



**SEDA-Council of Governments
Board of Directors
Virtual Meeting Minutes**

Wednesday, June 23, 2021

Start Time: 1:00 P.M.

MEMBERS

County	Member	Present
Centre	Commissioner Mark Higgins	✓
	Ms. Lisa Strickland	✓
Clinton	Commissioner Jeffrey Snyder	
	Mr. Steve Stevenson	✓
Columbia	Commissioner Richard Ridgway	✓
	Mr. George Forese	✓
Juniata	Commissioner Mark Partner	✓
	Mr. Scott Fritz	✓
Lycoming	Commissioner Scott Metzger	
	Mr. Howard Fry III	✓
Mifflin	Commissioner Kevin Kodish	✓
	Mr. Jim Shilling Jr.	✓
Montour	Commissioner Kenneth Holdren	✓
	Mr. Brian Wiktor	✓
Northumberland	Commissioner Samuel Schiccatano	
	Mr. Greg Klebon	✓
Perry	Commissioner Brenda Watson	
	Mr. Larry Reisinger	✓
Snyder	Commissioner Joseph Kantz	✓
	Mr. Dennis Van Benthuyzen	✓
Union	Commissioner Preston Boop	
	Mr. David Cooney	

STAFF

Kim Wheeler, Mike Fisher, Rose Orner, Betsy Lockwood, Bo Hornberger, Amanda Owens, Don Kiel, Frankie Hockenbrocht, John Reichard, Jim Saylor, Kristen Moyer, Karen Smith, Jeff Stover

GUESTS

Pete Smeltz

CALL TO ORDER

The SEDA-COG Board of Directors virtual meeting was called to order at 1:03 p.m., by President Partner, there being a quorum present.

MEETING MINUTES

Commissioner Kodish moved for approval of the May 26, 2021 meeting minutes as presented. Commissioner Higgins seconded the motion, and the motion carried unanimously.

OPEN FORUM

Opportunity for Public Comments

There were no public comments.

Non-Agenda Items of General Interest to the Members

Commissioner Ridgway thanked the Board of Directors and the staff for the gavel he received in appreciation for his service as Board President in 2020.

OLD BUSINESS

Appalachian Regional Commission (ARC) Project Priorities, FY 2022-2023

Ms. Betsy Lockwood, Project Development/Grants Manager and PREP Regional Coordinator, presented the Board with the Appalachian Regional Commission (ARC) and the Economic Development Administration (EDA) Project Listings. SEDA-COG is a designated Economic Development District (EDD) by the U.S. Department of Commerce Economic Development Administration (EDA), and a Local Development District (LDD) by the Appalachian Regional Commission (ARC). SEDA-COG is responsible for developing a list of economic development projects that are potentially eligible for EDA and/or ARC funding in fiscal year 2022-2023.

It is uncertain at this time how much funding will be available to fund the identified projects, so at the direction of the Commonwealth, the project packet only contains projects that could be fundable in the next 12-18 months.

Ms. Lockwood reviewed the five ARC projects:

1. Regional PREP Program - \$400,000
2. Walnut Street Culvert Stormwater Mitigation Project - \$50,000
3. ARC Recapitalization of Revolving Loan Funds - \$500,000
4. Milroy Virtual Pipeline Project - \$50,000
5. Reconstruction of Clarks Ferry Tavern - \$500,000

There is also one Access Road project on the priority list:

1. Timber Run Access Road (Lycoming County) - \$1,500,000

Mr. Shilling moved to approve the submission of the SEDA-COG FY 2022-2023 ARC Project List to the Appalachian Regional Commission (ARC), as presented. Mr. Wiktor seconded the motion, and the motion carried unanimously.

Economic Development Administration (EDA) Project Priorities, FY 2022-2023

Ms. Lockwood presented the Economic Development Administration (EDA) Project Priorities, FY 2022-2023. In preparing the list, staff categorized the Public Works projects as either developable in the short term, regionally significant projects, or developable in the long term.

Ms. Lockwood highlighted the top four Public Works projects:

1. The Academy Expansion Project (Mifflin County) - \$4,321,929
2. Multi-purpose Outdoor Sports Facility (Lycoming County) - \$2,000,000
3. Route 504 Business Park (Centre County) - \$1,000,000
4. South Centre Township Sewer Project (Columbia County) - \$2,000,000

Commissioner Holdren moved to approve the submission of the SEDA-COG FY 2022-2023 EDA Project List to the Economic Development Administration (EDA), as presented. Commissioner Ridgway seconded the motion and the motion carried unanimously.

SEDA-COG Natural Gas Cooperative Report

Mr. Don Kiel, Executive Director of the SEDA-COG Natural Gas Cooperative, provided an update on recent activities:

- Centre Hall Project – Hanover Foods has retained their employees, along with offering 100+ residential and business customers the option to tap on to the line free of charge. The Cooperative received facilitation and annual fees.
 - State PIPE Grant (DCED) - \$1,000,000.
 - Columbia Gas contribution - \$6,500,000.
 - Hanover Foods contribution - \$36,000.
- PA Options for Wellness Project – located in Perry Innovation Park near Duncannon, the 65,000 sq.ft. growing facility will create 60+ new jobs at full buildout.
 - Five-year delivery contract signed in early 2021.
 - Startup LNG delivery date – September 2021.
 - Supply partner – Frontier LNG, Bellefonte.
 - Cooperative will receive an “adder fee” for every LNG gallon used.
 - Two 11,000 LNG gallon tanks at startup, expansion to double capacity.
 - Projected Year 1 monthly adder fees - \$8,325.
 - Projected Year 2 monthly adder fees - \$16,788.
- Milroy-Unipar ARC Proposal
 - Unipar (rotomolder plastics company) serves as the virtual pipeline “anchor”.
 - Connections to other customers in succeeding phases.
 - Leverages federal, state, local funding.
 - To be in place by end of 2021.
- Controlled Environment Agriculture (CEA) – known as “vertical agriculture” or “indoor agriculture”. The Cooperative has proposed an LNG delivery option to one grower and is

organizing a CEA roundtable meeting to involve state and federal agencies, universities, regional economic development agencies (including SEDA-COG).

- Bright Farms, Snyder County – 280,000 sq.ft, facility is a local example of a CEA.

SEDA-COG Natural Gas Cooperative Agreement

Mr. Pete Smeltz, President of the SEDA-COG Natural Gas Cooperative Board, spoke about the evolution of the Cooperative and the repayment plan for administrative services. A memorandum had been provided to Ms. Wheeler, Mr. Fisher, and Mr. Saylor which details the plan. The current debt balance is \$118,795. Reimbursements to SEDA-COG will start when the adder fee revenues from the PA Options projects begin, which is anticipated to be September 2021. Full repayment is expected by the third quarter of 2022.

Mr. Mike Fisher, Assistant Executive Director, provided information on Mr. Kiel's position with the Transportation program, which will be funded through June 30, 2022.

Mr. Forese moved to approve the process the SEDA-COG Natural Gas Cooperative detailed in their repayment plan for administrative services memorandum, dated June 23, 2021. Commissioner Kodish seconded the motion and the motion carried unanimously.

NEW BUSINESS

Local Loan Review Committee Report

Beaver Valley Country Store, LLC and Beaver Valley Real Estate Holdings, LLC

Mr. John Reichard, Senior Relationship Manager II, Business Finance Program, presented the request on behalf of Beaver Valley Country Store, LLC and Beaver Valley Real Estate Holdings, LLC, for a \$63,427 SEDA-COG TEAM loan. Steve Witmer and his son Aaron Witmer, along with John Anthony and Richard Maloyed are seeking to purchase Saylor's Market in Beaver Springs, Snyder County. Saylor's Market is a convenience store/grocery store with gasoline pumps. The purchase will include the real estate as well as the FF&E of the convenience store.

Mr. Shilling moved to approve the request presented on behalf of Beaver Valley Country Store, LLC and Beaver Valley Real Estate Holdings, LLC, for a \$63,427 SEDA-COG TEAM loan, for a term of 15 years at an interest rate of 4% fixed for the life of the loan. Mr. Wiktor seconded the motion, and the motion carried unanimously.

Shamokin Filler Co. Inc.

Mr. Reichard presented the request on behalf of Shamokin Filler Co. Inc., to remove the requirement of a mortgage on 453 Venn Access Road, Coal Township, PA 17866. All other terms and conditions of the loan will remain. Staff are working towards closing a \$500,000 loan and discovered that there is a discrepancy between the acreage of the parcel located at 453 Venn Access Road, Coal Township, PA 17866 and the assessor's office. The abstractor believes the 2-acre discrepancy involves another parcel owned by Shamokin Filler but will not certify the title search without a survey being done and the title company would require a survey be done to issue title insurance on the property. Therefore, staff is requesting that the 453 Venn Access Road, Coal Township, PA 17866 property be removed as collateral for the loan. Staff will obtain a shared pro rata first mortgage on the properties located at 1550 Crestwood

Road, Mountain Top, PA 18707, 1043 Branchton Road, Boyers, PA 16020 including Parcel 2 and Parcel 2A, with another \$500,000 SEDA-COG EDA COVID-19 loan to Rosini Carbon Co. Inc.

Commissioner Holdren moved to approve the request on behalf of Shamokin Filler Co. Inc., to remove the requirement of a mortgage on 453 Venn Access Road, Coal Township, PA 17866. All other terms and conditions of the loan will remain. Mr. Wiktor seconded the motion, and the motion carried with Commissioner Kantz abstaining.

Rosini Carbon Co. Inc.

Mr. Reichard presented the request on behalf of Rosini Carbon Co. Inc. to remove the requirement of a mortgage on 453 Venn Access Road, Coal Township, PA 17866. Staff are working towards closing a \$500,000 loan to Rosini Carbon Co. Inc. and discovered that there is a discrepancy between the acreage of the parcel located at 453 Venn Access Road, Coal Township, PA 17866 and the assessor's office. The abstractor believes the 2-acre discrepancy involves another parcel owned by Shamokin Filler but will not certify the title search without a survey being done and the title company would require a survey be done to issue title insurance on the property. Therefore, staff is requesting that the 453 Venn Access Road, Coal Township, PA 17866 property be removed as collateral for the loan. Staff will obtain a shared pro rata first mortgage on the properties located at 1550 Crestwood Road, Mountain Top, PA 18707, 1043 Branchton Road, Boyers, PA 16020 including Parcel 2 and Parcel 2A, with another \$500,000 SEDA-COG EDA COVID-19 loan to Shamokin Filler Co Inc.

Mr. Forese moved to approve the request behalf of Rosini Carbon Co. Inc. to remove the requirement of a mortgage on 453 Venn Access Road, Coal Township, PA 17866. All other terms and conditions of the loan will remain. Mr. Klebon seconded the motion, and the motion carried with Commissioner Kantz abstaining.

Business Finance Update

Mr. Reichard provided a brief recap of the Business Finance Department Overview 2020, which was provided in the meeting packet. The number of loans made as of December 31, 2020, totaling 1,047 for a total loan amount of \$266,943,047. As of May 31, 2021, there are 36 loans committed for a total loan amount of \$22,172,679.

Consolidated Budget FY 2021-2022

Mr. Bo Hornberger, Fiscal Controller, presented the SEDA-COG Consolidated Budget FY 2021-2022.

- The budget narrative provides an overview of the significant changes and successes experienced during the current fiscal year, along with state and federal budget information, and SEDA-COG program overviews.
- Revenue vs. Expense – a surplus of revenues over expenditures is anticipated to be \$65,152, with total budgeted revenues of \$9,886,571 and expenditures of \$9,821,419. Staff review program budgets every six months, along with carefully monitoring expenditures and aggressively seeking new sources of funding.

- COVID-19 Related Assistance – \$4.1M in EDA CARES Act RLF to small businesses; \$2.3M in CWCA funds to assist 26 businesses; \$25.7M CRBG funds for five counties; and \$7.2M CHIRP funds for ten counties.
- Salaries & Benefits - a 2% increase of aggregate salaries is budgeted for performance adjustments. Also included are salaries to hire eight new staff. Health insurance is projected with an 8% increase.

Mr. Hornberger stated that the Finance Committee completed a thorough review of the budget prior to today's presentation and approved it for submission to the Board of Directors.

The Board and staff discussed the deficit in Weatherization.

Mr. Forese moved to approve the SEDA-COG Consolidated Budget FY 2021-2022, Attachment I, Attachment II, and Attachment IV, as presented. Mr. Fritz seconded the motion, and the motion carried unanimously.

COMMITTEE & STAFF REPORTS

Fiscal Update

Mr. Bo Hornberger, Fiscal Controller, provided a fiscal update to the Board:

- Balance Sheets – provides a comparison of April 30, 2021, versus April 30, 2020.
- Income Statements – provides a review for the periods July 1, 2020 – April 30, 2021, as compared to July 1, 2019 – April 30, 2020.
- During the middle of the quarter, the financial reports may reflect a deficit – this is due to the quarterly billing cycle.

Executive Director Report

Ms. Kim Wheeler, Executive Director, provided an update to the Board of Directors:

- Agency Updates
 - Liz Herman, Communications Manager, has resigned. Please send any items that would have gone to Ms. Herman, to Kristen Moyer. This position will be refilled.
- Legislative Visit
 - Attended two events in Harrisburg, for Senator Corman and Representative Benninghoff, as the Local Development District Association of Pennsylvania (LDDAP) representative.
- CHIRP – DCED is starting to set-up press conferences. One had taken place in Union County, and another is planned for Centre County.
- Planning a mid-year check-in (August/September) with the County Boards of Commissioners, as small, regional groups.
- American Rescue Plan (ARP) – staff have been working to stay on top of the needs related to the America Rescue Plan.
 - Update was emailed to the County Boards of Commissioners on June 22, 2021, with a suggestion to hold a virtual meeting.
 - Staff are preparing comments on the Interim Rule – due July 16, 2021.

- Assisting municipalities with submitting their applications for funding. Each must develop a federal register.
- Partnering with Mr. Harry Mathies to assist with a “how to” regarding the application process.
- Staff have worked with the Borough Association and the County Township Association to help distribute an online survey to better assess the needs of the municipalities.

CORRESPONDENCE/INFORMATION ITEMS

President Partner noted the items listed under the Correspondence/Information Items section.

ADJOURN

Mr. Forese moved to adjourn the meeting at 2:04pm. Commissioner Holdren seconded the motion, and the motion carried unanimously.

Respectfully submitted,



Larry Reisinger, Secretary
SEDA-COG Board of Directors