

**Southwestern Pennsylvania Corporation Board of Directors &
Southwestern Pennsylvania Commission Executive Committee
SPC Offices – Terminal Building & Cisco WebEx Meeting
December 15, 2025
3:00 p.m.**

The three hundred and eighty-ninth meeting of the Southwestern Pennsylvania Corporation Board of Directors was called to order by Chairman Fabian.

SPC Board Members present: Bonni Dunlap, Pat Fabian, Rich Fitzgerald, Sara Innamorato, Sean Kertes, Betsy McClure, Leslie Osche, Nick Sherman and Vince Vicites.

Executive Committee Members present: Bonni Dunlap, Pat Fabian, Rich Fitzgerald, Sara Innamorato, Sean Kertes, Betsy McClure, Kristin Mulkerin, Leslie Osche, Johnna Pro, Nick Sherman, Laura Sohinki, and Vince Vicites.

Others: Brandon Leach, PennDOT Central Office, Mark Gordon, Butler County Department of Economic Development; Dusty Kirk, Reed Smith LLP; Chuck Kolling and Erin Molchany, Buchanan Ingersoll and Rooney; Brian McCall and Michelle Hoke, Maher Duessel, CPAs

Staff: Belachew Ayele, Kristin Baum, Mary Brangan, Kirk Brethauer, Melissa Brown, Faith Collins, Ronda Craig, Mason Fish, Lillie Gabreski, Ryan Gordon, Chuck Imbrogno, Jennifer Lasser, Jen Liptak, Jeremy Papay, DJ Ryan, Mason Secretti, Evan Schoss, Ailisa Sobien, and Devon White.

1. Call to Order

Chairman Fabian welcomed members and called the meeting to order.

2. Action on Minutes of the October 27, 2025, Board of Directors and Commission Executive Committee Meeting

Action on the minutes of the October 27, 2025, meeting of the Board of Directors and the Executive Committee were approved on a motion by Commissioner Osche which was seconded by Ms. Innamorato. The affirmative vote was unanimous.

3. Public Comment – None.

4. Message from the Executive Director – Rich Fitzgerald, Executive Director

Mr. Fitzgerald stated that with the time constraints he will defer his message until the Commission Meeting at 4:00 p.m.

5. Presentation of 2025-2026 Annual Audit Report – Maher Duessel, CPAs

Ms. Hoke from Maher Duessel, CPAs stated our responsibilities under Auditing Standards Generally Accepted in the United State of America, Government Auditing Standards and Uniform Guidance.

- ❑ Significant Accounting Policies
 - Adoption of GASB 101 “Accounting and Financial Reporting for Postemployment Benefits Other than Pensions,”
 - Government-wide net position impact - decrease of \$342,886

- ❑ Accounting Estimates
- ❑ Sensitive Disclosures
- ❑ Other communications
 - No difficulties encountered in performing the audit
 - No material misstatements
 - No disagreements with management
 - Will obtain required management representations
 - No management consultations with other accountants
- ❑ Independent Auditor's Report
- ❑ Management's Discussion and Analysis
- ❑ Financial Fund Statements
 - Revenues up \$1.3M or 7.2% (Grant Activity)
 - Expenditures up \$1.8M or 9.4% (Grant Activity)
 - Negative (\$839,892) general fund balance (overall negative fund balance \$385,102) the dues increase will help remedy these issues.
- ❑ Footnotes to the Financial Statements
 - Adopted/Pending accounting standards (FN 2)
 - Promissory Note Payable (FN 8)
 - Loans Payable (FN 12)
 - Supplementary Information – Schedule of Federal Awards
 - Reporting by Uniform Guidance
- ❑ 990 – SWPA Corporation
 - Sch A – Supporting Org
 - Sch B - Public Disclosure copy blinds donor names/addresses
 - Sch C – Lobbying Activities
 - Sch D – Footnotes to 990
 - Sch J – Compensation Information
 - Sch R – Related Organizations
 - Sch O - Misc

6. ACTION ITEM - Ratification of Board Resolution 11-25 and Executive Committee Resolution 06-25 to Approve the acceptance of a loan as working capital/bridge financing. – Jen Liptak, Deputy Executive Director/Chief Operating Officer

A RESOLUTION OF THE DIRECTORS OF THE SOUTHWESTERN PENNSYLVANIA CORPORATION AND THE EXECUTIVE COMMITTEE OF THE SOUTHWESTERN PENNSYLVANIA COMMISSION to approve the acceptance of a loan as working capital / bridge financing for operational support to cover expenses of the Southwestern Pennsylvania Commission and the Southwestern Pennsylvania Corporation due to funding constraints resulting from the state and federal budget impasses.

NOW, THEREFORE, BE IT RESOLVED that the Directors of the Southwestern Pennsylvania Corporation and the Executive Committee of the Southwestern Pennsylvania Commission approve the acceptance of a loan as working capital / bridge financing, in the amount of \$1 from Citizens Bank N.A. for operational support to cover expenses of the Southwestern Pennsylvania

A motion was made to approve Board Resolution 11-25 and Executive Committee Resolution 06-25 by Commissioner Osche which was seconded by Commissioner Dunlap. The affirmative vote was unanimous.

7. Competitive Programs Discussion and Update, Lillie Gabreski, Director of Transportation

Ms. Gabreski stated that this program development schedule was in the program guidance. We received approval on this cycles approach from the SPC Transportation Technical committee back in May and opened the application period back in June. We held an informational webinar for prospective applicants in June. Final applications were due in September.

The key thing is that we are still on schedule meeting in advance of the TTC and December SPC Executive Committee meeting.

This is conceptual figure that shows the Project Evaluation process. If we have a good process for evaluation that will result in the best projects being selected.

The candidate project evaluation is conducted by SPC staff and is very data driven with evaluation criteria spelled out in the program guidance. Mr. Imbrogno went into detail at our last Commission meeting on the CMAQ and CRP technical evaluation criteria.

Each Program has three types of Evaluation Criteria:

Technical

Ancillary

Deliverability

SPC staff evaluated candidate projects under each program separately under the technical and ancillary criteria established for that program. The scoring is done by multiple SPC staff across departments.

Deliverability scoring is done by an impartial expert deliverability committee.

Today we will review all of the evaluation scoring and prioritized ranking for each of the three programs. There is a lot of overlap in the eligibility for the three programs. We evaluated all the projects that were eligible for each program, so there is a possibility that a candidate project could have been evaluated and scored for all three programs.

We had \$4.7mil in carryover from last competitive programs selection 2 years ago. So that's project's that did not obligate. With 26.6 million in CMAQ funds available we recommend funding 8 projects for \$24.4 million.

The Campbells Run Project is going to be fully funded with non-CMAQ funds on the draft TIP. With \$2.2 million remaining that is not enough to add the next ranked project the PRT Brushton Station. We also will be able to retain 2.2 million for programming flexibility and contingency. With \$2.1 million in TASA funds available we are recommending funding 2 projects for \$24.4 million.

With \$444,000 remaining It's not enough to add the next ranked project (Duck Hollow Bridge). For comparison last cycle we funded 8 projects for \$7.6 million. We had \$9.3mil carryover from previous cycle. Some of these TASA candidate projects have also applied to PennDOT for TASA funds, so if the project was not fully funded by the SPC TASA or was not funded at all, SPC will be recommending to PennDOT that they receive PennDOT TASA funds.

Last time two projects picked up funding from the PennDOT TASA program. With 2.4 million in CMAQ funds available we recommend funding 1 project for \$2.4 million. The SPC Signal program since its inception has been funded with CMAQ.

The highlighted US 19 Signal Improvements. We can reserve \$2.6 million District 12 might want to kick in additional federal or state funds to make up the difference. We will discuss this with District 12.

For comparison last cycle we added the top two projects at 6.6 million. However, that was the first year of the program.

Federal funding has not been authorized by Congress for the 2027-2030 program period. It has been Pennsylvania and SPC's procedure in this situation in the past has been planning on flat funding levels going into the next program period, but there is no guarantee that the Federal programs will continue.

Commissioner Osche moved to enter Executive Session. Commissioner Dunlap seconded. The affirmative vote was unanimous.

Executive Session

Commissioner Kertes moved to come out of Executive Session. Commissioner Innamorato seconded. The affirmative vote was unanimous.

8. Corporation Board Action on Resolution 12-25 to approve one loan was unanimous.

9. Other Business

10. Reminder Next Meeting, February 23, 2026

11. Adjourn 4:00 p.m.

Respectfully submitted:

Ailisa Sobien
Corporation, Secretary-Treasurer

Betsy McClure
Commission, Secretary-Treasurer