

Southwestern Pennsylvania Commission
Minutes of the Meeting of
4:30 p.m. – January 27, 2014
Two Chatham Center • Suite 400 • 112 Washington Place • Pittsburgh, PA 15219

The one hundred sixth meeting of the Southwestern Pennsylvania Commission was called to order by Chairman Rod Ruddock.

Members present were: Chuck Anderson, Michael Baker, David Battaglia, Robert Brooks, Tom Ceraso, Daniel Cessna, Steve Craig, Albert D'Alessandro, Terry Daughenbaugh, Mary Ann Eisenreich, Patricia Evanko, Rich Fitzgerald, Kelly Gray, Lynn Heckman, David Johnston, Fred Junko, Clifford Levine, Robert Macey, Larry Maggi, Kevin McCullough, Ellen McLean, David Miller, Charles Morris, A. Dale Pinkerton, Marc Roncone, Robert Rubinstein, Rod Ruddock Joe Spanik, Keith Staso, Byron Stauffer, Jr., Archie Trader, Dwan Walker, and Tyler Courtney and Christopher Wheat joined the meeting via conference call.

Members absent were: Tony Amadio, Alfred Ambrosini, Robert Bower, Ricky Burgess, Brigid Hynes-Cherin, Jack Cohen, Robert Del Signore, Joseph Dubovi, Rich Fink, Jim Gagliano, Jr., Joe Grata, Jeff Marshall, Robbie Matesic, Bruce Mazzoni, William McCarrier, Laura Mohollen, Dennis Nichols, Rich Palilla, William Peduto, James Ritzman, Carmen Rozzi, Dan Shimshock, Harlan Shober, Renee Sigel, Michael Silvestri, Mark Snyder, Wendy Stern, James Struzzi, Joe Szczur, Diana Ireya Vaughan, Daniel Vogler, Christopher Wheat, Angela Zimmerlink, Blair Zimmerman and Yarone Zober.

Others: Paul Svoboda, Urban Redevelopment Authority of Pittsburgh; Debbie Lestitian, City of Pittsburgh, Mayor's Office; Ann Ogoreuc, Allegheny County Department of Economic Development; Rich Fender, Jefferson County Regional Planning Commission; and Frederick Junko.

Staff: Jim Hassinger, Kirk Brethauer, Chuck DiPietro, Chuck Imbrogno, Vince Massaro, Ed Nemeth, Shannon O'Connell, Dee Pamplin, Tom Straw, Kay Tomko, Lew Villotti, and Sara Walfoort.

1. Action on Minutes of the December 16th Meeting

A motion was made to approve the minutes of the December 16, 2013 meeting of the Southwestern Pennsylvania Commission by Commissioner Pinkerton which was seconded by Commissioner Maggi. The affirmative vote to approve the minutes was unanimous.

2. Public Comment - None

3. Staff Profile – Lew Villotti/Ed Nemeth

Mr. Villotti introduced Mr. Nemeth who joined SPC in October as the new Business Finance Assistance Manager for the Planning and Development Department. Mr. Nemeth comes to us with a wealth of experience in banking and economic development.

Previous / Professional / Experience

- GE Capital Modular Space
- PNC: Collections, Repossessions, Indirect Credit Analyst, Collateral Control Team Manager and Education Loan Officer/Customer Service Team Manager.
- Caring Mission: Accounts and Human Resource Manager
- WCCED: Senior Loan Officer
- Managed as many as 12 direct reports and loan portfolios as large as \$2.4 billion

Personal

- I live in West Middletown PA (West of Washington *near Drovers).
- I have 3 incredible sons. The oldest David is a machinist in Saxonburg PA.
- Alec the middle son is all soccer all the time, he plays for McGuffey during the regular season and is currently playing indoor.
- The youngest, Max is all about baseball, he plays for Pony League and two tournament teams including the Hitmen.

Role at SPC

The Business Finance Assistance Program had 11 projects in 2012 totaling \$2.54M, leveraged at \$1.24M in private sector funds. Loan Portfolio had 81 loans with a principal balance of \$7.33M.

Loan Programs

Purpose

- Provide low interest financing for land and building acquisition and construction and renovation; machinery and equipment purchases (including installation); and working capital to businesses unable to fully finance projects with their own equity, bank financing, or other private and public sources.

Loan Limits

- \$300,000 or 50% of the total project cost, whichever is less
- \$100,000 for Working Capital

Term

- 3-15 years

Rate

- As low as 2% up to 4% fixed

Matching Financing

- Private sector or equity match is required

Eligible Uses

- Land, building acquisition, construction, or renovation;
- Machinery and equipment purchases and upgrades (including installation costs); and working capital needs

Collateral

- Loans are to be secured by lien positions on collateral at the highest level of priority that can accommodate the borrower's ability to raise debt and equity capital

4. Financial Report – Vince Massaro

Mr. Massaro reported on the financials for the period July 1, 2013 to December 31, 2013 for the Corporation and Commission. Under revenues we have actual encumbered revenues to date of \$9.5M compared to the approved annual budget of \$13M. This reflects 68.5% of the budget recognized and encumbered to date. All federal, state and local funding agreements have been fully executed. Other funding sources \$1.2M which deals with the CMU project of the Adaptive Signal Project agreements have been signed. Under the SPRC Operating Funds \$21M was budget, only \$442 were expensed. That large amount deals with the legal fees we may incur related to the dissolution of the SPRC. We have until June 30, 2014 to make the determination to dissolve that entity. Operating expenditures recorded and encumbered to date are \$7.5M the approved annual budget is \$16M for 46.8% of the budget. The Commission accepted the financial report as presented.

5. Report on Regional Policy Advisory Committee Meeting – Steve Craig

Commissioner Craig reported the Regional Policy Advisory Committee met earlier today and heard a presentation by Laura Mundell. Her presentation on the Local Food Supply Chain was well received. With the growing importance of food, safety and security, economic developers have realized that local food production can be a viable source of local jobs and local income and, now, regions across the country are using various tools to encourage local food production and support food entrepreneurs. Commissioner Craig continued saying that SPC, with possible foundation assistance, should continue to move forward with Laura's proposal.

6. Action on Resolution 1-14 to Approve Submission of the Draft 2014-2016 Unified Planning Work Program (UPWP) to the Funding Agencies – Chuck DiPietro

Mr. DiPietro gave a brief summation on Resolution 1-14 to approve submission of a new two-year 2014-2016 Unified Planning Work Program to the appropriate funding agencies.

Commissioner Macey moved to approve SPC Resolution 1-14.

WHEREAS, the 2014-2016 Unified Planning Work Program documents all transportation and transportation-related planning activities to be undertaken within the SPC region from July 1, 2014 through June 30, 2016; and

WHEREAS, the 2014-2016 Unified Planning Work Program identifies planning tasks to be performed by SPC staff and the staffs of the member Counties, the City of Pittsburgh, and the Port Authority of Allegheny County using planning assistance funding from the Federal Highway Administration, the Federal Transit Administration, and the Pennsylvania Department of Transportation;

NOW, THEREFORE, BE IT RESOLVED, that the Southwestern Pennsylvania Commission approve submission of the 2014-2016 Unified Planning Work Program; and

BE IT FURTHER RESOLVED, that the Executive Director, on behalf of SPC, is hereby authorized to enter into Agreements and/or Supplements with the Federal Transit Administration and the Federal Highway Administration of the Department of Transportation, and the Pennsylvania Department of Transportation relating to the 2014-2016 Unified Planning Work Program and pursuant to application requests; and

RESOLVED FURTHER, that the Executive Director, on behalf of SPC, is authorized to enter into Contracts with the Counties of Allegheny, Armstrong, Beaver, Butler, Fayette, Greene, Indiana, Lawrence, Washington, Westmoreland, the City of Pittsburgh, and the Port Authority of Allegheny County covering work items delineated in the 2014-2016 Unified Planning Work Program.

Mrs. Lynn Heckman seconded and the affirmative vote was unanimous.

7. 2015-2018 TIP Status Report – Chuck DiPietro

Mr. DiPietro gave the Commission a brief update on 2015 TIP Development status:

Recent Activities

- SPC Staff has conducted a fourth round of Highway TIP Development Work Group sessions in PennDOT District's 10-0 and 11-0. Agenda included: TIP Update Revised Schedule, Draft Statewide Financial Guidance, Fall PPP Meetings Feedback, Current TIP Carryover Projects, New Candidate Projects, Statewide P3 Bridge Bundling and Decade of Investment. The fourth round TIP Development Work Group session for District 12-0 is scheduled for January 29th. A fifth round of work sessions is anticipated for all three Highway TIP Development Work Groups (dates listed below under Upcoming Milestones & Schedule).
- The Title III (Transit) TIP Update Share Point site has been set-up and individual project sponsors' current programs of projects have been loaded on the site.
- The CMAQ Evaluation Committee's (CEC) prioritized list of recommendations for the 2015-2018 TIP was presented to SPC's Executive Committee at its December 16 meeting. In late December, staff sent the CEC's recommendations to PennDOT Central Office for review.
- SPC staff completed 10 TIP update meetings in each of the member counties. Over 170 attendees participated in these meetings for updates on the status of the draft TIP, discussions on projects in their counties, and introduction Pennsylvania's new Act 89 transportation legislation.

At this Time in the Process

- SPC Staff is developing an agenda and supporting materials for the fifth round of Highway TIP Development Work Group sessions.

- Transit Operators TIP Update Work Group is awaiting financial guidance from both PennDOT and FTA in order to complete their draft program of projects. SPC Staff expects guidance from PennDOT on February 10th.
- CMAQ – SPC Staff is working with PennDOT Central Office and the local PennDOT District offices to select projects for CMAQ funding in the 2015-2018 TIP from the CEC’s recommended list, subject to fiscal constraint. Also, Staff continues to provide technical assistance to project sponsors, in cooperation with PennDOT and others, to ensure that the CMAQ projects on the current 2013-2016 TIP are delivered as programmed.
- SPC Staff is formulating a committee to assist with prioritizing candidate projects for Transportation Alternatives Program (TAP) funding.
- SPC Staff and group of key stakeholders are conducting a review of SPC’s TIP Modification Procedures.
- SPC Staff is developing a public participation information webpage that will be launched through the SPC website. The page will inform Public Participation Panel members and the general public of SPC’s transportation planning processes and news. Webpage launch expected in early February.

David Miller commented that he would like to see some indicators presented of what we are now applying as a result of the Project Region process direction to guide transportation investments. We need to see a summary of what has changed as a result of Project Region. We need a sense of how the Project Region process has impacted the TIP development process. We need a better understanding of economic development as it relates to transportation investments.

8. Report of Nominating Committee and Action on Resolutions 2-14 and 3-14 to Elect an Executive Committee and Officers of the Commission for years 2014 and 2015 – Jim Gagliano

Dave Johnston, in Jim Gagliano’s absence, updated the Commission on the Nominating Committee recommendations for the Southwestern Pennsylvania Commission Executive Committee and Officers for years 2014 and 2015.

Mr. Rubenstein moved to approve Resolution 2-14 of the Southwestern Pennsylvania Commission to elect the following members to the Executive Committee for calendar years 2014 and 2015:

Southwestern Pennsylvania Commission Executive Committee

- Allegheny County, Rich Fitzgerald
- Armstrong County, David Battaglia
- Beaver County, Joseph Spanik
- Butler County, A. Dale Pinkerton
- Fayette County, Alfred Ambrosini
- Greene County, Chuck Morris
- Indiana County, Rodney Ruddock
- Lawrence County, Steve Craig
- Washington County, Larry Maggi
- Westmoreland County, Charles Anderson

- City of Pittsburgh, William Peduto
- At-Large, Ricky Burgess
- At-Large, Tyler Courtney
- At-Large, Lynn Heckman
- PennDOT, James Ritzman
- Governor’s Appointee, Mary Ann Eisenreich
- DCED, Albert D’Alessandro
- SPC Executive Director, James Hassinger, ex officio

Mr. Ceraso seconded and the affirmative vote was unanimous.

Mr. Miller moved to approve Resolution 3-14 of the Southwestern Pennsylvania Commission to elect the following Officers for calendar years 2014 and 2015:

Southwestern Pennsylvania Commission Officers

- Steve Craig, Chairman
- Charles Anderson, Vice-Chairman
- Larry Maggi, Secretary-Treasurer

Mr. Staso seconded and the affirmative vote was unanimous.

9. Action on Resolution 4-14 to Honor the Services of Terry Daughenbaugh – Chuck Anderson

Commissioner Anderson presented for the Commissioners consideration Resolution 4-14 to honor the services of Terry Daughenbaugh.

WHEREAS, Terry Daughenbaugh has served with distinction as Westmoreland County’s Citizen representative on the Southwestern Pennsylvania Commission (SPC) since 2008; and

WHEREAS, he has furthered the Commission’s role as a forum for cooperative planning and decision making in Southwestern Pennsylvania; and

WHEREAS, he brought his skills and experience to the deliberations of the Commission; and

WHEREAS, his sound leadership as Co-Chair of Westmoreland County’s Public Participation Panel spans decades; and

WHEREAS, the SPC has benefited considerably from his enthusiastic participation in our planning process; and

WHEREAS, he has resigned as a Commissioner on SPC.

NOW, THEREFORE, BE IT RESOLVED that the Officers, Members and Staff of the Southwestern Pennsylvania Commission offer their appreciation for his years of service and anticipate his continuing interest in the work of SPC in the years ahead.

Commissioner Tom Ceraso moved to approve Resolution 4-14, and Commissioner Brooks seconded. The affirmative vote was unanimous.

10. Action on Resolution 5-14 to Honor the Services of Outgoing Chairman Rod Ruddock – Steve Craig/Jim Hassinger

Commissioner Pinkerton moved to approve Resolution 5-14 to honor the services of Rodney D. Ruddock as SPC's outgoing Chairman.

WHEREAS, Rodney D. Ruddock has served ably as Chairman of the Southwestern Pennsylvania Commission since January 2012; and

WHEREAS, he has a long and active association with SPC as Indiana County's representative since 2004; and

WHEREAS, he serves as a member of the Commission's Executive Committee, the Regional Policy Advisory Committee and the Intergovernmental Affairs Committee; and

WHEREAS, he also served as Chairman of the Southwestern Pennsylvania Corporation, was a member of its Audit Committee and continues to serve as a member of its Board of Directors; and

WHEREAS, his regional vision recognizes the prime importance of economic development and an efficient transportation system as keys to southwestern Pennsylvania's future; and

WHEREAS, his inclusive style of leadership has been influential in shaping agreeable outcomes on difficult issues; and

WHEREAS, he brought his experience and enthusiasm to the deliberations of the Commission and worked diligently on southwestern Pennsylvania's priorities; and

WHEREAS, he continues to give generously of his time to the residents of Indiana County as well as those in the southwestern Pennsylvania region; and

WHEREAS, his leadership exhibits the best qualities nurtured in the home community of Jimmy Stewart.

NOW, THEREFORE, BE IT RESOLVED that the Officers, Members and Staff of the Southwestern Pennsylvania Commission offer their appreciation for his service as Chairman and look forward to his continuing interest in the work of the agency in the years ahead.

Commissioner Evanko seconded and the affirmative vote was unanimous.

11. Other Business/Announcements – Jim Hassinger

- SPC Regional Freight Forum – May 21, 2014, Sheraton at Station Square
- PA Rail Freight Conference Hosted by SPC, May 21-22, 2014 Sheraton at Station Square
- Reschedule February 24th Meeting
- Next Meeting Date – March 10, 2014

12. New Business - None

13. Adjourn to Corporation Members Annual Membership Meeting

There being no further business to come before the Commission, the meeting adjourned at 5:35 P.M.