

MINUTES
MEETING OF IMPACT HARRISBURG
August 16, 2016, 10:30 A.M.
Pennsylvania Housing Finance Agency
211 North Front Street, Harrisburg

Officers of the Board Present:
Neil Grover, Chair
Brian Hudson, Secretary

Board of Directors Present:
Dale Laninga, Director
Russ Montgomery, Director
Jackie Parker, Director
Karl Singleton, Director

Others Present:
Sheila Dow-Ford, Executive Director
Fred Reddig, Coordinator for the City of Harrisburg
Anne Morrow, Recording Secretary

Officers of the Board and Board of Directors Absent:
Brittany Brock, Treasurer
Doug Hill, Vice-Chair
Gloria Martin-Roberts, Director

Mr. Grover called the meeting to order at 10:51 a.m.

1. Regular and Executive Meeting Minutes of July 19, 2016

It was moved by Ms. Parker and seconded by Mr. Montgomery that:

"The minutes from Impact Harrisburg's Board of Directors regular meeting of July 19, 2016 be approved as printed."

MOTION CARRIED UNANIMOUSLY

It was moved by Mr. Montgomery and seconded by Mr. Singleton that:

"The minutes from Impact Harrisburg's Board of Directors executive meeting of July 19, 2016 be approved as printed."

MOTION CARRIED UNANIMOUSLY

2. Treasurer's Report

Executive Director Dow-Ford stated that the Treasurer asked that the Executive Director provide an update to the Finance Committee Chair who requested a copy of the investment ledgers from Wilmington Trust. The Executive Director reported the Treasurer has requested the investment ledgers per his request and will forward the ledgers to him once received.

3. Multimodal Project Q&A

The Board found it prudent to invite to its meeting today Capital Region Water (CRW) and the City of Harrisburg (City) for the purpose of determining what impact their respective projects would have on City residents and who would be impacted by the Multimodal Project. CRW and the City are both award recipients of the Infrastructure Program funds.

Ms. Shannon Williams, Executive Director with CRW, was asked to first respond.

- Ms. Williams noted CRW is following the lead of the City. Whenever the City is digging up streets, particularly and most importantly if there is going to be a full reconstruction of the roadway, CRW wants to make sure that they are able to get in ahead of time to make any necessary repairs or replacements to their underground infrastructure – drinking water pipes, wastewater pipes, any stormwater inlets and associated structures. Also, at the same time, CRW wants to incorporate Green stormwater infrastructure into any and all projects across the City; that being City owned and operated projects or privately held or otherwise, publicly held properties. CRW is looking to make improvements to the City's underground lines that are aged and wants to make newer improvements to capture stormwater before it gets into the sanitary sewer system. This is what's called the Green Stormwater Program and is what CRW is working to incorporate throughout the city.
- Ms. Williams noted CRW will need to know what information Impact Harrisburg (IH) is going to require as it relates to CRW's bidding process. If CRW needs to bid out their professional services contracts for the inspection and design work, CRW is concerned they won't have enough time to go through the bidding process in order to meet the schedule that the City is currently on. However, if that is not a requirement, CRW will have a better chance of completing the work that's in alignment with the current City schedule which is currently for Third Street.

Mr. Hudson inquired if coordination between the City and CRW occurred in the past?

- Ms. Williams noted there weren't many paving projects in the past due to limited funds, however, now CRW and the City are working on coordinating their projects. Past history shows the City was always trying to save money and improving the underground infrastructure wasn't being addressed. CRW doesn't have any maintenance history or any condition information. In the meantime, CRW is trying to make the improvements that they know need to be made with a little bit of foresight while not spending too much money in any one area until they know exactly what the City's priorities are.

Mr. Hudson inquired based on this scope, how many City residents will be impacted by the Multimodal project?

- Ms. Williams noted the Multimodal project will impact CRW's entire customer base.

Mr. Montgomery asked Ms. Williams to elaborate more on the type of impact that will occur to City residents.

- Ms. Williams noted an enormous amount of work is needed in the City such as cleaning of pipes, repairing pipes, meeting the requirements of eliminating stormwater from the sanitary sewer system. Billions of dollars of improvements are needed in the City. Any amount of grant money or other ways that can offset the cost will have a direct impact to CRW's cost and the rates of City residents.

Mr. Reddig noted from the City's standpoint, their funding will assist the City in leveraging the \$10 million PennDOT funds or a portion thereof. Will this help CRW to leverage any external funds?

- Ms. Williams noted CRW doesn't have any funding available right now that requires that type of match. CRW is looking across the board at all the types of funding strategies that are available to them. CRW has PENNVEST funds though they don't require a match. The Multimodal project wasn't something CRW included in other grant applications. CRW has partnered with Dauphin County to submit under their Public Infrastructure program. This particular project and these types of projects, which CRW refers to as their "Renewal and Replacement strategies", funding hasn't been sought on these types of projects yet.

Mr. Montgomery inquired if CRW has used or is using, for any phase of the project, any federal funds, USDA or Commerce money that's available?

- Ms. Williams noted USDA money isn't available to CRW in the city. The demographics don't support this funding. The Rural Utility Service would qualify for these types of funding but CRW is not eligible.

Mr. Montgomery suggested that CRW revisit this type of funding. Ms. Parker agreed and confirmed the City is eligible for all types of USDA funding.

Mr. Grover noted CRW has had other occasions to access state monies at different points in time and has had to do whatever the audit requirements were. He inquired if CRW will provide the same type of tracking for these public funds from IH? And also asked what mechanism will CRW use to track these funds?

- Ms. Williams noted CRW utilizes both internal and external tracking mechanisms and will continue to use these mechanisms on this project.

Executive Director Dow-Ford asked the City to elaborate further on what neighborhoods will be impacted and what the timeline will be for planning and implementing the project.

- Mr. Wayne Martin, City Engineer, gave some background regarding the 3 types of streets in the City.
 - Arterials (streets in the City that handle the most traffic)
 - Collectors
 - Local neighborhood streets
- Mr. Martin further noted that some of the arterial streets are owned by the City and some are owned by the State. The arterials owned by the State are often considered as federally funded roads. Under the PennDOT Multimodal Grant, the State wants the funding to go to federally fund roads. All the roads that were selected in the Multimodal project are City owned arterial roads. In some cases, like Third Street, sections of the road are considered collectors but the majority of the road is arterial. The roads in the Multimodal project will affect everyone. These roads were also selected on the basis of need and by prior studies and plans that were conducted by the City.

Project Timing

- The Third Street project design is currently underway. The City's review will be completed in February. The City's goal is to have the pavement started in mid-April. A coordinating meeting with CRW is being considered for next week. There are current quarterly utility meetings with CRW as well.

- UGI has scheduled some main line replacement on Second Street for next year in anticipation of the Multimodal project. The preliminary engineering planning will need to also be scheduled.
- Berryhill Street project (19th Street/Derry Street/Berryhill Street intersection) is a heavily traveled street especially for children. The City has met with the School District on this project and has a monthly update discussion with the School District. The City is working with the Multimodal Supervisor at PennDOT and the School District on this project. With the School District's approval, PennDOT will be able to assist the City with the design of this intersection.

Mr. Grover noted in 2018 CRW's long-term report will be released and inquired if any of the work that's being done now for the Multimodal project will need redone in the future? He further inquired if the use of the grant funds is for long-term, medium-term or short-term work?

- Mr. Dave Stewart, Director of Engineering with CRW, noted the 2018 planning report will establish what CRW's long-term strategy is for controlling stormwater. The planning will be a combination of green infrastructure, storage and separation of sewers. CRW's primary focus will be on prioritizing the assessment on how bad the infrastructure is and how best to stabilize it. He further noted it will make sense to assess this work when there are complimentary projects. The issue with coordinating these projects with the City is related to scale. CRW took over 134 miles of sewer system with very little information. CRW has tried to prioritize what areas of the City they feel will most likely fail or if and when there are failures, what areas will impact the most people.

Mr. Singleton inquired how CRW's assessments are driven to determine what areas in the City are most likely to fail and if CRW bases their assessment on resident occupied areas or State buildings and employees? Mr. Singleton made it very clear he is an advocate for City residents and would like to see the awarded funds have the greatest impact on community/residential areas of the City.

Mr. Martin noted the areas referenced in the Multimodal project have been a priority for the City for over the past 20 years. Mr. Martin also noted City Council approved the Multimodal project unanimously and if any changes are made to the project, City Council and PennDOT will both be required to approve those changes.

Ms. Williams noted the City and CRW are both trying to be proactive but at the same time are being reactive to areas as situations arise.

Mr. Hudson asked the City and CRW if there is a total amount of funding that is needed, and believes the State will need to step in to provide a large amount of money to help with the failing infrastructure needs that are in the City. Mr. Reddig noted infrastructure is not only a state issue but also a national issue that needs to be addressed as there is aging infrastructure across the country.

Mr. Reddig noted the Harrisburg Strong Plan recommends that as the City moves forward with major road reconstruction they consider installing conduits that could generate revenue moving forward. He asked if that was being factored into the design?

- Mr. Martin noted that the City is looking at sections of Third Street, as part of this project. The main focus is select corridors, particularly with traffic signals, that the City is currently considering to put conduits in that can generate income.

Mr. Grover advised CRW and the City that the Board is reviewing and finalizing the Grant Contract. Once the Grant Contract is finalized the contract will be distributed for their review and signature. The Board thanked CRW and the City for their time at today's meeting. Both parties then departed the meeting.

A short break was taken at 11:55 a.m. before continuing with the regular Board meeting. Mr. Reddig was unable to stay for the remainder of the meeting.

The regular meeting resumed at 12:04 p.m.

Executive Director Report

Executive Director Dow-Ford distributed thumb drives to the Board for the purpose of reviewing the Large Economic Development, Community Building and Economic Contingency Grant applications. An updated project list was also distributed. The current project list includes some additional applications that were not on the initial project list but were in fact post marked by the required due date. These applications were picked up at the post office after the last Board meeting.

The current list includes:

- 13 Large Economic Development project applications,
- 11 Community Building project applications and
- 1 Economic Contingency application, (City of Harrisburg, computer software)

All 13 Large Economic Development applications have been copied to the thumb drive that was handed out. There are 3 Community Building project applications that are not on the thumb drive but will be distributed in a day or two electronically once the proper format/materials are received.

Executive Director Dow-Ford will review the Large Economic Development project applications for completeness of the application. The entire Board, as the Review Committee, will review the Large Economic Development project applications and the Economic Contingency application and score each application based on the substantive quality of the project and that the general requirements are met.

ACTION: Executive Director Dow-Ford will send the scoring matrix electronically to the Board.

Executive Director Dow-Ford scheduled the following meetings at the Pennsylvania Housing Finance Authority (PHFA) for the Board:

- Friday, August 26, 2016 from 9:30 a.m. to 12 noon for the purpose of reviewing the Large Economic Development and Economic Contingency applications.
- Wednesday, August 31, 2016 from 10 a.m. to 12 noon for the purpose of reviewing the Community Building project applications.

ACTION: Executive Director Dow-Ford will prepare a memorandum outlining the proposed action recommended by the committee for each application and the

rationale for such recommendations along with the proposed funding amount for each application.

- Wednesday, September 7, 2016 from 9:30 a.m. to 10:30 a.m. for the purpose of a Regular Board Meeting and for the recommendations of the Application Review Committee to be presented.

Mr. Singleton was unable to stay for the remainder of the meeting and departed at 12:57 p.m.

The amount requested for the Large Economic Development, Community Building and Economic Contingency project applications totals approximately \$6.459 million. The amount to be awarded is approximately \$5.7 million. Several discussions will take place on the individual applications such as the determination of the award amounts and if awarding the funds involves the Board's investment strategy that proper notification be given to Wilmington Trust.

Mr. Laninga disclosed that he chairs the Board for one of the applicants, the Paxton Street Home Benevolent Society, Inc. dba Paxton Ministries. The Board determined given the process they have in place, the entire Board will score all applications for the Large Economic Development, Community Building and Economic Contingency projects.

Executive Director Dow-Ford distributed electronically on August 12 the Grant Contract format for the Board's review. A motion will be considered at the next Board meeting on September 7, 2016 to approve the Grant Contract format.

Executive Director Dow-Ford also distributed electronically a Memorandum of Understanding (MOU) to the Board regarding office space for the Executive Director at the Midtown HACC Campus at Third and Riley Streets. The amount of rent will be approximately \$375/month with the following modifications to the MOU; to include all utilities, mutual indemnification under the liability insurance and the use of the large conference room with a 15-day advance notification.

It was moved by Mr. Hudson and seconded by Mr. Laninga that:

"The Board approves the MOU, with the modifications consistent with the Executive Director's report."

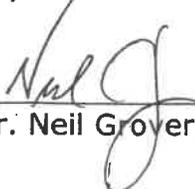
MOTION CARRIED UNANIMOUSLY

The Chair adjourned the meeting at 1:05 p.m.

Meeting minutes were submitted by Recording Secretary, Anne Morrow.

The next Board meeting is scheduled for September 7th at 9:30 a.m. at the Pennsylvania Housing Finance Agency, 211 North Front Street, Harrisburg, PA.

Approved this 7th day of September, 2016.



Mr. Neil Grover, Chair



Mr. Brian Hudson, Secretary