

**DERRY TOWNSHIP
INDUSTRIAL & COMMERCIAL DEVELOPMENT AUTHORITY
600 CLEARWATER ROAD, HERSHEY, PENNSYLVANIA 17033
MEETING MINUTES
March 19, 2015**

CALL TO ORDER

Chairman Foley called the March 19, 2015 meeting of the Derry Township Industrial & Commercial Development Authority to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE

All present stood for the Pledge of Allegiance.

ROLL CALL

Members Present:

Chris Abruzzo
Domenick Argento
Justin Engle
John Foley
James Ingalzo

Also Present:

James Negley, Manager, Assistant Treasurer, Assistant Secretary
Barbara Zemlock, DT ICDA Solicitor
Marie Sirkot, Administrative Assistant

Public Present:

Greg Koussis, Capital Construction Management, LLC
Scott A. Stein, Hershey Fire Company
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 made a motion to approve the minutes of the February 19, 2015 meeting.
Mr. Argento seconded the motion. *Motion carried, 5-0.*

PUBLIC COMMENT

No public comment.

**RESOLUTION NO. 2015-01, AUTHORIZING THE ISSUANCE OF THE 2015
NOTE IN THE AMOUNT OF \$4,000,000, AND RELATED DOCUMENTS**

Mr. Verdelli gave each Board Member a financing bid summary for the Fire Station Project. He reviewed the Metro Bank 2014 note for \$1,000,000 which is already in

place. He then recommended the current \$4,000,000 bank loan also with Metro Bank. There were three other banks listed on the bid summary. Metro Bank included a draw down structure to limit interest expense, and a variable rate to minimize interest expense (66% of WSJ Prime Rate less 1.38% - currently 1.23%). The maximum interest rate is 4.25%, repayable at any time, without penalty, to provide maximum flexibility to pay down the loan. This loan also has a Township of Derry guaranty. Mr. Verdelli advised that if approval is received at tonight's meeting, settlement will be scheduled for April 15.

Chairman Foley asked for a motion to adopt the resolution. Mr. Engle made a motion to adopt Resolution No. 2015-01. Mr. Abruzzo seconded the motion. ***Motion carried, 5-0.***

UPDATE ON FIRE HOUSE RENOVATION PROJECT (KOUSSIS)

Mr. Koussis advised the Board that Pyramid Construction has given him the final Guaranteed Maximum Price (GMP) amount on the Fire House Renovation Project. The amount is \$5,209,617, which is less than the original quoted amount from February. Because this amount has come down, the team would like to include four alternate items that had previously been removed. The cost of these alternates is \$224,686. Mr. Koussis would like to request approval of the contract amount of \$5,434,303.00. Mr. Koussis also reported that the asbestos abatement has begun and the demolition of the structures will take place next week. The Fire Company will be relocating to the car barn by March 28.

CONSIDERATION AND ACTION ON AMENDMENT A TO PYRAMID AGREEMENT

Mr. Koussis advised that tonight he is asking for Board approval of the overall amount of \$5,434,303.00 and a Notice to Proceed for the contractor. This would give them full release to begin. He spoke to Mr. Dornberger this evening, who agreed to provide a cover sheet including the updated numbers.

Chairman Foley asked for a motion to proceed, subject to approval of construction counsel. Mr. Ingalzo made a motion to proceed. Mr. Argento seconded the motion. ***Motion carried, 5-0.***

CONSIDERATION AND ACTION ON SALE AND LEASE AGREEMENT

On March 10, Solicitor Zemlock circulated a revised Sale and Lease Agreement which included comments from most Board Members. The final Sale and Lease Agreement was sent to Board Members this morning. Also, the deeds have been drawn up. This agreement must be executed before deed consolidation can take place. Land Development can then be finalized. Ms. Zemlock asked for any questions/comments from members. Mr. Abruzzo agreed that this is a well drafted agreement that is fair to both sides. Mr. Abruzzo made a motion to approve the Sale and Lease Agreement, subject to minor revisions by the Fire Department and final approval from counsel. Mr. Engle seconded the motion. ***Motion carried, 4-0-1.*** Chairman Foley abstained because he is a member of the Fire Company.

**CONSIDERATION AND ACTION ON RIGHT-OF-WAY AGREEMENT WITH
DERRY TOWNSHIP MUNICIPAL AUTHORITY**

Ms. Zemlock advised that the Derry Township Municipal Authority needs a right of way to access their sewer main which is on the Fire Department property now because of the consolidation of the six parcels. A motion to approve the Right-of-Way Agreement was made by Mr. Abruzzo. Mr. Ingalzo seconded the motion. *Motion carried, 4-0-1.* Mr. Engle abstained because he is a member of DTMA Board.

ANY OTHER BUSINESS TO COME BEFORE THE BOARD

Nothing at this time.

ADJOURNMENT

Mr. Ingalzo made a motion to adjourn the meeting. Mr. Engle seconded the motion. *Motion carried, 5-0.*

Meeting adjourned at 7:00 p.m.

Respectfully submitted by:

James Ingalzo, Secretary