



NORTH CENTRAL PENNSYLVANIA REGIONAL PLANNING and DEVELOPMENT COMMISSION

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North Central Board Meeting
Wednesday, November 15, 2023 – 9:30 AM

Members – via Teams or In Person

Ann Losey	Cameron County
Cliff Clark	Cameron County
Dave Glass	Clearfield County
Jodi Brennan	Clearfield County
Matt Quesenberry	Elk County
Eric Wolfe	El County
Padraic McGrath	Elk County
Jeff Pisarcik	Jefferson County
Scott North	Jefferson County
Jessica Funk	Jefferson County
Jim Sleigh	Jefferson County
Carol Duffy	McKean County
Richard Fry	McKean County
Nancy Grupp	Potter County
Will Hunt	Potter County
Jill Martin-Rend	At-large BC3@Brockway
Carolyn Newhouse	At-large Bradford Area Alliance

Staff - via Teams or In Person

Jim Chorney
Amy Kessler
Samantha Mitchell
Ed Matts
Chris Perneski
Julie Kasmierski
Shelly Caggiano
Jennifer Hibbard
Mary Lou Jessop

Guests

Ruby Chambers U.S. Senator Casey's Office

Chair Ann Losey called the meeting to order at 9:30 AM with the Pledge of Allegiance.

QUORUM/INTRODUCTIONS

Roll call was taken and there was a quorum for the meeting.

MINUTES

With no corrections or amendments to the September 27 and October 25, 2023 Board Minutes, Jeff Pisarcik moved to accept the minutes as presented, seconded by Richard Fry. Motion unanimously passed.

NEW BUSINESS

Financial Reports

With no corrections or additions to the September Financial Reports, Nancy Grupp moved to accept the Financial Statements as presented, seconded by Dave Glass. Motion unanimously passed.

A95s

There were no A95s.

Correspondence

There was no Correspondence.

Purchases

There were no Purchases.

Resolutions

There were no Resolutions.

Before going to the Loans, Chair Losey asked Amy to discuss U.S. Senator Robert Casey's visit to North Central.

At the October meeting Amy said we were successful in getting an EDA Strategy Development Grant for the Tech Hub for the pressed materials industry. She received a phone call on Tuesday from Liz Cooper from Senator Casey's office advising the Senator was coming to our region on Monday for a press event on this activity.

It is an invitation only press event and Amy wanted to make the Board was aware of this event and as soon as we get the information on the invitation, it will be sent to you. It is Monday, November 21 at 10:00 with the Senator scheduled to arrive at 10:15 so if you want to join, please let us know so we can have the room set up accordingly.

We will be inviting the consortium members who provided letters of support for the Tech Hub application.

As for the speakers, Jim will do the welcoming introductions. Along with Senator Casey, we have Jason Gabler, the Industry Representation from the consortium, Jungwoo Ryoo, Ph.D., Chancellor and Chief Academic Officer Penn State DuBois Campus and John Siggins from the Ben Franklin Technology Partners of Central and Northern PA.

Again, it is a Senator Casey event announcing the program.

Matt noted that the CCAP Fall Conference is on Monday and Tuesday in Hershey so unfortunately some Commissioners will be unavailable to come to that event. Matt also noted to please extend their regrets to the Senator.

When asked if the Senator was going to be in other areas in our region, the answer was it was unknown as to what his schedule was after leaving North Central.

Carolyn asked if there would be an opportunity to invite him back to the region as there are many things happening in our communities.

Amy's hope is to make sure we reiterate our Recompete Application in front of him that will touch on the different projects across the region. She has been talking to his staff, mainly Kennedy in DC, about the Recompete and making sure that it is in front of his radar as well.

And if there is anything you want us to have, please send it to Sherry or Amy and they will compile it and make sure the Senator's staff walk away with what you wanted to share.

Getting back to Carolyn's question, Jeff said he talks to the Senator's staff at least once a week and an invitation to come to the entire region is given to him weekly. We do know he tries to get to every county at least once a year.

Amy also noted that with the Transportation program, she has had lots of conversations with Senator Fetterman's office trying to get them into the area a little more as well.

We also have ongoing conversations with Congressman Thompson, but trying to bring the Senators in is critical. We have those regular conversations to try to make them aware of some of these big applications that we have put in at the Federal level to the point that they have also given us letters of support for those applications.

With no other questions, Amy left the meeting to drive to Washington, DC, for a meeting.

Loans

Jenn reviewed the loans that were approved at the November 8 Loan Review Committee Meeting.

St. Marys Tool & Die Co., Inc, St. Marys, Elk County, has requested a loan in the amount of \$75,000 from the USDA Intermediary Relending Program for 5 years at the rate of 4% for the purchase of equipment. Purchase CNC EDM machines for increased production capacities and operation cost efficiencies. North Central's collateral will be second lien security interest filing on equipment to be purchased, as well as the personal guarantee of the owner. Twenty-nine full-time jobs will be retained.

With no questions, Chair Losey called for a motion to approve the loan to St. Marys Tool & Die Co., Inc.

Will Hunt moved to approve the loan to St. Marys Tool & Die Co., Inc, seconded by Matt Quesenberry. Motion unanimously passed.

FGO Transportation, Inc., Weedville, Elk County, has requested loans in the amount of \$200,000 from the ARC Revolving Loan Fund for 5 years at the rate of 4% and \$150,000 from the EDA CARES Act for 5 years at the rate of 4% for the purchase of equipment. Purchase 2024 Peterbilt 537 tank truck, 2024 Peterbilt 389 truck and 2012 Peterbilt 348 flatbed to support increased delivery capacity of freight operations and create

two job opportunities for additional drivers. North Central's collateral will be titles to 2024 Peterbilt 537 fuel tank truck and 2012 Peterbilt 348 flatbed trailer, as well as the personal guarantees of Friday Gas & Oil, Inc. and the owner. Ten full-time jobs will be retained, and two new jobs will be created within three years.

With no questions, Chair Losey called for a motion to approve the loan to FGO Transportation, Inc.

Jim Sleight moved to approve the loan to FGO Transportation, Inc., seconded by Padraic McGrath. Motion unanimously passed.

El Gordo Burro LLC, DuBois, Clearfield County, has requested a loan in the amount of \$50,000 from the EDA Revolving Loan Fund for 5 years at the rate of 4% for equipment purchase and electrical upgrades. Equipment purchases and electrical upgrades for new Mexican and Japanese Steakhouse restaurant. North Central's collateral will be first lien security interest filing on all business assets, as well as the personal guarantees of the majority owners. Eight full-time jobs and seven part-time jobs will be created within three years.

With no questions, Chair Losey called for a motion to approve the loan to El Gordo Burro LLC.

Dave Glass moved to approve the loan to El Gordo Burro LLC, seconded by Jodi Brennan. Motion unanimously passed.

Curwensville Florist LLC, Curwensville, Clearfield County, has requested loans in the amount of \$65,000 from the SSBCI for 15 years at the rate of 4% and \$30,000 from the SSBCI for 5 years at the rate of 4% to purchase assets of Curwensville Florist. Purchase assets of Curwensville Florist including real estate, equipment, delivery vehicle, inventory and noncompete. North Central's collateral will be second mortgage on the real estate subject to the first mortgage of CNB Bank, first lien security interest filing on all business assets and title to delivery vehicle, as well as the secured personal guarantees of the owners and spouses. Two full-time jobs will be created within three years.

With no questions, Chair Losey called for a motion to approve the loan to Curwensville Florist LLC.

Dave Glass moved to approve the loan to Curwensville Florist LLC, seconded by Scott North. Motion unanimously passed.

In addition Jenn spoke briefly on the attached updated submission of the EDA CARES Act RLF Operating Plan. EDA requires an approved operating plan to be submitted at the minimum of every five years to align with and support strategic priorities and goals that are identified in the Regional CEDS Plan. The last RLF Plan was approved in 2018 and the updated Plan is due for submission to EDA in November 2023.

Jenn noted there were several items that she felt needed to be updated for consistency and to respond to current economic needs.

In the Work Plan she did update the narrative to reflect our current economic conditions, strategic priorities and goals that are identified in the CEDS, which they expect this plan to align with the one change that we are making which is the Job Cost Ratio requirement.

We were able to lend \$50,000 for every full-time job to be created or retained. We are increasing that to \$75,000 and is in response to the rising costs, whether it is real estate or equipment, as well as the challenges businesses are facing retaining and attracting workforce. This number is consistent with the PIDA Loan Program, the State Loan Program where this was increased to \$75,000 in 2022. Jenn also thinks it is the SBA Job Cost Ratio and is consistent with our other revolving loan funds.

The other update was revisiting our maximum exposure to any one borrower. It has been at \$600,000. That is the total exposure that any one borrower can have with us from all our revolving loan funds. Because we have secured an additional \$4 million in additional revolving loan funds over the last three years, we did increase that amount to \$675,000 or 5% of total outstanding capitalization of all our revolving loan funds.

Those were the only changes made to the work plan.

With no questions or further discussion, Chair Losey called for a motion to approve submitting the Updated EDA CARES Act RFL Operating Plan as presented by Jenn.

Jeff Pisarcik moved to approve submitting the Updated EDA CARES Act RFL Operating Plan as presented by Jenn, seconded by Nancy Grupp. Motion unanimously passed.

Building Committee Update

Ed gave a brief update. The building permit is in place and the plans have been passed through the inspector and everything has been approved. We are meeting with the contractor tomorrow morning to go over when he is going to start. They have started ordering materials because the price of metal studs is going up at the end of the month and the door manufacturer closes for the holidays, so they want to get all that ordered ahead of time.

Jim added everything is coming together nicely and we hope to get this project started soon. He had a conversation with Kristy Lenze, the director at Keystone Rural Health. She was in favor of signing a lease prior to moving into the new office space she needs that will be created when we do this project. The lease is currently being worked on by our solicitor, Tom Beveridge. As soon as it is finished, we will have her sign it and it will basically lock them into the lease for the next five years based on the new square footage.

Ann brought up that the initial bid came in at \$265,000 and she knew North Central didn't want to go over \$250,000 and with making some changes to the electrical what else did you change?

Jim noted that is going to be part of tomorrow's meeting with the contractor. Our engineer has had preliminary conversations with the contractor about reducing some of the cost to get it down to where we are more comfortable. We based the \$250,000 loan off the new lease payment that would be coming in and what we could afford to pay back that back and we didn't want to go over the \$250,000.

The contractors felt we could very easily get below this by making some adjustments to things with the electrical, the lighting and ceiling tiles. We are going to use the old ceiling tiles that are up, and we have 16 boxes of spare ceiling tiles we can use. Ceiling tiles are really expensive, as they may be \$12 to \$14 a tile for the acoustic ones we already have.

However, the contractor feels very confident that it won't be a big deal to bring the price down. Therefore, we are confident we can get the price below \$250,000 and leave ourselves a bit of contingency for things that might occur during construction.

Adjournment

The next meeting will be held on Wednesday, December 13, beginning at 9:30 AM. This meeting will be virtual.

Before calling for the adjournment, Chair Losey asked that the Executive Committee members stay on the meeting for the Executive Director's Performance Evaluation and excused the rest of the members.

Jim also added we will be meeting with the Governance Committee prior to the December Board meeting to nominate the new slate of officers which would be Dave Glass, Chair; Matt Quesenberry, 1st Vice Chair, Jeff Pisarcik, 2nd Vice Chair, assuming they will still represent their respective counties on the Board, and the Secretary/Treasurer position. Unfortunately, we will be losing Padraic as our current Secretary/Treasurer as his business has taken off and he is unable to fulfil that position.

We will be making a recommendation for that position at the next meeting.

Also for those who did not know, Samantha Mitchell, our HR Director, is leaving us as of Friday. Jim wanted everyone to be aware of that and said how much we appreciate everything she has done and is putting us in a good position to hopefully move into the future.

With no other business to be discussed, Chair Losey called for a motion to adjourn the meeting. Carolyn Newhouse moved to adjourn the meeting, seconded by Jim Sleigh. The meeting adjourned at 10:00 AM.

Respectfully submitted,

Padraic McGrath, CPA
Secretary/Treasurer