

Southwestern Pennsylvania Commission
Minutes of the Meeting of
July 28, 2008 – 4:30 p.m.
31st Floor – Regional Enterprise Tower – 425 Sixth Avenue – Pittsburgh, PA 15219

The seventieth meeting of the Southwestern Pennsylvania Commission was called to order by Chairman Dan Onorato.

Commission Members present were: Tom Balya, Shirl Barnhart, Peter Behrman, Daniel Cessna, Terry Daughenbaugh, Patricia Evanko, Kevin Gray, Dana Henry, David Johnston, James Kennedy, Allen Kukovich, Larry Maggi, Robbie Matesic, David Miller, Dan Onorato, William Piper, Andrew Quinn, James Ritzman, Carmen Rozzi, Rodney Ruddock, Daniel Santoro, Robert Schiffbauer, Michael Silvestri, Pam Snyder, Anthony Spossey, Byron Stauffer, Jr., and Gealy Wallwork.

Commission Members absent were: Tony Amadio, Stephen Bland, Bracken Burns, Charles Camp, Eric Carlson, Tom Ceraso, Dave Coder, Steve Craig, Rick DeBlasio, Joseph Dubovi III, Karl Eisaman, Richard Fink, Patrick Ford, David Frick, James Gagliano, Lynn Heckman, Michael Herron, Patricia Kirkpatrick, James Lokhaiser, Jack Machek, Kevin McCullough, Larry Morris, William Peduto, Dale Pinkerton, Luke Ravenstahl, James Scahill, Mark Schneider, Richard Shaw, Kelly Shroads, Mark Snyder, Joe Spanik, Joe Szczur, Letitia Thompson, Vincent Vicites, Daniel Vogler, Jake Wheatley, Jr., Norma Wintermeyer, Vincent Zapotosky, Angela Zimmerlink, and Yarone Zober.

Staff: Jim Hassinger, Mary Brangan, Kirk Brethauer, Chuck DiPietro, Vince Massaro, Marge Nalesnick, Shannon O'Connell, Matt Pavlosky, Kay Tomko, Carol Uminski, and Lew Villotti.

1. Action on Minutes of the June 30th Meeting

A motion was made to approve the minutes of the June 30, 2008 meeting of the Southwestern Pennsylvania Commission by Commissioner Maggi which was seconded by Mayor Spossey. The affirmative vote to approve the minutes was unanimous.

2. Public Comment – None

3. Financial Report

Mr. Massaro reported that the financial report is for the 12-month fiscal period July 2007 through June 2008. This report reflects the operations of the Corporation, the Commission, and the Regional Enterprise Tower and includes project/expense category encumbrances. Encumbrances, relating to pending consultant billings total \$389,347. Recognized and recorded actual revenues to date are \$8,058,493 vs. the annual revised budget of \$9,052,972 or 89.01% of the budget expended for the reporting period. The actual and encumbrance to date reports 93.32% of the budget utilized to date. Two UPWP projects will carryover into FY 2008-09. They are the Project Planning and Evaluation project for \$130,000 and the Multi-Jurisdictional Transportation and Land Development Planning project for \$117,000. Federal, state, and local funding for these projects will carry forward into FY 2008-09. In addition, there are \$50,900 of Economic Development Program grant funds that will also carry forward into the FY 2008-09 program year. He also mentioned that there is a total of \$225,000 in UPWP planning funds that will not be requested due to contractor under utilization of contracted funds to assist SPC with the planning activities of the UPWP. Next, Mr. Massaro reported that Total Carryover Project Related Revenues recognized and recorded to date are \$226,160 vs. the annual revised budget of \$305,889 or 73.94% of the budget expended for the reporting period. \$70,000 relating to the Port of Pittsburgh –

Water Transit Assessment Study project has lapsed and the Commission has requested, pending federal approval, that these funds be shifted to the Fredericktown Ferry Rehabilitation project located in Fayette and Washington Counties.

Next, he mentioned that Revenues relating to the Operations of the Regional Enterprise Tower to date total \$5,252,409 in rents has been recorded vs. the annual revised budget of \$5,512,094 or 95.29% of the budget recognized. As of June 30th, the building tenant occupancy remains at 87% and the leasing agent continues to market space in the building and currently is negotiating with a number of current tenants on lease renewals. Cash Flow from operations remains positive for the reporting period. \$150,000 has been drawn down from the RET Endowment to support the operations of the building.

Next, Mr. Massaro reported on the Total Project Related Expenditures recorded to date are \$8,105,184 vs. a revised budget of \$9,087,107 or 89.19% of the budget expended. The actual and encumbrance to date reports 93.48% of the budget utilized. Encumbered project expenditures total \$389,348. In addition, there is a total of \$50,900 of budgeted EDP project expenditures that will carryover into FY 2008-09. Also, there is a total of \$225,000 in UPWP planning funds that will not be expended. Total Carryover Project Related Expenditures recognized and recorded expenditures to date are \$186,048 vs. the revised budget of \$271,754 or 68.46% of the budget expended for the reporting period. \$70,000 relating to the Port of Pittsburgh – Water Transit Assessment Study project has lapsed and the Commission has requested, pending federal approval, that these funds be shifted to the Fredericktown Ferry Rehabilitation project located in Fayette and Washington Counties. Regional Enterprise Tower expenses, before depreciation and amortization expense, are \$4,941,631 vs. the budget of \$4,842,973 or 102.04% of the budget expended for the reporting period.

Commissioner Maggi moved to approve the financial report and Commissioner Balya seconded. The affirmative vote to approve the financial report was unanimous.

4. Action on Resolution 17-08 to Amend the Current TIP (2007-2010) to Advance the Donora-Monessen Bridge and the Route 28 Etna Bridge Phase 5 Projects that were Out to Public Comment from June 4th through July 7th

Mr. DiPietro explained that this request is to amend the current TIP to advance these two high visibility regional projects with new funding for Pennsylvania and the SPC region. This new funding is from Congressman Oberstar's Bridge Initiative. It is extra obligation authority and funding to help select states move some high priority and costly bridge projects on the National Highway System. Pennsylvania submitted candidate projects to FHWA per their request on May 5th. The SPC share of this new funding to Pennsylvania is over 73% of the dollars awarded by FHWA under this Bridge Initiative to our state.

Commissioner Balya moved:

WHEREAS, PENNDOT District 11-0 requests adding the Route 28 Etna Bridge Phase 5 Construction (the final phase of the Etna project) to the region's 2007-2010 Transportation Improvement Program (TIP):

WHEREAS, the project extends on northbound SR 28 from approximately SR 1001 (Butler Street in Etna) to the SR 28 northbound bridge over the 62nd Street Bridge approach, including the ramps to Route 8 Northbound and the ramp to the 62nd Street Bridge, and the rehabilitation of three bridges (one on each of the ramps and one on SR 28 Northbound); and

WHEREAS, the sources of funds are additional to the region from FHWA additional obligation authority (\$47,520,000 in FFY 2010) and may only be used on this specific project; and

WHEREAS, PENNDOT District 12-0 also requests adding the Donora/Monessen Bridge Construction to the region's 2007-2010 Transportation Improvement Program (TIP):

WHEREAS, the project includes the rehabilitation of the SR 1077/3013 structure, the Donora/Monessen Bridge, located between Washington and Westmoreland Counties over the Monongahela River, SR 0837, SR 0906, Norfolk Southern Railroad and the Conrail Railroad; and

WHEREAS, the sources of funds are also additional to the region from FHWA additional obligation authority (\$25,000,000 in FFY 2008) and may only be used on this specific project; and

WHEREAS, a 30-day public comment period was held for the proposed amendments from June through July (including public meetings on June 11th and 17th) consistent with the SPC Public Involvement Policy, and no adverse issues requiring a response by the Commission were identified; and

WHEREAS, both the proposed amendments have been reviewed by the Transportation Technical Committee and recommended for approval in accordance with SPC's TIP amendment policies and public involvement process; and

WHEREAS, the proposed amendments maintains overall TIP fiscal balance; and

WHEREAS, the proposed amendments will not interfere with the implementation of any STIP project; and

WHEREAS, approval of these amendments to the 2007-2010 TIP will not alter the finding of conformity between 2007-2010 TIP and the Clean Air Act Amendments of 1990.

NOW, THEREFORE, BE IT RESOLVED that the Southwestern Pennsylvania Commission approves this amendment to the 2007-2010 TIP.

Mr. Piper seconded and the affirmative vote to approve Resolution 17-08 was unanimous.

5. Action on Resolution 18-08 to Approve and Endorse the Region's Project Priority Listing and Authorize Submission of the Application for Funds to the Economic Development Administration

Mr. Villotti explained that SPC is responsible for submitting applications to ARC and EDA for projects across southwestern Pennsylvania. He said that ARC and EDA are competitive grant programs. The projects are evaluated and ranked by the Economic Development Strategy Committee and give their recommendations to SPC. ARC and EDA are not obligated to adhere to our ranking but they are "strongly considered."

Mr. Villotti further explained that project ranking is evaluated by the following:

- Projects must meet specific program goals and guidelines
- Projects must have primary consistency with the Plan
- The projects are demonstrated to the Committee in two ways:
 - o Primary consistency matrix; and
 - o Thematic overlay of projects on depiction of the Vision Scenario
- Additional project evaluation criteria and process for EDA

Next, Mr. Villotti said the Committee ranks the projects in three categories:

- ARC

- 201 Local Access Road projects
- 214 Construction and 302 Non-Construction projects
- EDA
 - Public Works and Economic Development Program

Commissioner Maggi moved:

WHEREAS, the Economic Development Administration (EDA) provides funding for projects through the Public Works and Economic Development Program; and,

WHEREAS, it is the responsibility of the Economic Development District (EDD) to establish a process for submitting these projects to EDA for potential funding; and,

WHEREAS, this is a competitive process for limited funding wherein projects are evaluated and ranked, based upon their consistency with the region's adopted Comprehensive Economic Development Strategy, (SPC's 2035 Transportation and Development Plan) and submitted to the EDA; and,

WHEREAS, SPC worked through its Economic Development Strategy Committee to establish a ranked regional project list; and,

WHEREAS, the Economic Development Strategy Committee recommends the following list for submission to the EDA:

1. Windy Ridge Business and Technology Park, Indiana County
This project entails the acquisition and development of a site at the intersection of US Route 422 and State Route 286 in White Township, Indiana County. The park is envisioned to capitalize on a technology based economic development strategy implemented primarily through the Indiana County Keystone Innovation Zone (KIZ) program.
2. Carrie Furnace, Allegheny County
The Redevelopment Authority of Allegheny County proposes a total of 90 developable acres with pad ready sites on this former Carrie Furnace Steel site. The site and its natural proximity to the City of Pittsburgh lends itself to flexspace. Additional attractions include the Steel Industry National Historic Park.
3. Fayette Business Park, Fayette County
Fayette Industrial Fund is in desperate need for funds to undertake critically needed infrastructure improvements at the Fayette Business Park, a 311 acre business development park located in Georges Township, Fayette County, along the Mon/Fayette Expressway.
4. Starpointe Business Park Phase 1B
This project will create an access road that will connect Phase 1A infrastructure with the Phase 1B infrastructure expansion at Starpointe Business Park in Hanover Township, Washington County.
5. Northern Ambridge Redevelopment
This project entails phase redevelopment of an approximate 50-acre brownfield. The site has been selected as the site for Beaver County's Emergency Response Center.

NOW, THEREFORE, BE IT RESOLVED that the Members of the Southwestern Pennsylvania Commission approve and endorse the aforementioned list and projects for submission to the EDA.

Mayor Spossey seconded and the affirmative vote to approve Resolution 18-08 was unanimous.

6. Action on Resolution 19-08 to Approve and Endorse the Region's Project Priority Listing and Authorize Submission of the Application for Funds to the Appalachian Regional Commission

Commissioner Maggi moved:

WHEREAS, the Appalachian Regional Commission (ARC) provides funding for projects through the 201 Local Access Road program; and,

WHEREAS, the ARC provides funding for projects through the 214 Construction and 302 Non-Construction programs; and,

WHEREAS, it is the responsibility of the Local Development District (LDD) to establish a process for submitting construction and non-construction projects to ARC for funding; and,

WHEREAS, this is a competitive process for limited funding wherein county projects are prioritized and submitted to the State; projects from across Pennsylvania compete for prioritization and are submitted to ARC for funding; and projects from all thirteen states in the Appalachian region compete for ARC funds; and,

WHEREAS, the eligibility and the ratio of funding is dependent upon the level of economic distress, as determined by ARC, of the county in which the project is located; and,

WHEREAS, SPC facilitated a meeting of its Economic Development Strategy Committee on July 11th, 2008 to establish a ranked regional project list; and

WHEREAS, SPC's regional Enterprise Development Program (EDP) approved by Southwestern Pennsylvania Corporation Board of Directors Resolution 3-08 and Southwestern Pennsylvania Commission Executive Committee Resolution 3-08 on April 28, 2008 is the top regional project for ARC's 302 Non-Construction funds and will provide direct hands-on assistance to businesses through international trade assistance, low interest loans, government procurement, and electronic commerce, and will provide direct assistance to communities through economic planning and research, and technology assistance; and,

WHEREAS, the 201 Local Access Road projects, priority ranked by the region's Economic Development Strategy Committee, include:

1. Grove Road Bridge, Allegheny County
The project will replace an existing bridge on Grove Road in Castle Shannon, Allegheny County which provides access to an industrial park. The replacement will increase the bridge's weight limitations expanding development opportunities in the park.
2. Starpointe Business Park Access Road, Washington County
This project involves the construction of a 4,300 linear foot access road in Starpointe Business Park located in Hanover Township, Washington County. The road will connect other infrastructure expansions and aide in the development of 90 acres of pad ready sites.

WHEREAS, the 214 Construction and 302 Non-Construction projects, priority ranked by the region's Economic Development Strategy Committee, include:

1. Windy Ridge Business and Technology Park, Indiana County
This project entails the acquisition and development of a site at the intersection of US Route 422 and State Route 286 in White Township, Indiana County. The park is envisioned to capitalize on a technology based economic development strategy implemented primarily through the Indiana County Keystone Innovation Zone (KIZ) program.
2. Monaca Riverfront Park, Beaver County
This project will rehabilitate and improve an existing three-acre riverfront park situated along the Ohio River in Monaca Borough, Beaver County.
3. Allegheny Together - Trail Town Initiative, Allegheny County
This project will fund planning for an additional two towns under the Trail Town Initiative administered by Allegheny County Department of Economic Development. This program focuses on bringing trail users into the communities by crafting action plans.
4. Center West Sewer System and Treatment Facility – Phase I, Washington County
This project will provide proper sanitary sewage disposal for the project area in Centerville Borough and West Brownsville, Washington County.
5. Crystal Extension Phase III, Fayette County
This project entails the installation of 720 linear feet of 8- inch water line extension in Springhill Township, Fayette County. This project will complete a multi-phase project in which all other phases have been completed.

NOW, THEREFORE, BE IT RESOLVED that the Members of the Southwestern Pennsylvania Commission approve and endorse the aforementioned lists and projects, and authorize the Commission Executive Director and the Corporation President to submit all necessary applications and enter into all agreements and contracts pursuant thereto.

Commissioner Balya seconded and the affirmative vote to approve Resolution 19-08 was unanimous.

7. Staff Report/Other Business/Announcements

Regional Visioning Project Update

Dr. Hassinger reported on the Regional Visioning Project that Pat Getty of the Benedum Foundation discussed with Commission members a couple of meetings ago. Dr. Hassinger said that he, Commissioner Burns, Pat Getty, and Kathy McKenzie, Chief Executive Onorato's Deputy County Manager, met with the principals in the development of that organizing group. The next regional divisional project is a multi state project as it was outlined by Pat Getty at an earlier Commission meeting. This is a follow up to each of the Allegheny Conference, SPC, and the Greater Pittsburgh Non Profit Group indicating that we did agree that to further develop that project and to proceed was to put together a fund raiser for the project. He reported that it has been successful. He was very happy with where it's headed & they estimate that there will be about \$1.5M dollars associated with the project with the foundations' support. This will be a project that will go over one or two years of development. We will be acting on behalf of the group to develop a list of names from the principals. It has started a Steering Committee and a committee of a level of volunteers. The Institute of Politics, University of Pittsburgh will host staff support for the project on behalf of the three main partner organizations. Mr. Getty has

now asked us to compile a list of names from the Steering Committee and the list of volunteers. We need at least 50 to 75 names from each of the separate organizations. Some of which will be asked to serve on a Steering Committee and some on the Imagining Committee.

John Parr Memorial

Dr. Hassinger reported that representatives of the region helped put together this next project that was a step above anything that was done before. Neal Peirce, a writer for the *Washington Post*, asked me if we would be nice enough to host an event in recognition of John Parr. Mr. Parr worked for the Citistates Group in the Governor's office in Colorado. He was very active in civic associations. He was part of the original discussion as a consultant on the regional visioning project. He died tragically in an automobile accident right before Christmas last year. The Alliance of Regional Stewardship, which he headed up, had its origin and initial years in Pittsburgh. You're all welcome to attend a memorial service in recognition of John Parr.

Dr. Hassinger talked about a couple of questions from the last Commission meeting. How the TIP is developed in relationship to the Long Range Plan; how our projects are scored and developed; the relation of projects, the budget and so forth and a variety of funding sources we have; how the State and Federal government influences how the TIP is developed; what latitude we have. We're developing a more complete presentation of how all that fits together. We will give a formal extensive presentation to all of the Commissioners and will be bringing that back at a subsequent meeting.

Dr. Hassinger said our next meeting will be on the 29th of September. We are essentially looking at doing something different in terms of the venue for the meeting. It will be in this building; something of interest in this venue. It's an opportunity to have something different.

Mr. Miller asked how Project Region affected the recently adopted 2009-2012 TIP. Commissioner Balya also asked for staff to explain the relative MPO and PennDOTs powers in TIP development. Dr. Hassinger responded that staff will explain the relative State and MPO roles in TIP development, and how the recently adopted TIP advances 2035 Plan implementation at a future Commission meeting.

Next Meeting Date – September 29th

8. New Business – None
9. Adjourn

There being no further business to come before the Commission, the meeting adjourned at 5:05 p.m.

Respectfully submitted,

Rodney Ruddock
Secretary-Treasurer