

SOUTHERN ALLEGHENIES PLANNING AND DEVELOPMENT COMMISSION
BOARD OF DIRECTORS' MEETING
January 15, 2025
Huntingdon Country Club, Huntingdon, PA

Convened: 10:00 A.M.

Adjourned: 11:30 A.M.

Members in Attendance:

Hon. Deb Baughman
Hon. Randy Bunch
Hon. Laura Burke
Mr. Jay Cessna
Mrs. Sharon Clapper (via Zoom)
Hon. Pamela Tokar-Ickes (via Zoom)
Mr. Jim Foster
Hon. Scott Hunt
Hon. Keith Rager
Hon. Amy Webster

Hon. Scott Walls
Ms. Beth McGregor
Hon. Hervey Hann
Mr. Rick Strait
Hon. Jeff Thomas
Hon. JR Winck
Hon. Michael Stiles
Hon. Patrick Reeder
Hon. Brian Fochtman

Others in Attendance:

Mr. Steven Howsare
Mr. George Gvozdich
Mr. Zack Lee
Ms. Regina Klevan (via Zoom)
Ms. Tina Taylor
Mr. Brad Esposito

Mr. Lee Slusser
Mrs. Rebecca Canavan
Mrs. Renee Best
Mrs. Jennifer Sklodowski
Mr. Jonathan Smith
Mr. Dustin Bishop

CALL TO ORDER

Commissioner Walls, SAP&DC Board President, called the meeting to order at 10:00 A.M and introductions were made.

Commissioner Walls then thanked the Board members and staff for everything they have done over the past several years.

PUBLIC COMMENT

Commissioner Walls asked if there were any public comments. Hearing none, the meeting continued without comment.

ELECTION OF OFFICERS

Commissioner Walls called on Mr. George Gvozdich, the Commission's General Counsel, to conduct the election of officers for 2025. 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 Rager nominated Commissioner Hunt for the position of SAP&DC President. The motion was seconded by Ms. McGregor. Hearing no further nominations, the position of SAP&DC President was declared as being filled by Commissioner Hunt through acclamation.

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

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

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

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

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

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

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

Commissioner Hunt thanked Commissioner Walls for serving on the Board as President for the last two years.

Commissioner Hunt and Mr. Steve Howsare, SAP&DC Executive Director, presented a plaque to Commissioner Walls in recognition of his service to the communities and citizens of the Southern Alleghenies Region.

EXECUTIVE, FINANCE, PERSONNEL COMMITTEE APPOINTMENTS FOR 2025

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 Walls asked if there were any changes or revisions.

A motion was entered by Commissioner Walls to approve the Standing Committee members, as presented. The motion was seconded by Commissioner Hann and was unanimously approved.

DESIGNATION OF ADVISORY COMMITTEES AND APPOINTMENT OF MEMBERS FOR 2025

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 Rager to approve the Advisory Committee designations and appointments for calendar year 2025, as presented. The motion was seconded by Commissioner Bunch and was unanimously approved.

MINUTES, DECEMBER 4, 2024

A motion was entered by Commissioner Fochtman to approve the Finance Committee and Board of Directors minutes from the December 4, 2024 meeting, as presented. The motion was seconded by Commissioner Rager and was unanimously approved.

FINANCE REPORT

Mrs. Rebecca Canavan, Director of Finance, presented the Accounts Payable list of invoices that were paid in November and December in addition to the General Fund Ending Balance. She noted that there was nothing unusual that was paid; the Bank Account Summaries included the normal operations of the Commission.

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

EAST BROAD TOP RAILROAD (EBT) PRESENTATION

Commissioner Walls introduced Mr. Brad Esposito, EBT General Manager, and Mr. Jonathan Smith, EBT Marketing and Sales Director, and turned the meeting over to them to share a presentation on the history and future plans for the railroad.

Mr. Esposito shared that the EBT Foundation was formed in 2020 as a nonprofit organization; their mission is to preserve and protect the East Broad Top Railroad which is a national historic landmark in addition to educating visitors about the role of railroads in local and national history and to promote local and regional tourism and economic growth. EBT is partners with the Friends of the East Broad Top and the Rockhill Trolley Museum, and there are currently 2,200 members from seven different countries. The fundraising efforts over the last few years have been impressive. From 2020 to 2024 there was over \$1 million dollars raised in donations. So far this year, there has been over \$225,000 in donations raised that will go towards the restoration of the railroad.

Mr. Esposito then provided a brief history of the railroad. It was chartered in 1856 to access iron deposits that were in the Orbisonia and Rock Hill area. Construction began in 1873, and the railroad then served to service the iron furnace. Due to iron furnaces becoming less in demand due to advances in the steel industry, they changed to hauling coal from the mines. The coal market dropped in 1956, and the railroad closed in April 1956. It was sold and reopened in 1960 as a successful tourist railroad. In 2011 the family decided it was too costly to maintain and operate as a private owner, and the railroad was shut down and put up for sale.

In 2020 EBT purchased the railroad. The process then began of rebuilding and reopening the railroad over the next several years. The existing infrastructure needed to be rehabilitated in order to start hauling trains again. There are 16 locomotives that are in need of rebuilding and restoring back to operation. The first locomotive was restored back to operation in 2022. In 2023 the first steam powered excursion was offered since 2011. In 2020 EBT contracted with Hamilton Manufacturing to construct four new passenger cars, and they are in need of more capacity now. The shop complex has 13 buildings on site; Mr. Esposito shared before and after pictures of the buildings once the projects and repairs were completed.

Mr. Smith shared that while construction work was going on, EBT wanted to reintroduce the railroad to the public, as it had been closed for nine years. In 2020 they started running trains and events again. To date they have carried over 80,000 passengers and 10,000 people have gone through the shop tours. Ridership continues to grow, and they constantly work on offering a better experience for the public. In 2024 they were voted the #3 best scenic train ride in North America by USA Today.

Mr. Esposito shared future plans for the railroad and noted that they are the only narrow-gauge railroad to have ADA accessible wheelchair lifts on the passenger trains. They have branched out into contracting work in the shops to help bring revenue in; air brake work is done for railroads all over the state. Their goal in the next few years is to get the tracks reopened to allow for a longer ride and branch out into the smaller communities. They continue to work to promote events, the railroad, and community involvement. The work on rebuilding the

second locomotive has begun. Another goal is to offer rail bikes in Robertsdale in the next several years, which would be beneficial to the Raystown Lake area. EBT offers group rates for tours; they are currently limited to regional bus tours.

BUSINESS DEVELOPMENT PROGRAM UPDATE

Mr. Zack Lee, Director Business Development, provided an update on potential projects and performance metrics. Mr. Lee reported that as of the first quarter, metrics were exceeding expectations.

Mr. Lee then shared information on a potential grant program project from the Pennsylvania Department of Community and Economic Development (DCED) that is called the Historically Disadvantaged Business Assistance Program. DCED will partner with nonprofit organizations, economic development organizations, and educational institutions to provide technical assistance and business support services designed to increase access to capital, promote economic empowerment, and increase the number of small and diverse businesses engaging in business with Pennsylvania and other government entities. This will be accomplished through two components: giving out funding to create Business Assistance Service Centers, and funding to create microgrant programs. The proposal will be submitted next week, and Mr. Lee will keep the Board updated on the progress of the project.

Mr. Lee provided information on a possible Biomass related project. Ecostrat reached out to Mr. Lee regarding their BDO Zone Initiative which is a regional biomass supply chain certification and rating program that gives economic development bodies the tools to rapidly accelerate bio-based product development. A high level assessment was done on the six-county region, and they found that there is a surplus of woody biomass products. From this assessment Ecostrat thought that our region would be a good candidate to apply for a grant that would pay to conduct the BDO Zone rating. This rating is a technical standards-based assessment of regional manufacturing readiness with respect to local development potential for biofuel, renewable chemical, biogas, or bio-product plants. The intent of the rating given to a region is to attract new businesses to build new bio-based manufacturing plants where bioproducts can be turned into something useful. Mr. Lee is talking to other partners and internal staff to help determine if there is a demand for this in the region. The application will be submitted the end of February and at that time a Board resolution will be requested. There is no cost to SAP&DC; they will only be responsible for administering it and signing the standard forms.

BUSINESS LENDING SERVICES

Ms. Tina Taylor, Director Business Lending Services, presented and reviewed the loan applications that were submitted and reviewed by the Commission's Loan Review Committee: Country Side Processing, LLC, CVD Enterprises, LLC, and Stone Creek Poultry, LLC.

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

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

EXECUTIVE ORDER 12372 PROJECTS

Mr. Lee Slusser explained that 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. The two projects requesting federal financial assistance were presented, reviewed, and noted as consistent with the Commission's Comprehensive Economic Development Strategy.

A motion was entered by Commissioner Bunch to approve the Projects Under Executive Order 12372, as presented. The motion was seconded by Commissioner Winck and was unanimously approved.

OTHER BUSINESS

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

Mr. Howsare reported that at previous Board meetings there were discussions regarding the process of transitioning directors to a phased retirement program.

Effective January 1, 2025, Mrs. Trudy Mitchell changed to part time employment status, and her title changed from Director of Finance to Business Lending Program Manager. She will be working up to 42 hours per pay period which will be a cost savings for the Commission. Ms. Tina Taylor, former Business Lending Program Manager, will be the new Director of Finance effective January 1, 2025.

A motion was entered by Commissioner Walls to approve Ms. Taylor's promotion in addition to Mrs. Mitchell's employment status change to part time effective January 1, 2025. The motion was seconded by Ms. McGregor and was unanimously approved.

BROADBAND EQUITY, ACCESS, AND DEPLOYMENT PROGRAM (BEAD) PRESENTATION

Commissioner Thomas shared that Alleghenies Broadband, Inc. (ABI) has partnered with eCommunity which is a company run by A2D Inc. to fund a fiber ring around the six-county region. This will be an open access

network which means that any provider can lease fiber in the network. Commissioner Thomas provided a brief summary of this project and noted that ABI is looking to get letters of support from the Board. He then turned the meeting over to Mr. Dustin Bishop, ABI Project Manager, to share the presentation.

Mr. Bishop provided an overview of the Broadband Equity, Access, and Deployment Program (BEAD) and application process. There is approximately \$1.2 billion dollars available at the state level for building out internet service. The federal funds are coming from the National Telecommunications and Information Administration (NTIA), but it will be administered at the state level by the Pennsylvania Broadband Development Authority. This program prioritizes those who are unserved and underserved. For those projects that are awarded, they will have a four-year deadline. Applications for round one were extended to February 7th. Additional information on this program can be found at www.broadband.pa.gov.

Mr. Bishop shared information on ABI and stated that it is a 501(c)(3) nonprofit organization that was formed in 2020. They are solely focused on building out broadband projects with an emphasis on those who do not have any coverage. ABI tends to form partnerships between the private sector and the public sector. The private sector want to expand their networks but it is not economically feasible for them to reach those hard to reach areas. The public sector has federal and state dollars available to them after the pandemic but are lacking the expertise on the ground to build the networks. ABI takes the expertise of the private sector, and they merge it with the dollars available in the public sector to leverage the local, state, and federal level funds to get those served who have little to no internet service.

Mr. Bishop then provided information on the project and A2D, Inc. They were formed in 2005 and serve as a competitive local exchange carrier and manage open access networks. A2D, Inc. will own the fiber infrastructure and will allow other providers to use that same infrastructure to serve customers. This model promotes competition and does not allow for any type of overbuilding of infrastructure. The provider competition will lead to competitive prices and lower prices overall. The project scope includes all six counties in the Southern Alleghenies region in addition to Indiana and Armstrong counties. It will be a combination of aerial and underground fiber with approximately 20,000 locations classified as unserved or underserved in our region. The next step is to get local letters of support which are required for the submission of the application. Additional information on this project can be found at: www.a2dinc.com or www.allegheniesbroadband.com.

Commissioner Thomas stated that support letters are needed by Friday, January 31st. There is no match required for this project; they are only asking for letters of support from the communities.

Mr. Bishop shared that he has already reached out to the townships, boroughs, and cities in all six counties informing them of the project.

Commissioner Hunt stated that the next meeting of the SAP&DC Board of Directors is scheduled for Wednesday, March 19, 2025, beginning at 10:00 A.M.

ADJOURNMENT

There being no further business the meeting was adjourned at 11:30 AM.

Respectfully submitted,

Hon. J.R. Winck

Secretary