

**SOUTHERN ALLEGHENIES PLANNING AND DEVELOPMENT COMMISSION**  
**BOARD OF DIRECTORS' MEETING**  
**January 19, 2022**  
**Commission Office/Zoom**

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

**Adjourned: 11:45 P.M.**

**Members in Attendance:**

Hon. Deb Baughman  
Hon. Randy Bunch  
Hon. Laura Burke  
Mrs. Sharon Clapper (via Zoom)  
Hon. Barry Dallara  
Hon. Colleen Dawson (via Zoom)  
Hon. Bruce Erb  
Mr. Jim Foster (via Zoom)  
Hon. Scott Hunt

Mr. Thomas Luciano  
Ms Beth McGregor (via Zoom)  
Mr. Donald Rhodes  
Mr. Rick Strait  
Hon. Jeff Thomas  
Hon. Pam Tokar-Ickes (via Zoom)  
Hon. Stuart Ulsh (via Zoom)  
Hon. Gerald Walker  
Hon. Scott Walls

**Others in Attendance:**

Mr. Jordan Baker  
Mr. Daniel Bowers  
Mr. Brandon Carson  
Ms Carol Dannenberg  
Mr. John Dryzal  
Ms Donna Fisher  
Mr. George Gvozdich  
Mr. Steve Howsare

Ms Regina Klevan (via Zoom)  
Mr. Richard Latker  
Mrs. Trudy Mitchell (via Zoom)  
Ms Trish Newdeck (via Zoom)  
Mrs. Debbi Prosser (via Zoom)  
Ms Deborah Shaffer (via Zoom)  
Mrs. Susan Whisler (via Zoom)  
Ms Lori Yeich (via Zoom)

**CALL TO ORDER:**

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

Commissioner Walker then welcomed Mr. Richard Strait, Community State Bank, to SAP&DC's Board of Directors as an At-Large member nominated by the Fulton County Commissioners as a replacement for Mr. Rick Leese, who had recently resigned from the Board. Mr. Strait provided background on himself and thanked the Committee for his appointment. Each Board member then introduced themselves.

**ELECTION OF OFFICERS:**

Commissioner Walker called on Mr. George Gvozdich, the Commission's General Counsel, to conduct the election of officers for 2022. 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 Erb nominated Commissioner Walker for the position of SAP&DC President. The motion was seconded by Commissioner Bunch. 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 Bunch. 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 Thomas nominated Commissioner Hunt for the position SAP&DC Secretary. The motion was seconded by Commissioner Baughman. 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.

**PUBLIC COMMENT:**

Commissioner Walker then asked if there were any public comments. At this time, Mr. Richard Latker, President, Hollidaysburg Community Watchdog group, of 703 Allegheny Street, Hollidaysburg, PA 16648, read a prepared statement, as follows:

Hollidaysburg Community Watchdog is a citizens group formed in 2015 in response to public frustration with the soft, casual corruption that has long blighted local government in our area. Our six-member board is non-partisan, and we do our best to deliver grief to Republicans and Democrats who abuse the public trust.

While we recognize the existence of corruption in the private sector, we focus our attention on public officials entrusted with taxpayer money, permitting authority and other public resources. We also pay close attention to the lawyers who earn taxpayer dollars advising these officials.

Our office on Allegheny Street in Hollidaysburg is staffed by two paid employees. We rely on reports from the citizenry to identify possible malfeasance and impropriety. Then we investigate. We always contact the officials involved and give them the chance to explain.

If we find substantiation of misconduct, we inform the public and the relevant authorities about what is going on. Sometimes we litigate, and do so successfully, as we did when discovered petty corruption on the Hollidaysburg Zoning Hearing Board.

In November last year we received a citizen's report making serious allegations of impropriety against this body, Southern Alleghenies Planning and Development Corporation, and the directly affiliated 501c3 you set up in 2020, Alleghenies Broadband, Inc. or ABI, whose board is now led by Blair County Republican Party Chairman, Jim Foreman.

The report included ten allegations, which are

1. That Southern Alleghenies has been using its institutional weight over many years to help divert taxpayer money earmarked for rural broadband internet expansion not into building out a robust fiber optic network, but rather into construction of cell towers, and that the narrative justifying this approach was heavily influenced by a particular company that is now being lavished in public funds.
2. That ABI was not set up in the public interest, but rather in the career interests of particular executives at Southern Alleghenies, and also in the commercial interests of that same company, operating in Bedford and Blair Counties. The ostensibly independent advisory boards and task forces involved in framing the justification for ABI all contained the same names and faces.
3. That ABI was set up as a private 501c3, which is technically exempt from the right-to-know law, in large part to shroud the flow of public money and the procedures used to distribute that money from prying eyes.
4. That the contract or professional services agreement between Southern Alleghenies and ABI is mostly smoke and mirrors and that the firewall between the two entities is largely fake.
5. That ABI is in some ways functioning as a state-owned enterprise and that both ABI and Southern Alleghenies misled the Public Utility Commission into ranting it operative status through the claim that the two entities were entirely independent of one another even though ABI is funded more or less

entirely through Southern Alleghenies, that they share a physical address and staff, legal counsel, and of course a top-level executive serving both organizations from a single desk.

6. That senior Southern Alleghenies staff were trying to create the conditions by which they could earn more than one full time salary.
7. That Southern Alleghenies' executive director was unusually friendly to that same company, lobbying internally within SAPDC to grant it a contract to establish an internal telecommunications system that your own technical people nixed after finding it to be entirely ill-suited for the operation.
8. That special care was taken to mislead the public on the actual form and function of ABI, most notably through the Altoona Mirror.
9. That both entities were spending inordinately large sums on legal fees.
10. That for elected county commissioners serving on this board to be granting county funds to SAPDC and/or ABI is a blatant conflict of interest.

The Watchdog group began its investigation with an open mind. We knew little about SAPDC and ABI beyond what had been published in the Altoona Mirror. We spoke to individuals in the local telecommunications industry. We spoke to people working at SAPDC. WE also filed a right-to-know request, and another more detailed RTK is forthcoming. We analyzed the RTK response with the help of outside legal and accounting expertise.

Unfortunately, those initial efforts were enough to substantiate at least some of the allegations that were brought to use. In particular:

- 1) ABI and Southern Alleghenies are thoroughly intertwined, and the firewall created by its lawyers through the Professional Services Agreement is entirely artificial and, we think, illegal under federal law. The courts will never accept the façade of independence asserted by your legal team. We also believe your lawyers misled the Public Utility Commission on this matter, and that had that state body been presented with the correct facts it would have ruled differently.
- 2) Both Southern Alleghenies and ABI appear deeply committed to distributing public money in secret, as evidenced by the expenditure of thousands of dollars in legal fees to fight the release of the most basic information associated with the RFPs conducted last year. Unless this Board sees reason and orders the release of the information, the Watchdog will win that fight, ultimately, in the Commonwealth Court of Pennsylvania. The claim that none of the RFP information can be released—not even the names of the companies involved—in order to protect trade secrets is utterly absurd under Pennsylvania law. If you actually believe his, you have been misled by your lawyers. Even if there were such trade secrets involved—and people in the industry assure us that there are not—they could easily be redacted. Your lawyers went so far to argue to the Office of Open Records that Southern Alleghenies is not “clearly” a

public agency subject to the right-to-know law, and that it complies with requests at its own discretion. Good luck with that argument, and good luck pretending that ABI and Southern Alleghenies are entirely independent entities.

- 3) We find that financial audit of Southern Alleghenies deliberately obfuscates its funding of ABI. The IRS frowns on such practices.
- 4) Although we have no complains a all about your open records officer, Debbie Shaffer, the Southern Alleghenies leadership has ignored our offer to meet before we publish our findings and proceed with a formal complaint to the relevant authorities in Harrisburg and Washington, DC. This itself lends credence to the allegation that this public body is hiding critical information and acting against the public interest.

We urge his Board to take stock of what is happening and instruct the agency for which you are responsible to immediately change course. Both Southern Alleghenies and ABI will come under intense scrutiny in coming months. This is both necessary and urgent given the huge plies of federal money in the funding pipeline. While we would not be surprised at all if the Office of Open Records declares that it lacks the authority to force disclosure of ABI's records, Pennsylvania's courts most certainly do have that authority. They also afford us broad rights of discovery. You will find the Watchdog fully equipped to litigate in the public interest and o prevail.

Moreover, we can and will reach you constituents, whether or not the Altoona Mirror decides to do its job. If you side with opacity and entitlement over the interests of your own people, the Watchdog will work hard to ensure that every voter knows the truth. Thank you.

Following Mr. Latker's comments, Commissioner Walker asked for any further public comments. Hearing none, the public comment period was closed, and the meeting resumed.

Commissioner Walker then presented the 2022 Board of Directors and asked if there were any revisions/changes needed. Hearing none, the Board of Directors was considered accepted.

#### **EXECUTIVE, FINANCE, PERSONNEL COMMITTEE APPOINTMENTS/2022:**

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. The appointments were presented, and Commissioner Walker asked if there were any changes/revisions. Hearing none, a motion to approve the appointments as presented was requested.

A motion was entered by Commissioner Dallara 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 2022:**

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 Commissioner Walls to approve the Advisory Committee designations and appointments for calendar year 2022, as presented. The motion was seconded by Mr. Luciano and was unanimously approved.

**MINUTES, November 17, 2021:**

A motion was entered by Commissioner Hunt to approve the November 17, 2021 Finance Committee and Board of Directors minutes, as presented. The motion was seconded by Commissioner Erb 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 Bunch 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: Lampire Biological Labs, Inc., and Robert & Tammy Stultz. Both 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 Mrs. Clapper to concur with the actions taken by the Loan Review Committee, as presented. The motion was seconded by Ms McGregor and was unanimously approved.

### **ARC POWER INITIATIVE:**

Mr. Brandon Carson, Director, Planning and Community Development Division, reported that SAP&DC was awarded a \$150,000 grant from the Appalachian Regional Commission (ARC) to support the delivery of technical assistance services to potential applicants interested in securing funds for a variety of projects and initiatives. SAP&DC requested this funding assistance to provide support to the numerous Pennsylvania Appalachian communities which are eligible for POWER initiative funding. These communities throughout Pennsylvania have experienced recent losses of coal mining jobs, the closure of coal-fired power plants, as well as numerous job losses and the shrinking of coal-related supply chain industries. Technical assistance services will be provided through the initial development of projects, guidance in writing and submitting successful POWER applications and recommendations for coordination and collaboration of relevant partners from project development to project submission. To provide this supplemental assistance, Pennsylvania's ARC office requests additional staffing resources and will work in conjunction with SAP&DC to identify select and contract with experienced consultants. The funding is for a one-year period beginning December 1, 2021 and ending November 30, 2022.

To this end, quotations were requested from a number of consultants that are well-positioned to provide these services. SAP&DC received five quotes to consider, staff reviewed and are making the following recommendations. It is recommended that a contract is awarded to each of the following consultants: Aspire, LLC, Delta Development and Jeffrey Schwartz and Mark DeFalco. It is recommended that a contract be awarded to each of these consultants at a total cost not to exceed \$150,000.

A motion was entered Commissioner Dallara to award a contract for services under the ARC Power Grant to Aspire, LLC, Delta Development and Jeffrey Schwartz and Mark DeFalco at a total cost not to exceed \$150,000. The motion was seconded by Commissioner Tokar-Ickes and was unanimously approved.

### **DISCUSSION WITH PENNSYLVANIA DCNR:**

Mr. Carson reported that SAP&DC has collaborated with PA DCNR on a variety of projects and initiatives over the years. Most recently, the Department provided annual funding to SAP&DC's Mini-Grant Program to support trail and recreation efforts in the region. He then introduced Lori Yech and Trish Newdeck from DCNR whom participated via Zoom and asked them to discuss relevant programs and efforts with Board members.

The DCNR representatives provided an overview of the mission of the Bureau of Recreation and Conservation and the funding sources that allow for funding of the recreational and conservation programs such as the Mini-Grant Program. They then reviewed the, new for this year, "Great American Outdoors Act" funding and its requirements. This funding will provide \$12 million per year for PA.

Review of the Small Community (mini grant) program was then held. This program assists municipalities with a population of 5,000 or less with basic rehabilitation and new development project such as playgrounds, pavilions, etc. The total projects costs range from \$70,000 to \$110,00 and requires a smaller match commitment; projects with a cost of \$30,000 or less require no match. Since the program was started in 2016, SAP&DC has assisted in having 12 projects submitted and six have received awards. New for this year under the Small Community Program is the “Outdoor Recreation Access for All” platform that is being used to pursue a goal of recreation for all. DCNR partnered with the Trust for Public Lands and WEConservePA to obtain information on who has access to outdoor recreation within 10 minutes of their home and who does not. Maps containing the information are now available on the website [www.dcnr.pa.gov/Recreation/PAOutdoorRecPlan](http://www.dcnr.pa.gov/Recreation/PAOutdoorRecPlan). Once on the website simply scroll to the section “The Trust for Public Land.”

Overall SAP&DC has been able to assist in obtaining 46 grants for the region totaling \$5,949,260 in the past five grant rounds (2016-2021). Ms Yeich and Ms Newdeck reviewed challenges to the grant application process and the timeline for the 2022 grant application process. On January 18, 2022, the DCNR Grant Round opens; spring/summer 2022 DCNR will review and rank all applications and January 2023 DCNR grant agreements typically begin. In the early fall of 2022, a workshop will be held and following the workshop technical assistance will be available.

#### **COUNTYWIDE ACTION PLAN UPDATE AND IMPLEMENTATION EFFORTS:**

Mr. Carson reminded members of the grant previously awarded to SAP&DC from the Pennsylvania Department of Environmental Protection to support the collaborative efforts of Blair, Cambria, Fulton and Huntingdon Counties to complete watershed planning in response to the DEP invitation to participate in the Chesapeake Bay Phase 3 Watershed Implementation Plan (WIP). The cost for this Plan will be \$290 million over the next five years. He also reminded members of the approval to contract with Herbert, Rowland and Grubic, Inc. for the required planning work. The implementation phase of this effort is now set to begin. Fulton County will be taking over the contract this year.

Representatives of Herbert Rowland and Grubic, Inc. (HRG) then reviewed the project and discussed moving forward with implementation steps with the Board members.

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

**OTHER BUSINESS:**

Mr. Steven Howsare, SAP&DC Executive Director reminded member of the efforts undertaken by SAP&DC in

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 16, 2022 beginning at 10:00 A.M.

**ADJOURNMENT:**

There being no further business the meeting was adjourned at 11:45 AM.

Respectfully submitted,

Scott Hunt

Secretary