

**TOWNSHIP OF DERRY**  
**INDUSTRIAL & COMMERCIAL DEVELOPMENT AUTHORITY**  
**MEETING NOTES**  
**JULY 20, 2017**

**CALL TO ORDER**

Chairman Justin C. Engle called the July 20, 2017 Regular Meeting of the Industrial & Commercial Development Authority to order at 6:03 pm in the meeting room of the Township of Derry Municipal Complex, 600 Clearwater Road, Hershey, PA. A roll call was completed after the pledge of allegiance. Chairman Engle stated the Solicitor was on his way to the meeting.

**IN ATTENDANCE:**

**BOARD MEMBERS**

Justin C. Engle, Jr., Chairman  
John W. Foley, Vice Chairman  
Brian Shiflett, Treasurer

**ALSO, PRESENT:**

Marie Sirkot, Administrative Assistant  
Julie Echterling, Recorder

**MEMBERS ABSENT:**

James Ingalzo  
Tom Fowlston

**Public in Attendance**

The following were in attendance: Lori Althoff, David Twaddell, Jennifer Beck, Wendy McClintock, Lou Verdelli

**APPROVAL OF REGULAR MEETING MINUTES:**

Vice Chairman Foley made a motion to approve the minutes for the January 19, 2017 regular meeting. Mr. Shiflett seconded the motion. **Motion carried 3-0.**

**PUBLIC COMMENTS:**

There were no public comments.

**DONATION TO 2017 HERSHEY HIGH SCHOOL GRADUATION PARTY:**

Vice Chairman Foley made a motion to ratify the donation of \$1,000 to the 2017 Hershey High School Graduation Party. Mr. Shiflett seconded the motion. **Motion carried 3-0.**

**GIANT CENTER-FINANCING UPDATES:**

Mr. Lou Verdelli, RBC Capital Markets, discussed the annual renewal Letters of Credit required each year and the process. He spoke about the potential refinancing on the debt and why this would be good for the ICDA and the ability to pay off the variable debt with a fixed PNC bank loan. He spoke about the potential timeline for this which included a September 2018 closing date for the refinancing.

The Series A (2000) bond has a \$17,130,000 outstanding balance which matures in November 2030. He spoke about the one-year renewal of the PNC letter of credit. He stated PNC is offering to renew at 85 bps until 11/18/2018 or 90 bps until 2019. Mr. Shiflett asked about the rate and changes in the rate. Mr. Verdelli spoke about the higher rates in prior years and recommends renewing for one year. The Series B (2001) bond has an outstanding balance of \$22,680,000 and matures in November 2030. He stated PNC is offering to renew at 110 bps until 11/18/2018 or 115 bps until 2019. He recommended renewing for one year.

**TOWNSHIP OF DERRY**  
**INDUSTRIAL & COMMERCIAL DEVELOPMENT AUTHORITY**  
**MEETING NOTES**  
**JULY 20, 2017**

He stated the cost of renewing would be around \$20,000 for one year and \$40,000 for two years. He shared the schedule for the renewal which includes final authorization and signatures in August, and renewing the Line of Credit in November.

Chairman Engle asked about the timeline for refinancing and interest rates. Mr. Verdelli explained the process would take around six months with getting all the parties to come together. Mr. Shiflett asked about timing and capital projects with reserves. Mr. Verdelli shared the amortization schedule and receiving feedback on the projects and timelines. He spoke about the models available for this financing and stated he could have a model available to review in September.

**ADJOURNMENT:**

Vice Chairman Foley made a motion to adjourn the meeting at 6:35 pm. Mr. Shiflett seconded the motion. **Motion carried 3-0.** Mr. Shiflett explained he would be traveling out of state and unable to attend the August meeting.

SUBMITTED BY:

---

James N. Negley, Manager  
Assistant Treasurer, Assistant Secretary