



## TOWNSHIP OF DERRY

Industrial Commercial Development Authority

Minutes

Thursday, December 15, 2022

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### CALL TO ORDER

Chairwoman Nutt called the December 15, 2022 Regular Meeting of the Township of Derry Industrial and Commercial Development Authority to order at 6:10 p.m. in the meeting room of the Township of Derry Municipal Complex, 600 Clearwater Road, Hershey, PA. She advised that all public meetings are recorded for providing accurate minutes. A roll call was performed after the Pledge of Allegiance.

### ROLL CALL

#### MEMBERS PRESENT:

Natalie L. Nutt  
Todd Shaffer  
Jay Franklin

#### ALSO PRESENT:

Christopher S. Christman, Township Manager  
Marie Sirkot, Administrative Assistant  
Mary C. Eberle, ICDA Solicitor  
Julie Echterling, Recording Secretary

#### ABSENT:

E. Christopher Abruzzo  
Matthew S. Wildasin

### Public in Attendance:

Ryan Mentzer, Eckert Seamans, Lou Verdelli, Raymond James, Ryan Brockman, Raymond James, Ryan Gorder, McNeese Wallace & Nurick, Lori Althoff, Diana M. Reed & Associates

### ADOPTION OF MINUTES

Mr. Shaffer noted that there were to be estimates provided in regard to the seats at the Giant Center. He has not received them since the last meeting. Mr. Christman will follow up.

Board Member Shaffer made a motion to adopt the Meeting minutes from the ICDA meeting on October 20, 2022. Board Member Franklin seconded the motion. **Motion passed 3-0.**

### VISITOR/PUBLIC COMMENTS

There were no comments offered.

### ANY BUSINESS TO COME BEFORE THE BOARD

#### Resolution No. 2022-01 - Authorizing the Undertaking of a Project Consisting of the Amendment of Certain Loan Documents of the Authority to Provide for a Transition from LIBOR to a Successor Rate for the Intermodal Facility.

Mr. Christman spoke about the need to change the language in the loan documents regarding the LIBOR. Mr. Louis Verdelli, Raymond James, discussed how the LIBOR rate is used to set rates and

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how it is being phased out as of June 30, 2023. PNC Bank is requesting the changes be made to the loan documents prior to the end of the year. This will require a change to the loan documents to reference a new measure. He discussed the five loans that need to be changed. He noted this change would have no impact on the debt services.

He discussed the loans for the Hershey Museum, Intermodal Facility, and the Giant Center. He went over the terms of each loan, variable rate formula, and the fixed rates. He spoke about the loan and the swap formula and how it would not change the fixed rates. Mr. Ryan Gorder, McNees, Wallace & Nurick, and Mr. Ryan Mentzer, Eckert Seamans, spoke about the legal documents that need to be changed and each Resolution for the loans, including the swaps. They discussed the swaps that would be needed for each loan and how it would work. Discussion ensued.

Board Member Franklin made a motion that the Derry Township Industrial & Commercial Development Authority adopt Resolution No. 2022-01 to authorize the execution of amending certain loan documents of the Authority and related actions thereto to provide for a transition from the LIBOR rate to a successor rate for the 2016 Intermodal Facility Loan and an Amendment to the swaps for the 2016 Intermodal Facility. Board Member Shaffer seconded the motion. **Motion carried 3-0.**

### **Resolution No. 2022-02 - Authorizing the execution of the First Amendment to the 2007 and 2008 Hershey Museum Loan Agreements dated as of June 26, 2007, and May 09, 2008, respectively.**

Board Member Franklin made a motion that the Derry Township Industrial & Commercial Development Authority adopt Resolution No. 2022-02 to authorize the execution of amending certain loan documents of the Authority and related actions thereto to provide for a transition from the LIBOR rate to a successor rate for Hershey Museum Loan Agreements dated as of June 26, 2007, and May 09, 2008, respectively, including an amendment to the swap agreement. Board Member Shaffer seconded the motion. **Motion carried 3-0.**

### **Resolution No. 2022-03 - Authorizing the execution of the First Amendment to the Loan Agreement for the 2019A Note, A First Amendment to the Loan Agreement for the 2019B Note and an Amendment to the Swaps for the Giant Center.**

Board Member Franklin moved that the Derry Township Industrial & Commercial Development Authority adopt Resolution No. 2022-03 to authorize the execution of amending certain loan documents of the Authority and related actions thereto to provide for a transition from the LIBOR rate to a successor rate for the 2019 A Note, 2019 B Note, and the Swap agreement for the Giant Center. Board Member Shaffer seconded the motion. **Motion carried 3-0.**

## **VISITOR/PUBLIC COMMENTS**

There were no public comments offered. Mr. Verdelli noted that there is another ICDA bank loan for the Fire Station. He stated this loan does not have to be changed because it does not contain the LIBOR rate. He also noted, after speaking with HE&R this week, that the PILOT payment should be issued tomorrow.

## **ADJOURNMENT**

Board Member Franklin made a motion to adjourn the meeting at 6:45 p.m. Board Member Shaffer seconded the motion. **Motion carried 3-0.**

**SUBMITTED BY:**

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Christopher S. Christman, Assistant  
Secretary/Treasurer