

**SOUTHERN ALLEGHENIES PLANNING AND DEVELOPMENT COMMISSION
BOARD OF DIRECTORS MEETING
November 21, 2018
Commission Office**

Convened: 10:00 A.M.

Adjourned: 12:00 P.M.

Members in Attendance:

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

Hon. Rodney McCray
Ms Beth McGregor
Hon. Jeff Thomas
Hon. Stuart Ulsh
Mr. Arthur Wilkin
Hon. Mark Wissinger

Others in Attendance:

Mr. Daniel Bowers
Mrs. Jill Gordon
Mr. George Gvozdich
Mr. Steven Howsare
Mr. Jeff Kent
Mr. Joe Minich

Mrs. Trudy Mitchell
Mrs. Deborah Prosser
Ms Deborah Shaffer
Mr. Dustin Starr
Mrs. Susan Whisler

CALL TO ORDER:

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

MINUTES, SEPTEMBER 20, 2017:

A motion was entered by Mrs. Clapper to approve the September 19, 2018 Board of Directors meeting minutes, as presented. The motion was seconded by Commissioner Thomas and was unanimously approved.

PRESENTATION OF FY 2018 SAP&DC SINGLE AUDIT:

Mr. Daniel Bowers, Director of Finance, introduced Mr. Jeff Kent, Mr. Dustin Starr and Mr. Joe Minich of Maher Duessel, who then presented a detailed overview of SAP&DC's Financial Statement/audit for Fiscal Year 2017-2018.

Mr. Kent again extended his thanks to SAP&DC staff for their cooperation and assistance during the audit. He explained that staff were extremely responsive, and this helped to streamline the audit process and made their first year as SAP&DC's audit firm go smoothly. Mr. Kent further stated that the audit resulted in "unqualified opinion", with no findings.

Mr. Bowers reported that a copy of the Form 990 will be provided to all Board members for comment prior to filing.

A motion was entered by Mr. Wilkin to accept the Fiscal Year 2017-2018 Single Audit, as presented, contingent upon no comments/concerns being received on the Form 990 prior to December 3, 2018. The motion was seconded by Commissioner Erb and was unanimously approved.

FINANCE REPORT:

Mr. Daniel Bowers, Director of Finance, presented and reviewed the Accounts Payable and Bank Accounts Summary included in the Board packet and reported no changes to the information provided.

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

BUSINESS LENDING REPORT:

Mrs. Trudy Mitchell, Business Lending Director, presented and reviewed three loan applications that were submitted to and reviewed by the Commission's Loan Review Committee: Lampire Biological Labs, Inc., Slate PDO LLC and Corey J. & Jennifer L. Snyder. All loan 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 Mr. Cessna to concur with the actions taken by the Loan Review Committee, as presented. The motion was seconded by Mr. Leese and was unanimously approved.

START-UP ALLEGHENIES EXPANSION GRANT SUB-CONTRACTS:

Mrs. Debbi Prosser, Director, Business Development Services, reported that SAP&DC has been awarded \$1,227,447 from the Appalachian Regional Commission (ARC) to expand the Start-Up Alleghenies effort. The funding will be for three years (10/01/2018 to 09/30/2021). Funds will be used to expand the program into Bedford, Fulton and Huntingdon Counties, development support for Creator Square in Johnstown, the addition of two Tech-Celerator Programs, a study to determine an appropriate location for Catalyst Space, support to St. Francis Small Business Development Center for capacity building, expansion of the public relations campaign, “Big Idea” contest, and to provide each of the five coaches with “step-up grants” of \$3,500 to award to an entrepreneur that is ready and able to “take off” with their product/service, but, lack the funding to do so.

The Start-Up Alleghenies movement, to encourage and support entrepreneurship. involves an entire ecosystem of organizations. Therefore SAP&DC is requesting authorization to initiate sub-agreements with a variety of organizations to accomplish the tasks associated with this effort and to achieve the essential goals and outcomes. Mrs. Prosser reviewed each of the organizations to be awarded sub-agreements and outlined the purpose/goals of each agreement.

Lengthy discussion was held regarding the success of the Start-Up Alleghenies Program with its efforts to support entrepreneurs.

A motion was entered by Commissioner Lang to authorize the Start-Up Alleghenies sub-contracts, as presented. The motion was seconded by Mr. Foster and was unanimously approved.

Mrs. Prosser further reported on the small \$3,500 “step-up” grants available to specific entrepreneurs who demonstrate high growth potential and will establish their business in the Southern Alleghenies six-county region. These grants are to be used for initial start-up costs. For an entrepreneur to be considered for a step-up grant he/she must be nominated by one of the five Start-Up Alleghenies Coaches and be enrolled in the Start-Up Alleghenies program. The nominating Coach will also serve as an advocate for the entrepreneur before a review committee.

Mrs. Prosser reviewed the guidelines and agreement that must be met by an entrepreneur in order to be considered for a step-up grant.

As part of that process five individuals have been nominated to serve as the Review Team for step-up grants. They are Mr. Mark Ritchey, President of Curry Rail Services; Mr. Brian Pachtman, Vice-President, Reed, Wertz & Roadman, Inc.; Mr. Mike Riggs, Senior Vice President Riggs Industries-Somerset Welding & Steel; Mr. Mike Sohon, President, In-Shore Technologies and Mr. Justin Wright, CFO and Co-Founder, Wright Labs. She then requested that the individuals listed be approved as members of the Step-Up Grant Review Team.

A motion was entered by Mrs. Clapper to approve the individuals listed as the members of the Step-Up Grant Review Team. The motion was seconded by Commissioner McCray and was unanimously approved.

Mrs. Prosser then provided an update on the status of the Engage Program. She thanked Board members for their efforts in getting this program moving forward in each of their respective counties. The ENGAGE Program contract was scheduled to end January 30, 2019, but due to the efforts at getting the program some momentum, SAP&DC has been awarded an additional \$83,333 from the PA Department of Community and Economic Development to continue the ENGAGE program for an additional five months.

SOUTHERN ALLEGHENIES WORKFORCE DEVELOPMENT BOARD REPORT:

Mrs. Susan Whisler, Director, Southern Alleghenies Workforce Development Board (SAWDB), reported on the special initiatives/grants that have been awarded/undertaken by the SAWDB as the lead applicant and fiscal agent.

Strategic Innovation Grant: Goodwill of the Southern Alleghenies received \$203,863 to provide intensive case management, workforce development and wrap-around services to ex-offenders in Bedford, Blair and Cambria Counties. Thus far 46 participants have completed the workforce development programs.

Business Education Partnership Grant III: The SAWDB received a third Business-Education Partnership grant in the amount of \$70,373 to better connect the region's students and educators with employers. Already some 150 students have participated.

Business Education Grant IV: The PA Department of Labor and Industry released the notice of grant availability for additional BEP funding to run concurrently with the BEP III. Tableland Services, Employment & Training and Goodwill of the Southern Alleghenies have developed a joint proposal that will include summer career camps, pre-apprenticeship workshops and co-op work experience.

Teacher in the Workplace Grant: The Tyrone Area School District received a \$40,000 state grant to strengthen the district's ties to local employers by giving teachers the opportunity to spend time in targeted companies, gain a better understanding of employer needs and incorporate their findings into classroom curriculum.

Economic Transition National Dislocated Worker Grant: The Pa Department of Labor and Industry secured a \$7.9 million federal grant to assist individuals who have been dislocated from the retail, hospitality and leisure and service industries to cover 100% of the training costs for these individuals and to provide supportive services that will help to remove barriers to a successful training completion.

Mrs. Whisler also thanked the Cambria County Commissioners for their support and assistance in securing space in the Cambria County Library, located in downtown Johnstown, as the new location of the PA CareerLink® Cambria County. With the cost savings realized from this move, two other PA CareerLink® affiliate sites were able to open in Moxham and Ebensburg.

OTHER BUSINESS:

- Mr. Steven Howsare, SAP&DC Executive Director, reported that Mr. George Gvozdich, SAP&DC Solicitor, has agreed to continue to represent the Commission as both its general counsel and revolving loan program legal counsel for Calendar Year 2019 at the same rate as in 2018, that being \$15,000 for each function. Mr. Howsare noted Mr. Gvozdich has been counsel with SAP&DC since the mid-1980's.

A motion was entered by Mr. Wilkin to approve retaining Mr. George Gvozdich as SAP&DC's general legal counsel and revolving loan program legal counsel at the rate of \$15,000 for each function, as presented. The motion was seconded by Commissioner Dallara and was unanimously approved.

- Mr. Howsare reported that one of the other PA Local Development Districts had passed a resolution opposing the Commonwealth's mandatory replacement of voting equipment used by counties for election purposes and requesting full funding be provided by the Commonwealth to any county required to replace its voting equipment. He then presented and requested approval for Southern Alleghenies to also approve and submit to the Commonwealth and, to provide a copy to the County Commissioners Association of PA, a resolution on County Voting Equipment in support of its six county members. Several amendments were suggested to the resolution.

A motion was entered by Commissioner Thomas approving the submission of a resolution on county voting equipment, as amended. The motion was seconded by Commissioner Ulsh and was unanimously approved.

- Mrs. Jill Gordon, Fiscal Tech, updated members on the status for the potential of cost savings for a voting equipment bulk purchase.
- Mr. Howsare updated members on the status of the Angel Fund. Approximately \$200,000 additional funding is needed in order to proceed to escrow. It is expected that the angel fund will be "up and running" at the latest by the end of February 2019.
- Mr. Howsare then reported that at the latest meeting of the Local Development District Association of PA (LDDAPA) discussion was held regarding the development of a strategic plan. The last strategic plan was completed in 2005 and has not been updated since. Due to comments from funding organizations regarding the effectiveness and relativity of the LDD's and its programs, LDDAPA members believe that it is important to consider implementing a strategic plan process that will assist local development districts in promoting its success and perhaps with implementing new programs. An RFP for a consultant to assist in the development of a strategic plan was recently released. However, a final cost has not yet been determined. However, each district is being asked to contribute toward the final cost in an amount not to exceed \$15,000.

A motion was entered by Commissioner Thomas to approve SAP&DC contributing to the development of a strategic plan in an amount not to exceed \$15,000. The motion was seconded by Mr. Cessna and was unanimously approved.

Mr. Howsare provided members with a copy of the SAP&DC Board of Directors meeting schedule for 2019 and announced that the January 16, 2019 Annual Board of Directors meeting will be held at the Casino in Lakemont, Altoona, PA and serves as the Annual Reorganizational Meeting.

A copy of the SAP&DC 2019 Employee Holiday Schedule was also presented to members for their information.

ADJOURNMENT:

There being no further business the meeting was adjourned at 12:00 PM.

Respectfully submitted,

Gerald Walker

Secretary