

**DERRY TOWNSHIP INDUSTRIAL & COMMERCIAL DEVELOPMENT
AUTHORITY
235 HOCKERSVILLE ROAD, HERSHEY PENNSYLVANIA 17033
October 19, 2006
MINUTES**

CALL TO ORDER

The October 19, 2006 meeting of the Derry Township Industrial & Commercial Development Authority was called to order at 5:30 p.m. by Chairman J. Scot Chadwick.

ROLL CALL

Board Members Present:

J. Scot Chadwick – Chairman
Richard E. Lenker, Jr.
August (Skip) T. Memmi, Jr. – Secretary
Todd K. Pagliarulo – Vice Chairman
Michael H. W. Pries

Also Present:

Jeff Foreman (*Foreman & Foreman, P.C.*) – Solicitor
James N. Negley - Manager/Secretary/Treasurer
Maria C. Sirkot – Administrative Assistant

Public Present:

David Boyer – Bucharthorn, Inc. / Basco Associates
Bill Davies – HE&R
Andrew Giorgione – Buchanan Ingersoll Rooney
Marta Havell – The MS Hershey Foundation
Don Papson – The MS Hershey Foundation
Diana Reed - Diana M. Reed & Associates
Chick Tulli – Greenlee Partners
Bruce Yerger – Bucharthorn, Inc. / Basco Associates

PUBLIC COMMENT

No discussion.

APPROVAL OF MINUTES

Motion: Mr. Lenker moved and was seconded by Mr. Pagliarulo to approve the following Minutes:

Motion carried, 5-0.

HERSHEY MUSEUM PROJECT (REPORT FROM MUSEUM FOUNDATION)

Mr. Papson presented the *Hershey Story, The Museum at Chocolate Town Square*. The following was noted:

1. The estimated project cost is \$22.7 million.
2. Visitors will be able to experience the story of Milton Hershey.
3. An incredible effort is underway by numerous organizations to get this accomplished.
4. An explanation of the foundation was provided.
5. The philanthropies of the foundation were noted.
6. Approximately nine acres will be developed.
7. RECAP provided \$3 million for the ITF.
8. A \$5 million grant was received last week from the governor's office.
9. Photographs were provided of the phase development.
10. The museum is trying to set the standard for downtown green space.
11. Plenty of parking will be available.
12. This project will have a positive impact on the local economy.
13. Visitors are expected to generate \$2 million.
14. Approximately one million visitors visit the Township between September and April of each year.
15. The project will encourage entrepreneurship within the Township.
16. Ground breaking will occur April 2007.
17. There will be approximately 45,000 square feet to the museum.
18. Land is owned by the Hershey Foundation and leased by the museum.
19. DTICDA has provided contributions.

20. Grand opening fall 2008.

The museum foundation requested the following:

1. RECAP application
2. Party in ground lease
3. Party in construction agency agreement
4. Lease building to foundation
5. Load access easement
6. Shared parking

Mr. Pagliarulo asked if the project incurs any risk to DTICDA. Mr. Papson responded DTICDA will be a conduit and have no risk bearing.

Chairman Chadwick asked what the museum wanted to occur today. Mr. Papson responded a representative of DTICDA needs to have permission to approve requests from the museum as needed.

Solicitor Foreman said direction could be provided by email. Solicitor Foreman and Mr. Negley will be the contacts for requests. Formal action will be taken at the next meeting to appoint Solicitor Foreman and Mr. Negley.

INTERMODAL TRANSPORTATION FACILITY PROJECT UPDATE (BUCHART HORN)

Mr. Boyer noted the following:

Phase 1

All contractors have been paid. There are no open issues.

Phase 2

DTICDA continues to hold \$10,000 from Phase 2 regarding the demolition pending resolution of the issue of the fence being removed early, before substantial completion is completed. A pile of soil was removed and stockpiled and can be reused in Phase 3. Buchart Horn is trying to negotiate a credit because it wasn't removed by Pflumm, plus a credit from Lobar because they can use it in Phase 3. Buchart Horn continues to work with Pflumm.

Phase 3

Phase 3 is proceeding on schedule. Executive Summary Report No. 2 was presented detailing highlights of the project.

Park Boulevard will be closed to traffic for the excavation to relocate piping. Buchart Horn does not have an estimated time for the period of closure. Buchart Horn is working with the police department regarding this issue. Appropriate signage will be installed in various locations, including SR 322 and Ridge Road. Park Avenue will not be affected by the closure. A traffic safety plan is underway. Buchart Horn will provide updates to Mr. Negley on a regular basis.

NEW MUNICIPAL BUILDING PROJECT CONSTRUCTION UPDATE (BUCHART HORN)

Construction activity is moving along according to the schedule. Mr. Negley noted bids for both the furniture and telephone vendors were under budget.

Change Orders

Motion: Mr. Pagliarulo moved and was seconded by Mr. Pries to approve the following change order requests:

CH&E	\$ 7,881.00
MBR	-\$ 231.00
Pagoda	\$ 5,003.74
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Total	\$12,653.74

This changes the total contract value to \$12,804,771.46 which is a net reduction of \$3,175.54.

Motion carried, 5-0.

Mr. Lenker said discussion was held last week regarding a fire protection system in the parking garage with the results forwarded to the fire department for their input. He asked Buchart Horn if the logistics issues have been worked out in providing the fire department with some of the data. Mr. Boyer said the fire department has all the information and the results are currently under review by Community Development.

Mr. Memmi asked if Buchart Horn can estimate what may affect change orders. Mr. Boyer said very little is expected.

Mr. Memmi said the old communication tower has to be removed. Mr. Negley said Mr. Keiser has assured him this would be completed as soon as possible.

HERSHEY BASEBALL PROJECT

John Marucci, representative for the Field of Dreams Foundation, will be contacted and asked to provide a presentation at the next meeting. Mr. Pagliarulo stated the foundation should make clear what the risks to DTICDA could be.

HOTEL ROOM RENTAL TAX

Ms. Reed presented the Township's Hotel Room Rental Tax collections for 2000 – 2006. This tax is used to pay the debt service on the Giant Center. Anything left over flows into pilot projects. Ms. Reed will not know until December 2006 what the project will be.

Mr. Pagliarulo wants the Giant Center to provide a breakdown of the costs. Ms. Reed will obtain the information from Bill Davies and present at the next meeting.

It is Mr. Negley's opinion the hotel room tax will increase this year. He will schedule a meeting in January for further discussion regarding this subject.

PUBLIC COMMENT

No discussion.

INTRODUCTION OF ADMINISTRATIVE ASSISTANT

Mr. Negley introduced Marie Sirkot as the new Administrative Assistant for DTICDA. She will report directly to Mr. Negley and be responsible for making DTICDA related decisions during his absence. Mr. Sirkot was previously employed by the Parks and Recreation Department.

EXECUTIVE SESSION

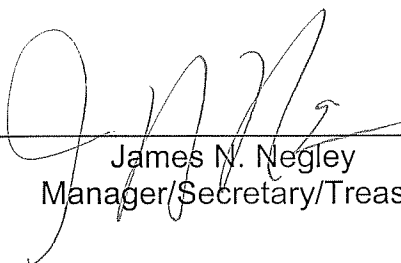
Chairman Chadwick announced an Executive Session would be held immediately after this meeting for legal issues.

ADJOURNMENT

Motion: Mr. Pries moved and was seconded by Mr. Lenker to adjourn the meeting at 6:26 p.m.

Motion carried, 5-0.

SUBMITTED BY:



James N. Negley
Manager/Secretary/Treasurer