



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, February 24, 2021 – 9:30 AM

Members – via Zoom

Ann Losey
Cliff Clark
Dave Glass
John Sobel
Jodi Brennan
Kristy Smith
Matt Quesenberry
Joe Dagher
Jodi Foster
Eric Wolfe
Jeff Pisarcik
Jack Matson
Jamie Lefever
Jim Sleigh
Carol Duffy
Tom Kreiner
Jeremy Morey
Susan Zook Wilson
Nancy Grupp

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

Staff - via Zoom

Jim Chorney
Chris Perneski
Jenn Hibbard
Ed Matts
Mary Lou Jessop

Guests – via Zoom

Zachary Ankeny Senator Cris Dush's Office
Dr. Jill Martin-Rend BC3@Brockway
Brian Stockman Ridgway Record

Chair Carol Duffy called the meeting to order at 9:30 AM with the pledge to the flag.

Jodi Foster stated she would be leaving the call at 9:55 AM.

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. It is the purchase of a new HPE ProLiant DL360 Server through the EDA CARES Act funding. This server will be set up for North Central's new exchange server for employees' which will also allow us to update the version of Office we are currently running from 2013 to 2019.

The cost for the HPE ProLiant DL360 Server is \$9,353.64 and is through the EDA CARES Act fund.

Chair Duffy called for a motion to approve the purchase of the HPE ProLiant DL360 Server.

Dave Glass moved to approve the purchase of the HPE ProLiant DL360 Server, seconded by Nancy Grupp. Motion passed.

Loans

Titus Energy, LLC, Corsica, Jefferson 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 .75% for working capital. The request will be used for operating expenses including repair of oil wells to place back into service, equipment repairs and supplies, insurance premiums due and new office equipment for a business that was adversely impacted by the COVID-91 pandemic. North Central's collateral will be UCC-1 on all business assets as well as the personal guarantee of the owner. One job will retained.

Chair Duffy called for a motion to approve the loan to Titus Energy, LLC.

Ann Losey moved to approve the loan to Titus Energy, LLC, seconded by Jeff Pisarcik. Motion passed.

HydroSpray Wash Systems, Inc., 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 technology. The purchase of technology is an investment into an E-commerce storefront for sales. Covid-19 has limited opportunities for direct contact sales and is relying on virtual sales methods to sustain the business. The technology will be a significant upgrade that will support the efforts of the business to adapt to the conditions caused by the pandemic and remain competitive within their industry. North Central's collateral will be first lien security on all business assets, as well as the personal guarantee of the owner. Twelve jobs will be retained and two new jobs will be created within three years

Chair Duffy called for a motion to approve the loan to HydroSpray Wash Systems, Inc.

Dave Glass moved to approve the loan to HydroSpray Wash Systems, Inc., seconded by Jamie L. Motion passed.

Preston Land Surveying, LLC, Brockway, Jefferson County, has requested a loan in the amount of \$50,000 from the Economic Development Administration CARES Act Revolving Loan Fund for 5 years at the rate of .75% for the purchase of equipment. Purchase of surveying equipment and software for the start-up of a

land surveying business. The owner was permanently laid off from his job from a local engineering firm as a survey manager for the last 10 years due to downsizing from the impacts of COVID-19. As a licensed professional land surveyor, this has presented an opportunity to be self-employed while fulfilling the supply shortage of surveyors in the area. North Central's collateral will be first lien security on all business assets, as well as the personal guarantee of the owner. One new job will be created within three years.

Chair Duffy called for a motion to approve the loan to Preston Land Surveying, LLC.

Jodi Foster moved to approve the loan to Preston Land Surveying, LLC, seconded by Jamie Lefever. Motion passed.

Walker Lumber Company, Inc., Woodland, Clearfield County, has requested a loan in the amount of \$100,000 from the Economic Development Administration CARES Act Revolving Loan Fund for 5 years at the rate of .75% for working capital. Purchase of green lumber inventory for work in progress for efficient operations. Business has been adversely impacted by COVID during 2020 with reduction in sales and prices in addition to major loss of productivity in operations due to shortages of employees while complying with CDC COVID recommendations. North Central's collateral will be UCC-1 on all business assets, as well as the personal guarantee of the owner. Fifty-six jobs will be retained and one new job will be created within three years.

Chair Duffy called for a motion to approve the loan to Walker Lumber Company, Inc.

Dave Glass moved to approve the loan to Walker Lumber Company, Inc., seconded by Ann Losey. Motion passed.

JDK Surveying, LLC, Weedville, Elk County, has requested a loan in the amount of \$33,500 from the Appalachian Regional Commission Revolving Loan Fund for 5 years at the rate of 2.00% for the purchase of equipment. The owner is a licensed professional land surveyor, who will be relocating back to Elk County to operate the business. North Central's collateral will be 2nd lien on all business assets, 2nd mortgage on real estate subject to CNB Bank, as well as the personal guarantee of the owner and spouse. One new job will be created within three years.

Chair Duffy called for a motion to approve the loan to JDK Surveying, LLC.

Ann Losey moved to approve the loan to JDK Survey, LLC, seconded by Jodi Foster. Motion passed.

When asked why the first four loans were out of the EDA CARES Act Fund and the last one was out of the Appalachian Regional Commission Revolving Loan Fund, Jenn replied that the first four loans were COVID related and the last one had no time frame to COVID.

Also when asked how we are doing with getting the funds out on the street, Jenn stated she has been receiving many called and has applications she is working on. She also noted that with the allocated amount given each county, Clearfield County has used all of their funds. She is waiting until March 31 for the other counties to submit applications and then the funds will be open first come, first served. This is because EDA wants at least half of the \$1.76 million out on the street by June 30, 2021. She can give an

update every month to the Board.

Jenn reported that Election of Officers for 2021 was held. Joe Haines of CNB Bank was elected as Loan Committee Chair and Tina Kennemuth of Jefferson County Development Council was elected Vice-Chair. Their terms are for one year.

Chair Duffy called to a motion to approve Joe Haines as Chair of the Loan Committee and Tina Kennemuth as Vice-Chair for a term of one year.

Jeff Pisarcik moved to approve Joe Haines as Chair and Tina Kennemuth as Vice-Chair of the Loan Committee for a term of one year, seconded by Dave Glass. Motion passed.

Loan requests of \$25,000 or less are reviewed by the Microloan Sub-committee for streamlined processing and closing. The recommendation is to increase this limit to loans requests up to \$50,000 to be reviewed by the Microloan Sub-committee. The streamlined processing and closing will assist us with implementing the scope of work expeditiously and at an acceptable pace as a condition of award granted by EDA for the loan fund. These loans will continue to be reported monthly to the North Central Board for their approval.

Jim added that for the Microloan Committee for all other loans they have an approval limit of \$50,000 to begin with. With the EDA CARES RLF funding it amount was originally set at \$25,000 and they just want to increase it to be in line with all the other Microloan Committee approvals.

Chair Duffy called for a motion to increase the limit of loan requests from \$25,000 to \$50,000 to be reviewed by the Microloan Sub-committee to enable the EDA CARES funds get out more quickly.

Ann Losey moved to approve the increase the limit of loan requests from \$25,000 to \$50,000 to be reviewed by the Microloan Sub-committee, seconded by Jodi Foster. Motion passed.

Contract Approval

Jim would like the Board to approve a contract we would like to have with the Penn State LaunchBox in DuBois.

On February 5, Governor Wolf set aside \$145 million for the COVID-19 Hospitality Industry Recovery Program (CHIRP). That money was to be distributed to all the counties in Pennsylvania based on a percentage of population. That money would be given to the counties and distributed by a Certified Economic Development Organization (CEDO) that operates within those counties. All six of our counties have agreed to a regional administrative approach and will be using North Central as the CEDO to approve the grants and disburse the funds under the CHIRP program.

Five of the six counties will be conducting in-take review and packaging of the applications at the county level utilizing county staff to review, recommend and submit the applications to North Central. The exception is Clearfield County and that is due to the lack of staff at the county level, they have opted to contract with the LaunchBox to serve as their staff capacity.

As the funds for CHIRP can only be paid to a CEDO, Clearfield has requested that North Central serve as the contracting agent for the Clearfield LaunchBox contract. The contract will be reflective of the cost negotiated between Clearfield County and the LaunchBox for the in-take review and packaging of the applications.

North Central, at this time, has opted not to charge a fee outside of the cost for the contract with the LaunchBox to administer the CHIRP program. Basically we would be looking at the packaged applications, approve them and disburse the funds.

With that being said the contract we want to enter into as described is for Clearfield County. They have negotiated a price of \$150 per application and a fee not to exceed \$20,000. What we would like is permission from the Board to enter into the contract with the LaunchBox.

Dave added that Clearfield County received just short of \$900,000 for CHIRP; \$20,000 out of \$900,000 is a pretty good ratio. This money would all be coming from the CHIRP funds that we potentially are passing on to North Central. None of these contracted funds would ever come out of North Central's budget. They are using the LaunchBox because their partnership with them during the CARES grants was spectacular. They did such a great job and Clearfield County wants to continue that partnership. Also rather than put the money into their own budget, LaunchBox has committed to taking these funds and creating their own mini-grant opportunity for entrepreneur start-ups. From the County's perspective it's as close to a win/win as you can get. They are not charging very much and the money they are charging, they are going to put back into the community. The County is excited and would ask that the Board to support this initiative.

The Chair would entertain a motion then to approve the contract with LaunchBox for the administration and need resulting from the COVID-19 CHIRP funding allocation.

Jeff asked for a clarification from Jim and Dave. He wanted to know why we have to do a contract if it's just affecting Clearfield County.

Jim replied the contract is for Clearfield County. The contracts we have with the individual counties that you just approved and signed the other was for a \$0 sum. The only contract that is different is Clearfield County's contract. Their contract is reflective of what we will be paying the LaunchBox. Because you have staff that can basically package these grant applications, we're not charging a fee because your staff are going to put that all together; and because of the capacity issue in Clearfield County, they need outside help. We are going to provide that through the LaunchBox. However, in order for those funds to be eligible to be paid out of the CHIRP funding, they have to go through North Central first.

Dave said they would do it directly except for the way this is written. We determined we couldn't.

Jeff asked if we checked in with our solicitor and it is all legitimate, to which Jim responded that it was.

Therefore Jeff Pisarcik made the motion to approve the contract with LaunchBox for the administration and need resulting from the COVID-19 CHIRP funding allocation, seconded by Kristy Smith. Jamie would like the motion to be sure it says Clearfield County funds to which Dave agreed. Motion passed.

Carol asked if we also needed a motion to enter into a contract with all the counties to administer the funding.

Jim said we can but there is a \$0 fee with it, but we could make the motion to approve contracts that enter into an agreement to provide the administrative function for the CHIRP funds with each of the individual counties, which we are currently working with the counties to put into place. We have had the agreement drawn up, reviewed by Tom Beveridge, our solicitor, and each of the counties have either taken it to their commissioners' meetings after having their solicitor's review it or will be later this week or the beginning of March.

Carol said it might be a good idea in order to satisfy what the DCED is going to require of us as far as being in contract with our CEDO. If we do that then we have it covered.

Therefore Chair Duffy would entertain a motion to approve North Central to enter into contracts with the six counties for administration of the CHIRP funding COVID-19 related.

Matt Quesenberry moved to approve North Central to enter into contracts with the six counties for administration of the CHIRP funding COVID-19 related, seconded by Dave Glass. Motion passed.

Jim noted that Zackary Ankeny of Senator Dush's office was in attendance and wanted to know if you wanted to provide him to have any comments.

Carol welcomed Zac to the meeting and wondered if there was anything he wanted to add to this meeting.

Zac had nothing to add at this time; but he will share this with the Senator and should something come up, he will email Carol.

The next Board meeting will be held on Wednesday, March 24, 2021 at 9:30 in person and virtual

ADJOURN

With no other business, Chair Duffy called for a motion to adjourn the meeting. Nancy Grupp moved to adjourn the meeting, seconded by Jeff Pisarcik. The meeting adjourned at 10:05 AM.

Respectfully submitted,

Padraic McGrath, CPA
Secretary/Treasurer