

**SOUTHERN ALLEGHENIES PLANNING AND DEVELOPMENT COMMISSION**  
**BOARD OF DIRECTORS' MEETING**  
**September 19, 2018**  
**Commission Office**

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

**Adjourned: 12:00 P.M.**

**Members in Attendance:**

Hon. S. Paul Crooks  
Hon. Bruce Erb  
Mr. Jim Foster  
Hon. Josh Lang  
Mr. Ricky Leese  
Hon. Rodney McCray  
Mrs. Beth McGregor

Hon. Mark Sather  
Hon. John Vatavuk  
Hon Gerald Walker  
Hon. Scott Walls  
Mr. Arthur Wilkin  
Hon. Mark Wissinger

**Others in Attendance:**

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

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

**CALL TO ORDER:**

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

**MINUTES, July 18, 2018:**

A motion was entered by Commissioner Crooks to approve the July 18, 2018 Board of Directors meeting minutes, as presented. The motion was seconded by Commissioner Vatavuk and was unanimously approved.

**FINANCE COMMITTEE REPORT:**

Mr. Daniel Bowers, SAP&DC Director of Finance, reported that he and his staff worked diligently to gather the relevant information prior to the on-site audit currently being conducted by representatives of Maher Duessel, SAP&DC's audit firm. Thus far, the audit is going smoothly; and, no issues have been noted. Discussions have been held with members of the audit firm relevant to SAP&DC's cost allocation plan and they seem pleased with the process. The audit is running on schedule and will be completed in time to present a full report at the November 21, 2018 Board of Directors' meeting.

Mr. Bowers 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.

A motion was entered by Mr. Wilkin to approve the Accounts Payable, 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 actions taken by the Loan Review Committee. The applications for Evergreen Farms, Inc./Evergreen Acres, LLC and Juniata Real Estate, LLC/SKS Sporting Goods, LLC were approved, as presented. These applications are now presented for concurrence by the Board of Directors.

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

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

Mrs. Deborah Prosser, Director, Business Development Services, reported that the Start-Up Alleghenies program, an effort to encourage entrepreneurship in the three coal impacted counties of Blair, Cambria and Somerset, "has taken off in a big way". 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 reminded members of the request to expand this program to include Bedford, Fulton and Huntingdon Counties. SAP&DC applied to expand the program and have received "green light status" from the Appalachian Regional Commission (ARC) which means that SAP&DC may likely receive funding for this effort. Funding from this grant will also provide additional resources for the current program in Blair, Cambria and Somerset. The grant is approximately \$1.2 million over three years and will allow for the hiring of two coaches, one to serve Bedford County and one to serve Fulton and Huntingdon Counties.

The funding will also allow for entrepreneur “step-up grants” of \$3,500. Each of the five coaches will be able to award a “step-up grant” to an entrepreneur that is considered ready and able to “take off” with their product/service, but, lack the funding to do so. Mrs. Prosser briefly discussed some events and contests that will be held soon to help “kick-off” this program in Bedford, Fulton and Huntingdon Counties.

The next step for some of those individuals ready to “take off” with their product/service is finding funding avenues. The Angel Fund being established in our area is a perfect vehicle for assisting entrepreneurs. Currently there is a \$420,000 commitment for the fund; once it reaches the required \$750,000 commitment the fund will go to escrow and the Angel Fund committee can begin to consider deals. Attorney Gvozdich, SAP&DC’s legal counsel, was able to connect the Angel Fund delegates with a securities attorney in Pittsburgh so the legal work for establishing the fund could go forward. It is hoped that the first organizational meeting of the Angel Fund can be conducted in January 2019.

#### **PREP FY 17-18 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 through for FY 2017-2018. 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 ENGAGE Program is not going very well. The program started February 1, 2018 and ends January 30, 2019. Currently, only 51 calls have been made which translates to having only completed 20% of the required goal through three quarters of the program. This is a performance-based contract and for every call made the relevant organization receives \$600. 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 for five more months, but the additional monies will only be awarded to those who are producing by meeting or exceeding their goals. Currently, SAP&DC is at the bottom of the list. DCED’s decision on awarding additional funding will be made by October 15, 2018.

Part of the issue is that only the economic development agency individuals who have been certified are permitted to make calls. In the case of Fulton County, Mrs. Wendy Melius, Executive Director, Center for Community Action, the certified individual for Fulton County, recently stated that she is unable to meet her commitment due to an increase in her workload so Fulton County calls cannot be made until such time as another individual is certified or through the use of SAP&DC Business Development Services staff. Lengthy discussion was held regarding getting the county certified individuals to make the required calls.

**AMENDED FFY 2019 APPALACHIAN REGIONAL COMMISSION INVESTMENT PACKAGE:**

Mr. Bandon Carson, Director, Planning & Community Development Division, reported that SAP&DC staff have identified an additional project to be included in the FFY 2019 ARC Investment Package that was previously submitted to the PA Department of Community & Economic Development (DCED) for consideration. He reminded members that additional projects are permitted to be added and/or removed from the priority list by the Board, as requested. The project requesting authorization to be added to the priority list is the Advanced Health Science Simulation Training at Saint Francis University. Mrs. McGregor stated that health related careers are steadily increasing and the Health Science degree program at Saint Francis is one of the university's highest enrolled degree programs.

A motion was entered by Mrs. McGregor to approve amending the FY 2019 ARC Investment Package to include the Saint Francis University Advanced health Science Simulation Training, as presented. The motion was seconded by Mr. Foster and was unanimously approved.

**KEYSTONE OPPORTUNITY ZONE APPLICATION FOR NEW DESIGNATIONS:**

Mr. Carson announced that SAP&DC has heard that DCED may be accepting new KOZ designations. DCED has stated that they are not soliciting for new applications, but, will review any applications submitted. Planning staff are coordinating with each of the counties to identify eligible parcels that could be included in a regional application. Information on the parcels was due to SAP&DC by Monday, September 17, 2018. Fulton, Huntingdon and Somerset Counties submitted properties for consideration. The parcels submitted must meet required criteria so, SAP&DC staff will be reviewing those parcels submitted to ensure they meet the established criteria and can be submitted as part of the application that is due October 1, 2018.

Bedford and Blair Counties have stated that they do not plan to submit any properties/parcels for inclusion in the application. The ability to get county taxing authorities to approve abatement of taxes within the time required is the main issue keeping additional counties from submitting properties for KOZ designation. There may yet be parcels submitted by Cambria County, if they can get all required information in time to submit. Mr. Carson stated that the total acres submitted between the current three submitting counties is 165 and the “cap” on acreage is 375 so there is room to add additional parcels. The period for these parcels to receive KOZ tax abatement benefits is 10 years beginning January 1, 2019.

A motion was entered by Mr. Wilkin to approve submitting the application for KOZ designation for the parcels/properties submitted with the caveat that if additional properties are received prior to the deadline they will also be added to the application. The motion was seconded by Commissioner Sather and was unanimously approved.

#### **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 Vatauvuk to approve the Projects Under Executive Order 12372, as presented. The motion was seconded by Commissioner Walker and was unanimously approved.

#### **SOUTHERN ALLEGHENIES WORKFORCE DEVELOPMENT BOARD:**

Mrs. Susan Whisler, Director, Southern Alleghenies Workforce Development Board, presented and reviewed the Southern Alleghenies Workforce Development Board Program Year 18 budget. She explained that the funding for the Workforce Development Board is released in installments during the program year. Funding for Adult and Dislocated Worker services is received in two increments (10% is released July 1<sup>st</sup> and is expected to

last until October 1<sup>st</sup>) with the passage of a federal budget. TANF and Youth funding is received in one lump sum.

A motion was entered by Commissioner Erb to approve the Southern Alleghenies Workforce Development Board Program Year 18 budget, as presented. The motion was seconded by Commissioner Crooks and was unanimously approved.

Mrs. Whisler also announced that the Cambria CareerLink is moving from its current location in the Greater Johnstown Career and Technology Center located in Richland to the Cambria County public library in downtown Johnstown. This move will increase public access to the CareerLink and its services and will also result in a cost savings.

**OTHER BUSINESS:**

Mr. Steven Howsare, SAP&DC Executive Director, that SAP&DC was approached about a program whereby an insurance company would take over our unemployment compensation coverage. While this did not work out due to SAP&DC being incorporated as a 501(c) (4), SAP&DC had also contacted the County Commissioners Association of Pennsylvania regarding its Unemployment Compensation Trust program. SAP&DC was approved to become part of the CCAP UC Trust and was given a rate of 2.55 which is slightly above its current rate with the Commonwealth. However, the Commonwealth of Pennsylvania changes that rate each year and there is no way to predict what it may be. The UC trust provides a full-service package, which includes processing of all unemployment claims, training workshops, on site training and many additional services that will save SAP&DC time and money. If approved, SAP&DC will become a member of the UC Trust January 1, 2019.

A motion was entered by Commissioner Crooks to approve SAP&DC moving its unemployment compensation program to CCAP's Unemployment Compensation Trust program, effective January 1, 2019. The motion was seconded by Mr. Foster and was unanimously approved.

Mr. Howsare asked Mrs. Jill Gordon, Fiscal Tech, to provide an update on the process of attempting a bulk purchase of updated election equipment, as mandated by the Commonwealth.

Mrs. Gordon told Board members that she contacted each of their election directors and requested pertinent information needed for contacting vendors. Once received she contacted five vendors and provided the vendors' responses to the election directors for their review. As for Commonwealth funding to assist counties with the purchase of the mandated equipment, no update is yet available. The last published update was July 10, 2018 when Acting Secretary Torres' applied to the U.S. Election Assistance Commission (EAC), as part of the state's process, to acquire federal dollars and to outline the state's intention to use the funds to purchase new voting equipment. There is still no word on how much counties will receive from these federal dollars.

Thus far, Unisyn is still the only vendor to be both EAC and PA Department of State (DOS) certified. However, Dominion has recently been EAC certified and anticipates receiving Commonwealth certification in the very near future.

Mrs. Gordon held a meeting on Thursday, September 13, 2018 with each county's election directors. At the meeting discussion was held regarding the vendor responses, pricing, training, service and support, etc. Following the discussion two vendors stood out as top prospects for purchasing of equipment. Mrs. Gordon is attempting to have the two top contenders provide presentations/demonstrations and possibly a "mock election". Vendor responses basic cost figures ranged between \$3.4 to \$4.2 million for meeting the minimum needs of our six counties. Also, other counties outside the Southern Alleghenies region have shown interest in participating with a bulk purchase which could provide an even greater price advantage. As this process moves forward, Mrs. Gordon will provide Board members with regular updates.

The next SAP&DC Board of Directors meeting will be held Wednesday, November 21, 2018.

**ADJOURNMENT:**

There being no further business the meeting was adjourned at Noon.

Respectfully submitted,

Hon. Gerald Walker  
Secretary