

**DERRY TOWNSHIP
INDUSTRIAL & COMMERCIAL DEVELOPMENT AUTHORITY
600 CLEARWATER ROAD, HERSHEY, PENNSYLVANIA 17033
MEETING MINUTES
April 16, 2015**

CALL TO ORDER

Chairman Foley called the April 16, 2015 meeting of the Derry Township Industrial & Commercial Development Authority to order at 6:10 p.m.

PLEDGE OF ALLEGIANCE

All present stood for the Pledge of Allegiance.

ROLL CALL

Members Present:

John Foley
Domenick Argento
James Ingalzo

Members Absent:

Justin Engle
Chris Abruzzo

Also Present:

Barbara Zemlock, DT ICDA Solicitor
Marie Sirkot, Administrative Assistant

Public Present:

Lori Althoff, Diana M. Reed & Associates
Greg Koussis, Capital Construction Management
Lou Verdelli, RBC Capital Markets

Chairman Foley advised that it is the policy of the Authority to tape all public meetings for the purpose of providing accurate minutes.

APPROVAL OF MINUTES

Mr. Ingalzo moved to approve the meetings minutes of March 19, 2015. Mr. Argento seconded the motion. *Motion carried 3-0.*

PUBLIC COMMENT

There was no public comment.

CONSIDERATION OF REQUEST TO PROCEED WITH REFUNDING OF 2010 BOND (VERDELLI)

Mr. Verdelli explained that in 2005 the ICDA issued bonds for the new Township Municipal building. In 2010, the ICDA refinanced those bonds with a savings on the debt service payments of about \$600,000. Mr. Verdelli explained the refinancing opportunity for the guaranteed Township revenue bonds, series of 2010, would be a savings of about \$415,000. The Township provided the guaranty on these bonds, so the ICDA does not have any liability. There is \$9,670,000 outstanding on these bonds, with a current interest rate between 2% and 4%. The call date is November 15, 2015 and the final maturity date is November 15, 2030.

Mr. Verdelli recommends renewing these bonds in 2015, with an estimated issue size of \$9,995,000. This renewal will require a Township guaranty and the estimated savings after costs will equal approximately \$415,000. The financing schedule will be as follows:

Initial presentation and authorization to proceed	-	April 16
Township approval of Guaranty Agreement	-	May 12
Bond Sale/Final approval by ICDA (lock rate)	-	July 16
Settlement	-	August 17

Mr. Ingalzo made a motion to proceed with the refunding of the 2010 bonds. Mr. Argento seconded the motion. *Motion carried, 3-0.*

UPDATE ON FIRE HOUSE PROJECT (KOUSSIS)

Mr. Koussis advised that the overall budget for this project remains at \$7,000,000 and the estimated completion date is January 20, 2016. The groundbreaking ceremony was held on April 6. Demolition of both houses at 31 and 35 W. Caracas Avenue has been completed, along with abatement of hazardous materials in the existing structure. A sinkhole was detected under the basement of 35 W. Caracas Avenue. However, the Geotechnical Engineer has reviewed and remediated the situation. The lease/buyback agreement was finalized. Closing on the balance of the construction loan has taken place.

In the next 30 days the backfill of the basements will be completed. Also, compaction grouting at the foundations for the new structure will begin. Footing and foundations will be started at the new structure and selective demolition at the existing structure. We will submit the balance of the information required for the RACP grant which is to be submitted April 20, 2015.

Mr. Koussis would like to complete the deed consolidation of the properties and record the Land Development Plan. Chairman Foley advised that he believes the deed consolidation has occurred. Mr. Koussis replied that if the deed consolidation has taken place, he can have the engineer record that along with the land development plan. Solicitor Zemlock advised that Jon Yost has the deed consolidation for Chairman Foley to sign.

**CONSIDERATION OF DONATION TO HERSHEY HIGH SCHOOL
GRADUATION PARTY**

Chairman Foley advised that this post-graduation party for Hershey High School seniors is one that the ICDA sponsors every year. Mr. Ingalzo moved to donate \$1,000 toward the Hershey High School Graduation party. Mr. Argento seconded the motion.

Motion carried, 3-0.

ANY OTHER BUSINESS TO COME BEFORE THE BOARD

No other business.

ADJOURNMENT

Mr. Argento made a motion to adjourn the meeting. Mr. Ingalzo seconded the motion.

Motion carried, 3-0. Meeting adjourned at 6:30 p.m.

Respectfully submitted by:

James N. Negley, Manager
Assistant Treasurer/Assistant Secretary