be made for up to \$30,000 each. The application process is currently open, and applications are due no later than March 26, 2021.

VIRTUAL PUBLIC INVOLVEMENT PLATFORM SELECTION:

Mr. Carson explained that the Commission needs to procure a virtual public involvement (VPI) platform to solicit feedback and keep the public informed on a variety of project and programming activities. Quotes were solicited from vendors that provide VPI platforms. Three quotes were received in response to the solicitation.

Following review of the quotes, Commission staff is recommending that the VPI subscription contract be awarded to Publicinput.com due to the capabilities of their platform to meet the needs and flexibility required to conduct public engagement for a wide variety of projects. Publicinput.com was previously utilized by SAP&DC during the Corridor N Study and it proved to be effective. The total cost for the annual subscription is \$15,303 (which includes a discount for utilizing their firm previously).

A motion was entered by Commissioner Dallara to approve awarding the virtual public involvement platform contract/subscription to Publicinput.com, as presented. The motion was seconded by Commissioner Erb and was unanimously approved.

BUSINESS DEVELOPMENT 1st QUARTER REPORT:

Mrs. Deborah Prosser, Director, Business Development Services, 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 the first quarter FY 2020-2021. 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 prefaced her report by stating that thus far most goals are on track to being met and some are performing better than expected even with the complications/difficulties caused by the COVID-19 pandemic. Mrs. Prosser is confident that all goals will be reached or exceeded. These programs are necessary now more than ever to assist the region's businesses and communities in recovery efforts.

STARTUP ALLEGHENIES ACTIVITY REPORT:

Mrs. Prosser provided a report detailing the outcomes from the Start-Up Alleghenies effort to encourage entrepreneurial activity in the region since starting in April 2017. Surprisingly, even with the COVID-19 pandemic this program continues to grow. The angel fund established by SAP&DC also continues to be overwhelmed with requests. Projects for step up grants must bring new revenue to region.

A request has been made to increase the step-up grants for eligible entrepreneurs from \$3,500 to \$5,000. This requires Appalachian Regional Commission (ARC) approval and with the recent holidays and the pandemic, it has been difficult to reach and receive a response from the staff responsible at ARC. Therefore, this may need to wait for presentation/approval at the Board of Directors March meeting. Board members discussed that waiting until the March Board of Directors meeting could hold up the grant increase for eligible projects/entrepreneurs.

A motion was entered by Commissioner Tokar-Ickes to approve an increase to the step-up grants for eligible projects/entrepreneurs from \$3,500 to \$5,000 contingent upon approval from the Appalachian Regional Commission. The motion was seconded by Commissioner Smith and was unanimously approved.

PHASE III CHESAPEAKE BAY WATERSHED IMPLEMENTATION PLAN:

Mr. Carson reminded members of the discussion at the November 18, 2020 Board of Directors meeting regarding SAP&DC being approached by the Blair, Cambria, Fulton and Huntingdon Conservation Districts about a DEP County Wide Action Plan which will need completed by September 30, 2021. They expressed interest in SAP&DC serving in the capacity of grantee/covener similar to the role undertaken for Alleghenies Ahead.

SAP&DC applied to DEP for \$100,000 in grant funding to provide oversight for the Watershed Implementation Plan (WIP) for four counties: Blair, Fulton and Huntingdon and Cambria County. Cambria County is contributing an additional \$25,000 in funding to SAP&DC to be utilized towards the contract awarded to a WIP Coordinator.

SAP&DC sent out an RFP to retain a qualified consultant for the WIP Coordinator in December 2020. Three well qualified RFP's were received. The four Conservation District Managers met and ranked the RFPs and the team unanimously selected the firm of Herbert, Rowland and Grubic, Inc. (HRG). Therefore, it is recommended that SAP&DC's Board of Directors approve the selection of HRG as the WIP Coordinator to perform the scope of work, as outlined in the RFP.

A motion was entered by Commissioner Thomas to approve awarding the WIP Coordinator contract to the firm of Herbert, Rowland and Grubic, Inc. (HRG), as presented. The motion was seconded by Commissioner Hunt and was unanimously approved.

FY 2020-2022 UNIFIED PLANNING WORK PROGRAM RESOLUTION:

Mr. Brandon Carson presented a resolution for approval designating SAP&DC's Executive Director as having signatory authority under the grant contract with the Commonwealth's Department of Transportation to execute the FY 2020-2022 Rural Transportation Unified Planning Work Program Agreement/contract.

A motion was entered by Commissioner Erb to approve the resolution designating SAP&DC's Executive Director as the official to execute the FY 2020-2022 Rural Transportation Unified Planning Work Program Agreement between SAP&DC and the Commonwealth of Pennsylvania Department of Transportation. The motion was seconded by Commissioner Thomas 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 presented those projects requesting federal financial assistance, explained their consistency with the Commission's overall Comprehensive Economic Development Strategy and recommended approval of the projects listed.

A motion was entered by Mr. Cessna to approve the Projects Under Executive Order 12372, as presented. The motion was seconded by Mrs. Clapper and was unanimously approved.

SOUTHERN ALLEGHENIES WORKFORCE DEVELOPMENT BOARD:

Mrs. Susan Whisler, Director, Workforce Development Services, stated the Workforce staff is diligently working on the draft Local and Regional Workforce Investment and Opportunity required plans. These plans must be submitted every four years. Once completed these Plans will be opened for a 30-day public comment period. If no comments are received by the end of the public comment period they will be submitted. If comments are received, those comments will be included in the plan before submission. Plans are due to the PA Department of Labor and Industry no later than April 2, 2021.

ALLEGHENIES BROADBAND, INC. UPDATE:

Commissioner Thomas reported that Alleghenies Broadband, Inc. (ABI) has recently been the recipient of several Appalachian Regional Commission grants. He further reported that at the most recent ABI Board meeting he was elected to serve as President, Commissioner Walker as Vice-President, Mr. Steven McKnight as Secretary and Mr. Mark Martynuska as Treasurer. Mr. Brandon Carson will serve as Executive Director in an unpaid capacity. He further reminded counties of the request for a one-time payment of \$3,000 each to assist with the start-up costs associated with ABI. Commissioner Thomas then asked Mr. Carson to report on the ABI's activities.

Mr. Carson reported that ABI, in conjunction with the Local Development District Association of Pennsylvania, applied for broadband funding from ARC's POWER grant. Each district received a portion of the funding for use in their region. SAP&DC's portion was \$108,000 and match was received from the Commonwealth's DCED Keystone Communities Grant, bringing a total of \$216,000 to assist ABI's broadband efforts.

ABI has identified three (3) potential sites for a wireless pilot project. ABI in conjunction with the private sector plans to have these three sites operational in 2021. An RFP for needed equipment, along with the

procurement of a Wireless Internet Service (WIS) provider is currently being drafted. The WIS would be responsible for the administrative side costs and the direct internet access costs would be the responsibility of ABI. Revenue sharing with the private sector WIS provider will be included as part of the RFP language in order that ABI can receive some dollars for on going costs such as maintenance, tower space, equipment, etc. ABI has been fortunate to have had grant funding to assist with getting ABI up and running and to build up a customer base, but eventually ABI must become self-sustaining.

SAP&DC is planning to apply for the next round of ARC POWER grant funding for a pilot wired fiber project. This funding could be used to leverage federal funding as match for several wired fiber projects that Fulton County has started and are ready to go.

All required documents have been submitted to the Public Utility Commission to have ABI designated as a public utility. This would allow ABI to access poles without seeking permission from pole owners.

Commissioner Thomas stated that it is important for each county to identify those areas that need reliable internet access in order to access possible funding.

OTHER BUSINESS:

Mr. Steven Howsare, SAP&DC Executive Director reminded member of the efforts undertaken by SAP&DC in forming a rural. regional Angel Fund. An initial total of \$1.3 million was raised. To date the Angel Fund has invested in four to five projects. Unfortunately, none of these projects have been for local businesses.

A local business, Inspection Go, out of Tyrone recently requested investment assistance from the Angel Fund. The Fund, knowing that there has been no investment in local companies, recently gave the Executive Board approval to do some smaller investment while not requiring the higher level of due diligence. The Fund see this an opportunity to begin to provide more local investment. Therefore, Inspection Go was approved by the Angel Fund for a \$50,000 investment but required they provide another \$50,000 in “side car” investments. Thus far, Inspection Go has raised \$30,000 in “side car” investments. Mr. Howsare then requested authorization for SAP&DC to provide a \$10,000 “side car” investment in order to assist Inspection Go in reaching their required goal.

This would normally have come from our LED account, but because we have so much EDA Cares money, it is not necessary to utilize the LED funds as much. Mr. Howsare further asked the SAP&DC Board to consider authorizing SAP&DC to provide up to \$10,000 in investments for local businesses seeking Angel Fund

assistance. This would not be for every company, but those that with an investment will provide significant new employment for local region.

A motion was entered by Commissioner Smith to authorize SAP&DC to make investments of up to \$10,000 in local companies approved for investment funding through the Angel Fund. The motion was seconded by Commissioner Erb and was unanimously approved.

Mr. Howsare further stated that the Angel Fund has been very successful and there is consideration for forming a second fund with a higher level of investment.

Mr. Howsare reminded members to complete and return the Annual Affirmation of Compliance and Disclosure Form as soon as possible.

The next meeting of the SAP&DC Board of Directors is scheduled for Wednesday, March 17, 2021 beginning at 10:00 A.M.

ADJOURNMENT:

There being no further business the meeting was adjourned at 11:50 AM.

Respectfully submitted,

Scott Hunt

Secretary