



DRIVE Board Meeting Minutes
November 4th, 2020

MEMBERS PRESENT: Denny Hummer, Greg Cole, Dan Knorr, Dean Girton, Dave Park, Leslie Temple, Jeb Stotter, Al Neuner, Sam Schiccatano, Jennifer Wakeman (Executive Director)

MEMBERS PRESENT TELEPHONICALLY:, Lance Diehl, Susan McGarry, Joe Kantz

MEMBERS ABSENT: Trevor Finn, Jeff Reber, Chris Young

GUESTS PRESENT: Harold Hurst (Director Emeritus), Bob Snyder, Tim Hippensteel (Office and Project Manager), Aidan McDonald (Administrative Assistant)

The meeting was called to order by Denny Hummer at 8:31 a.m.

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

MINUTES:

- October 7th 2020 Board Meeting: Motion by Dean Girton to accept the September 2nd minutes, Al Neuner seconded the motion; carried unanimously.

TREASURER'S REPORT

Dan Knorr presented the Treasurer's Report.

Dan Knorr informed the board that the Finance Committee met two weeks ago to discuss the 2021 operating budget draft and DRIVE's current financial position. The Committee decided it recommends DRIVE continue to hold extra funds in checking for the time being as several major projects come to a close. The Finance Committee will meet again in December or January to reevaluate and consider moving any excess cash to investments if appropriate. The Finance Committee also discussed creating a one-page summary of projects as they come to a close so DRIVE can build up a portfolio and have a long-term summary record of completed projects. Dan concluded his presentation by going over the P&L YTD Comparison and P&L by class for the board.

Motion to approve the Treasurer's Report made by Leslie Temple, seconded by Jeb Stotter; carried unanimously.

EXECUTIVE DIRECTOR'S REPORT:

Jennifer Wakeman presented the Executive Director's report. She reported DRIVE staff has been

heavily involved in project development this month. Office and Project Manager Time Hippensteel has been providing updates every two weeks to the commissioners regarding the status of the broadband expansion.

Tim Hippensteel provided the board with an update on the broadband project. He reported construction had begun in Montour County and will begin in Union and Snyder next week. Conxx will be removing old abandoned equipment from the Muncy Hill tower to accommodate new equipment. DRIVE is finalizing tower agreements for 2 silos in Union County and expects work to commence there soon. DRIVE continues to work to obtain affordable access to State-owned tower assets. After receiving quotes that we're still too high, DRIVE is waiting to see if inroads can be made with the assistance of Sen. Gordner's office.

Jennifer reported she is meeting with the CSIU to discuss distributing information about network expansions to school district leaders as sections of the expanded network come online. Additionally, Geisinger has reached out to discuss the possibility of expanding the network further to areas where Geisinger employees still need service. It is possible that Geisinger could commit funding to support that expansion. Any expansion with Geisinger support would take place after the CARES Act broadband expansion. Jennifer stated that by the next meeting DRIVE will have propagation maps available for the board showing areas likely to be covered by the network.

Jennifer Wakeman then turned to the Sunbury Textile project. The agreements for donation of the property to DRIVE have been approved and the property should be transferred to DRIVE by November 16th. She continues to take companies through the building on a weekly basis.

The access road project is nearly complete, with paving taking place in the next week. With that completed, the entire multi-modal project will be wrapped up.

Jennifer thanked Denny Hummer and Dan Knorr for their participation in DRIVE's recent interviews for the Business Outreach Manager. DRIVE received 7 or 8 resumes in response to the job posting and conducted interviews with two very qualified candidates. Jennifer said she was pleased to inform the board she hired Betsy Reichenbach for the position. Betsy comes from Rep. Lynda Culver's office, where she served as a Constituent Outreach Specialist. She will be starting later this month so the board will have the opportunity to meet her at the December meeting.

Jennifer Wakeman reported she has been getting out to DRIVE's newer counties recently. She spent an afternoon with Robert Grayston talking about opportunities for Development in Snyder County. DRIVE is currently working with him on a water main extension that will allow for the development of an additional 50 acres along airport road.

Jennifer and Lauren Bryson of Focus Central PA toured the ACF plant in Milton last week. The company ceased operations earlier this year and recently completed an auction. The facility is for

sale and DRIVE is assisting the company in marketing the property.

Finally, Jennifer provided an update on the Days Inn Conservatorship. There is a pre-disposition conference scheduled with the judge for November 13th. The owner of the property did not consent to the sale so they're now required to submit a response that shows cause why we should not be permitted to sell the property to The Liberty Group. We will know more after the meeting on the 13th.

Property Committee

DRIVE has received an offer relating to Project Homestead to purchase a portion of the former Sunbury Textile Facility and some of the land for \$500,000. DRIVE is seeking a motion to adopt the resolution accepting the option to subdivide and purchase a portion of the former Sunbury Textile Mill property.

Motion to adopt the resolution accepting the option to subdivide and purchase a portion of the Sunbury Textile Facility made by Jeb Stotter, seconded by Dean Girton; carried unanimously.

Finance Committee

Dan Knorr presented on behalf of the finance committee. In consultation with the Executive Director, the finance committee has created a draft of the 2021 operating budget. The board will approve the finalized budget at the December meeting to allow time for board input. Dan then proceeded to walk the board through the proposed budget, starting with contribution income. The Finance Committee considered how to reflect the administrative contributions from the new counties in the operating budget. The committee determined the best way to provide funds for operations would be to take \$50,000 per year per county for five years and move it into operating funds, while the remainder can be left in investments. That method provides DRIVE additional funds for operations while the organization continues to develop other replacement income streams over the next five years.

Next, Dan discussed the additional income from DRIVE's administration of the GSKIZ beginning in 2021. PREP income also increases in 2021 as we take on PREP administration for some of the new counties. Those funds will be used to cover marketing costs for Focus Central Pennsylvania.

Dan Knorr then discussed the final major income source of operating income in 2021. The Finance Committee is recommending a percentage of the income from property sales and other major project related income be redirected to the operating budget to cover the expense of running the organization and having all the staff necessary to complete projects. They are recommending the percentage retained for operations be set at 20%. For 2021, based on a conservative expectation of projects set to close in 2021, that percentage would amount to \$170,000. Dean Girton and Denny Hummer both pointed out that the goal was to pay the

organization for its work to carry out projects, and that the ultimate goal is getting the operations budget sustainable so the organization can continue supporting new projects.

Dan Knorr then turned to 2021 expenses in the budget, noting the increase in salaries to reflect the new positions, leaving DRIVE with a budget to support four full-time positions and a part-time administrative assistant. He also pointed out expenses related to help from a former Glen Raven employee with the Sunbury Facility for the next year.

The board then had a discussion related to PREP and Engage including the expenses associated with the PREP funds.

At 9:15 am, Dean Girton made a motion to adjourn, seconded by Denny Hummer.

NEXT MEETING: The DRIVE Board meets again on December 2nd, 2020 at 8:30 a.m. at 418 Railroad Street.

Respectfully Submitted,

Dean Girton, Secretary