



**DRIVE Board Meeting Minutes**  
August 5, 2020

**MEMBERS PRESENT:** Denny Hummer, Greg Cole, Dan Knorr, Dean Girton, Harold Hurst, Susan McGarry, Al Neuner, Dr. John DeFinnis, Trevor Finn, Jennifer Wakeman (Executive Director)

**TELEPHONICALLY PRESENT:** Lance Diehl, Chris Young

**MEMBERS ABSENT:**

**GUESTS PRESENT:** Ken Holdren (Montour County Commissioner), Tim Hippensteel (Office and Project Manager), Aidan McDonald (Administrative Assistant)

The meeting was called to order by Denny Hummer at 8:32 a.m.

Denny Hummer announced that an information session was held prior to the meeting. No actions or votes were taken.

**MINUTES:**

- July 8<sup>th</sup> 2020 Board Meeting (and continuation held July 15<sup>th</sup> 2020): Motion by Dean Girton to accept the July 8<sup>th</sup> minutes, Harold Hurst seconded the motion; carried unanimously.

**TREASURER'S REPORT**

Dan Knorr presented the Treasurer's Report. On the balance sheet, he noted total assets of just over \$1.57 million. Combined checking and savings total is approximately \$476,000.

On the Profit and Loss YTD, Dan noted income from the sale of the storeroom on the railroad street property of approximately \$118,000. He also pointed out multimodal reimbursements were reflected on the profit and loss. On the railroad street P&L, Dan noted a net profit of \$67,000 on the store room.

Dan noted the transfer of \$85,000 from the trust fund to the property checking account. DRIVE had cash available in the account so we didn't have to sell assets to cover the transfer. The transfer covers two months of negative cash flow over the summer due to increased project costs. We are tracking transfers from the trust account so we can reimburse it at some point.

DRIVE placed some of the proceeds from the sale of the storeroom into the payroll checking account to cover payroll through the end of the calendar year.

The Finance Committee has reviewed an updated cash flow statement, which does not yet include the new county income. Through the end of December, Dan noted we were projecting a positive cash flow, which went to negative \$70,000 due to changes in plate shop projections.

Tim Hippensteel (office and project manager) is working on profit and loss spreadsheets for other DRIVE projects, and we anticipate including those in the board packet next month to provide an overview of project expenses.

Harold Hurst asked where the funds from the new counties will go once DRIVE receives those funds. Jennifer Wakeman stated the finance committee would meet to discuss how to allocate those funds prior to the September board meeting. For the time being, those funds will go into the DRIVE general fund.

*Motion to approve the Treasurer's Report made by Al Neuner, seconded by Trevor Finn; carried unanimously.*

#### **EXECUTIVE DIRECTOR'S REPORT:**

Jennifer Wakeman presented the Executive Director's report.

It's been a very busy month at DRIVE. We finally closed on the sale of the storeroom with Atlantic Culinary Environments.

On the multimodal project, the rail portion is complete. The siding has been in for a month, but now the raise and the bridge is in. We should see significant improvement in flooding on along Sechler Run. The access road portion of the project has been contracted, with Montour County's approval of low bidder Dave Gutelius Excavating. We will get a timeline for start of work soon.

Jennifer noted that during the lockdown she was working on a USDA REAP Grant for Kurt Weiss Greenhouses in Washingtonville. The grant provides funds for energy efficiency improvements. They were approved for a \$99K grant from the USDA program. They will use the funds to install new natural gas heaters in one of their greenhouses to allow your round operation. They will also update lighting throughout the facility and install new curtains which open and close to allow or restrict light and will improve energy efficiency in the building. Jennifer worked collaboratively with Kurt Weis greenhouse manager Nikki Burroughs, who crunched the numbers while Jennifer organized them into a project narrative for the grant applications.

DRIVE is in the process of extending the KOZ on the Plate Shop. DRIVE has to obtain re-approval from the taxing bodies to extend the KOZ. The Montour County commissioners have already approved it and Jennifer has met with Danville Borough Council, who will likely approve it at their meeting on August 11. The Danville area school District board meets on August 12. Jennifer has already met with superintendent Ricki Boyle and we believe that will move forward. After receiving approval all from what's the taxing bodies, DRIVE will draft a narrative, and send to

SEDA-COG so they can send it to DCED for approval. It will be a 7 year extension that provides significant incentives for the property, including abatement of state corporate net income tax, sales tax, etc.

Broadband has been a huge focus for the last month. Jennifer has spent most of her time on the legal side of the project, while Tim has focused on the details relating to target areas in each county for the broadband expansion. Aidan and Jennifer have been drafting the RFP document together in consultation with our attorneys from Cozen O'Connor. Cozen provided DRIVE with guidance related to the compliance requirements for the CARES Act funds, noting that the funds are actually classified as "other federal assistance," allowing for more relaxed procurement requirements. They provided detailed guidance on which portions of 2 CFR 200 apply in this case.

Tim Hippensteel reported he has been talking with the people in each of the counties, including school district leaders to identify target underserved areas for inclusion in the broadband RFP. He reported he has also been using data and mapping compiled by the Penn State Extension to identify the most underserved areas. DRIVE will be issuing one RFP for all five counties to increase project efficiency, since our attorneys at Cozen O'Connor confirmed that was permitted. He noted the RFP is anticipated to be released Friday August 7<sup>th</sup>, with qualifications due on the 14<sup>th</sup>.

Jennifer Wakeman added that while we are issuing a single RFP, respondents are required to account for where each dollar is spent so we can track each county expenditure in anticipation of the single audit at the close of the project.

Finally, Jennifer noted that Union, Snyder, and Northumberland Counties have all joined DRIVE. The Executive Committee will be meeting with DRIVE staff to discuss strategic planning of staffing needs in the near future. Denny Hummer noted that he was glad to see the original vision of regionalization in economic development coming to fruition on a larger scale.

## **Committee Reports**

### Nominating Committee

The addition of the new counties and the changes made to the Articles of Agreement necessitate changes to the composition of the DRIVE board. The board composition has changed in the restated Articles to a commissioner plus two community members per county (down from a commissioner plus 4). The board discussed the details and implications of the change in board composition.

The Nominating Committee put forth three new individuals be recommended to the appropriate County Commissioners to serve as their representatives to the board as follows:

Dave Park – Snyder County. Dave recently retired from a career with J.M. Smuckers in purchasing. He lives in Selinsgrove and serves as vice chairman of the SEDA-COG Joint Rail Authority. He

previously worked for Heinz.

Leslie Temple – Union County. Leslie is a senior vice president, market leader at Fulton Bank. She lives in Lewisburg, is a board member of greater Susquehanna valley chamber of commerce, and a former board member of First Community Foundation Partnership. She has worked at Fulton bank for 30 years with a focus on commercial lending.

Jeb Stotter – Northumberland County. Jeb is President & CEO of North Shore Railroad. He lives in Upper Augusta Township and serves as Chair of Sunbury Revitalization Inc. He is President Keystone State Railroad Association, and a former board member of Leadership Susquehanna Valley. He has spent 19 years at North Shore Railroad.

Additionally, the nominating committee is recommending Denny Hummer be reallocated as a Northumberland County representative, Greg Cole be reallocated as a Snyder County representative, and Dean Girton as a Union County representative.

*Motion to approve proposed slate of directors for recommendation to appropriate County Commissioners made by Al Neuner, seconded by John DeFinnis; carried unanimously.*

Jennifer Wakeman asked that outgoing board members Harold Hurst and John DeFinnis please keep coming to board meetings at least through the end of the year to help in the transition and offer their guidance.

## **Old Business**

### Days Inn Conservatorship

Drive received one response from the RFP it issued for the purchase and redevelopment of the former Days Inn Property. In consultation with DRIVE solicitor Karen Hackman, the property committee vetted the proposal from The Liberty Group to acquire the property for redevelopment for \$250,000. The Liberty Group proposal consisted of a mixed-use development including a hotel, strip mall, and two restaurants. They proposed a timeline reflecting demolition in Fall 2020, with construction beginning spring 2021.

*Motion to accept the Liberty Group proposal while declining the offer to share in any cost savings and recommend it to the court for approval made by Harold Hurst, seconded by Dean Girton; carried unanimously.* Dan Knorr abstained.

Guest Ken Holdren thanked the board on behalf of the Montour County Commissioners for their work on the Days Inn Conservatorship.

## **New Business**

### Project Granite

The board briefly discussed authorizing the Executive Director to continue negotiations related to new Project Granite.

*Motion to approve Executive Director to continue negotiations related to Project Granite made by Dean Girton, seconded by Trevor Finn; carried unanimously.*

At 8:32 am, Dean Girton made a motion to adjourn, seconded by Denny Hummer.

**NEXT MEETING:** The DRIVE Board meets again on September 2<sup>nd</sup>, 2020 at 8:30 a.m. at the DRIVE office building.

Respectfully Submitted,

Dean Girton, Secretary