



NORTH CENTRAL PENNSYLVANIA REGIONAL PLANNING and DEVELOPMENT COMMISSION

49 Ridgmont Drive, Ridgway, PA 15853

Phone: (814) 773-3162

Fax: (814) 772-7045

North Central Board Meeting Wednesday, December 16, 2020 – 9:30 AM

Members – via Zoom

Dennis McKimm
Dave Glass
Kristy Smith
Padraic McGrath
Jeff Pisarcik
Jack Matson
Jamie Lefever
Tom Kreiner
Jeremy Morey
Susan Zook Wilson
Nancy Grupp

Cameron County
Clearfield County
Clearfield County
Elk County
Jefferson County
Jefferson County
Jefferson County
McKean County
McKean County
McKean County
Potter County

Staff - via Zoom

Jim Chorney
Cheryl DePanfilis
Amy Kessler
Chris Perneski
Katie Geci
Jenn Hibbard
Ed Matts
Mary Lou Jessop

Guests – via Zoom

Deborah Pontzer
Mike Armanini
Deb Thompson
Tom Beveridge
Brian Stockman

Congressman Glenn 'GT' Thompson's Office
State Representative Elect – 75th District
Strategy Solutions
Solicitor
Ridgway Record

Chair Jeff Pisarcik called the meeting to order at 9:30 AM with the pledge to the flag.

QUORUM/INTRODUCTIONS

Roll call was taken to make sure everyone on the meeting was captured. There was a quorum for the meeting.

NEW BUSINESS

Purchases

There was one purchase to be approved. It is for two XG-1541 1U Netgate® Security Gateway Appliances with pfSense® software, which makes these appliances a fast networking security solution. We are

currently running a Packeteer unit that is meeting its maximum capacity. These units will replace our current Packeteer at a fraction of the price.

The purchase total is \$10,517.39 and is being purchased with the EDA CARES Act funds.

Chair Pisarcik called for a motion to approve the purchase of the two XG-1541 1U Negate® Security Gateway Appliances with pfSense® software.

Nancy Grupp moved to approve the purchase of the two XG-1541 1U Negate® Security Gateway Appliances with pfSense® software, seconded by Dennis McKimm. Motion passed.

Loans

Top Dog Training, LLC, St. Marys, Elk County, has requested a loan in the amount of \$100,000 from the Appalachian Regional Commission Revolving Loan Fund for 15 years at the rate of 1.75% for the purchase of real estate. They plan to purchase the building they are currently leasing for use as a canine boarding and training facility. Both are professional certified dog trainers certified by the National K9 Learning Center and currently provide training for dogs as pets as well as service dogs and specialty police K9 training. Upon the purchase of the building they will be expanding their business to include kennel services. North Central's collateral will be second mortgage on real estate subject to first mortgage of CNG Bank, as well as the personal guarantees of the owners. Two jobs will be retained and two new jobs will be created within three years.

Chair Pisarcik called for a motion to approve the loan to Top Dog Training, LLC.

Padraic McGrath moved to approve the loan to Top Dog Training, LLC, seconded by Tom Kreiner. Motion passed.

Dish Doctor, LLC, Clearfield, Clearfield County, has requested a loan in the amount of \$25,000 from the Economic Development Administration CARES Act Revolving Loan Fund for 5 years at the rate of .75% for working capital. This company does Satellite/Dish Network and furnace installations and repair services. The working capital will assist with the inventory of furnaces purchased in advance to COVID-19 and loss of revenues that occurred during a three-month period from COVID-19 restrictions. North Central's collateral will be second lien security interest on business assets, as well as the personal guarantees of the owner. One job will be retained.

Chair Pisarcik called for a motion to approve the loan to Dish Doctor, LLC.

Dave Glass moved to approve the loan to Dish Doctor, LLC, seconded by Jack Matson. Motion passed.

Solveson Contracting, Inc., Emporium, Cameron County, has requested a loan in the amount of \$72,500 from the Economic Development Administration CARES Act Revolving Loan Fund for 5 years at the rate of .75% for the purchase of equipment. They plan to purchase a new backhoe and computer/technology equipment. The business has been impacted by COVID-19 and needs to replace aging equipment. This includes a 15-year old backhoe in need of costly repairs which results in extended periods of downtime and outdated computer and printers used in the administrative and financial operations of the business.

North Central's collateral will be first lien security interest on equipment to be purchased, as well as the personal guarantees of the owners. Three jobs will be retained.

Chair Pisarcik called for a motion to approve the loan to Solveson Contracting, Inc.

Dennis McKimm moved to approve the loan to Solveson Contracting, Inc., seconded by Nancy Grupp. Motion passed.

Jenn received the resignation of Sara Andrews from the Loan Review Committee. Sara will be retiring from the City of Bradford Office of Economic and Community Development on December 18, 2020.

Jenn also has two appointments to the Loan Review Committee.

The first appointment is Shane Oschman to serve as the representative for the City of Bradford Office of Economic and Community Development effective December 18, 2020.

Chair Pisarcik asked for a motion to approve the appointment of Shane Oschman to the Loan Review Committee.

Tom Kreiner moved to accept the appointment of Shane Oschman to the Loan Review Committee, seconded by Jeremy Morey. Motion passed

The second appointment is Joe Weible to serve as the representative for S&T Bank. Joe is currently serving as an alternate representative for the Jefferson County Development Council.

Chair Pisarcik asked for a motion to approve the appointment of Joe Weible to the Loan Review Committee.

Jamie Lefever moved to accept to approve the appointment of Joe Weible to the Loan Review Committee, seconded by Nancy Grupp. Motion passed.

When asked if Jenn was increasing the number of members on the Loan Review Committee, Jenn stated that the two appointments are replacing people who have resigned from the Committee.

Jenn also asked for approval to proceed with legal action to foreclose on real estate on a defaulted loan in St. Marys. This will be discussed in an Executive Session as the last item for the meeting.

2021 Meeting Dates

Included in the packet was a list of the 2021 Meeting Dates. These Board Meetings will be virtual and/or in person and the dates are:

January 27
July 28

March 24
September 22

May 26
November 17

The following meetings will be virtual and held if necessary.

February 24

April 28

June 23

August 25

October 27

December 15

When these dates are approved, a legal ad will be placed in the papers advertising the meetings.

Chair Pisarcik called for a motion to accept the meeting dates for 2021 and advertise them in the papers.

Jack Matson moved to accept the meeting dates for 2021 and advertise in the papers, seconded by Dave Glass. Motion passed.

EXECUTIVE COMMITTEE UPDATE

The Executive Committee met on November 18 to review Jim's Performance Evaluation.

Prior to the meeting Cheryl sent out the results of the survey to the Executive Committee for their review.

Jeff went over a few questions such as are we looking for revenues and grants? Are we keeping North Central in money financially?

They looked at Jim's Team and how they all look for different sources.

Cheryl reviewed all the questions and comments with Jim and they all agreed that Jim has exceeded all the Board's expectations.

One thing that was mentioned is Jim and staff not being able to get out and attend meetings as they were doing before the COVID-19 pandemic and the Board would like to see this start up again once things start getting back to normal by either attending the meetings virtually or in person.

Several things Jim is looking to do over the next year is have a Board Orientation for all the Board members; look at long term maintenance on the building; keep a good working relationship with Keystone Rural Health and keep broadband moving forward.

Jeff stated that Jim has over-performed expectations through this crazy year and the Executive Committee set a rate of 2% increase for Jim. With Jim's over performance, the Board voted to give Jim a 3% raise and again Jeff thanked Jim for all his hard work.

Deb Thompson commented that everyone did a nice process and hopes that they continue to follow that process because it was set up to follow the Best Practices of the Standards for Excellence. Now that you have gone through the process several times, hopefully the Board will be able to maintain that evaluation process every year moving forward.

Jim stated he appreciated the overview and support from the Board over the last year and a half we have been going through this process. He believes we are making progress as far as having good Board members participating and being that advocate for North Central. That is what we want to see because in the end you are our biggest supporter.

And how to make that happen is to inform you and we are planning and looking at doing virtual Board Orientation where we will set up Zoom rooms and actually allow Board members to go in and visit with the Department heads who will give a brief update and then allow questions to be asked of those people. We'll set a timeframe up for that and shift everyone all at the same time until you have had an opportunity to speak to all the Departments.

Keeping you informed both through this process and Jim getting out and visiting with everyone is important and hopefully that is in the near future. He felt there was a lot of value from what he saw and the feedback he received from his Management Team.

There were several housekeeping items that needed to be taken care of.

For the January meeting the Board approved two At-large members who will be participating in that meeting. The Governance Committee will have to have a formal recommendation at that meeting for the new slate of officers, which follows the new By-laws. We will be convening a meeting and have a formal recommendation for the January meeting.

The County Commissioners are the first group of Board members that are up for reappointment for the upcoming year. As per the By-laws it is a three-year cycle with the first cycle being the County Commissioner, second cycle is the planning representative and the third is the County Commissioner designee, a decision-maker from the private sector, nonprofit, education, workforce development or municipality. What we do need is for those counties that have not provided us the name of the County Commissioner that will be representing your county on the Board, along with the alternate Commissioner. If you could please have that to us before December 31, that would be wonderful.

We are also going through the current appointments for our CEDS Committee as well. Rachel sent a letter out to the Commissioners requesting them to appoint their three individuals from their county. That is a change as the CEDS By-laws were recently changed to three appointed members from each county. If you have more than three people currently serving, just keep in mind that there are additional opportunities to serve on the Committee and people volunteering and showing up are always welcome, whether it's the North Central Board or any of our Committees. The only time that becomes an issue, if they are not appointed, is when it comes down to a vote. We will work with you the best we can as we don't want to get rid of people who are participating. We value their input so we will find a way to make sure that those people continue to participate in those Committees. If you can please let Rachel and/or Mary Lou know for the CEDS appointments; and let Jim or Mary Lou know of the County Commissioner appointments, that would be wonderful.

The last thing which you will see come out from either Jim or Mary Lou will be the Conflict of Interest Policy, letter and questionnaire form. We would like to have the form filled out and sent back prior to the January Board meeting.

Broadband

Jeff asked Ed if he had an update as there was recently some money set out recently on broadband.

Ed said Jeff was probably referring to the RDOF money which is some FCC money that was basically a reverse-type auction scenario. Ed will send everyone the map they put out. It is kind of distressing money.

For Pennsylvania most of the money went to Windstream, Frontier and Elon Musk. There were a few other small pockets of stuff. When you look at the map and look at the areas they say they are going to cover and what they are going to do with it, it's kind of comical but hopefully it will help. Ed looks at this as another 10-year Federal plan that at the end of the 10 years everyone will have to give the money back.

There is a company in the Mid-West that is getting something like \$1.5 billion over 10 years.

Ed has sent a lot of things over to State Senator-Elect Cris Dush and State Representative-Elect Brian Smith and other representatives on what we are seeing with that RDOF money. He doesn't know if it is going to continue to go as it is or if they are going to reconsider it.

It's interesting because Windstream is actually in receivership and bankruptcy and is the government trying to bail them out? We will see what happens with that.

We have a lot of projects going. We have things going in Elk County, Clearfield County, and one of the other projects we have been working on for a year in Clarion County is finally getting a foothold and we are expecting 50 customers on that one. Lumber City will be the next big project and then there is a small project they are finishing on Friday for Clearfield County.

State Representative-Elect Mike Armanini added that he, Cris Dush and Brian Smith had a meeting and they are scheduling a meeting to talk with the leaders of their Caucus to look further into this why the funding was changed like it was. This is a very important issue to all three of them and they are working in trying to get that extra funding to the area.

Ed reply that we appreciate everything they are doing for that. Ed informed the Board there was some funding we were to get from the State and there was an issue with it. We are trying to make sure that it gets reinstated and that we receive the full amount. That is what Representative-Elect Armanini was talking about. Cris has reached out to the House Representatives that are in our region. It is the money to match the POWER Grant that is covering most of the State. It is the state-wide initiative we are trying to use that funding on. Ed has heard good responses coming from Harrisburg on what you gentlemen are doing.

Jim said if you look at the RDOF map closely and just knowing some of the areas he is familiar with and lives around, it's interesting about the population that they say is in those areas and the number of households. He thinks their numbers are a little flawed.

Ed said they looked at one particular place in Elk County and they say there are 350 customers. He's not even sure if there are 350 deer in that area. As far as we know there are very few homes in this little swatch of property they are talking about. He thinks there are some issues on how the FCC did some things. We will see what happens with it.

Strategy Solutions

Deb Thompson gave a wrap up of what had been accomplished during the time they were retained to restructure the Board.

The By-laws were updated and were the Articles of Incorporation.

The Audit and Finance Committee continues to look for grant opportunities to find new funding streams. Deb came up with a list for them to look at.

She worked with the Executive Committee and Executive Director to implement the first formal performance evaluation for FY 2019-2020. This was conducted in November.

She did training with Cheryl so Cheryl can do the Performance Review for Jim going forward.

There was one thing that she wasn't able to do and that is the training for the Executive Committee on their role and responsibilities. She hopes to be able to do that in January.

This was her last official presentation and noted that North Central is in a much better place now.

Jeff thanked Deb for her guidance and patience. We got where we needed to go and again thanked Deb and her staff for everything they have done for North Central.

Jeff asked Deborah Pontzer if she had anything to say.

Deborah said Congress is in session and are looking at a stimulus package.

She talked about the PPP and is you know of anyone who will be negatively affected by taking the PPP, to please have them call her.

Also as she is a member of the Governance Committee, she is completely in agreement about Jim's performance as Executive Director, especially as someone who works on the outside with multiple commissioners, she thinks Jim has done an amazing job. The thing we really need to recognize is not only his external leadership but his internal leadership during this very crazy year.

Padraic had a comment for Deborah and noted she could call him as well. With respect to PPP forgiveness, in his opinion after going through probably 50-75 corporate calculations within the last two months he thinks deductibility of PPP expenses would be the most effective short-term stimulus for our small Mom and Pop businesses. It would provide some level of confidence on how people could use that money immediately, as opposed to saving it for their taxes.

Deborah agreed and added if you look at the intent of the law, the way the CARES Act was written, it actually said there was to be no tax consequence. With an accountant background Deborah understands matching and they used funds that were not actually their funds. Some people will make the argument on how can you deduct something you didn't pay for. But the reality is that was a loan when many of these people received it and to this point it still is a loan and would fall under ordinary income. However, going back to the intent of the law, that was not ever intended. People kept employees on where they could have used that money in different places and now they are being punished for doing what the law intended them to do. She is working very hard with the Congressman on this. There are three things going on right now. One is a letter from Leadership really hammering this issue. The second is there is a House Resolution introduced and is in Committee right now. The third is to try to get this through in any large stimulus package that goes through.

She asked Padraic to keep an eye on it and if he had any questions, to please call her.

Nancy Grupp asked for Deborah's direct phone number which is 202-580-9775. And her personal cell is 814-594-0905. For everyone if you ever need Deborah please text her. She is inundated with emails but if you text her, she will get back to you probably faster than going through all her emails.

Representative Elect Mike Armanini thanked us for inviting him to the meeting and he looks forward to working with everyone to keep our area very strong and moving forward.

Executive Session

Chair Pisarcik called for a motion to go into Executive Session. Dave Glass moved to go into Executive Session at 10:18 AM, seconded by Nancy Grupp. Motion passed.

Chair Pisarcik called for a motion to reconvene the regular meeting at 10:27 AM. Gave Glass moved to reconvene the meeting at 10:27 AM.

Chair Pisarcik asked for a motion to proceed with legal action on real estate on a defaulted loan in St. Marys, Elk County.

Dave Glass moved to proceed with legal action on real estate on a defaulted loan in St. Marys, Elk County, seconded by Nancy Grupp. Motion passed.

ADJOURN

With no other discussions, Chair Pisarcik wished everyone a very Merry Christmas and Happy New Year and called for a motion to adjourn the meeting.

Tom Kreiner moved to adjourn the meeting, seconded by Padraic McGrath. The meeting adjourned at 10:30 AM.

Respectfully submitted,

Padraic McGrath, CPA
Secretary/Treasurer