

Pennsylvania Economic Development Financing Authority

June 19, 2013

A meeting of the Pennsylvania Economic Development Financing Authority (PEDFA) was held June 19, 2013 after proper notice was given pursuant to the terms of the Act of July 3, 1986 (the "Sunshine Act"). The meeting was held in PUC Hearing Room #5, Commonwealth Keystone Building, 400 North Street, Harrisburg, Pennsylvania at 11:00 a.m.

The following Board Members were present: the Honorable Carolyn Boser-Newhouse, for the Honorable C. Alan Walker; the Honorable Glenn Moyer; Gwenn Dando, for the Honorable Julia Hearthway; Richard Harper; and Thomas Petrone.

The following Board Members present via telephone: Robert Kane; Franklin Schoeneman; Helen Billak; Nicholas Haden; Timothy Johnson; and Ronald Brown.

The following DCED staff members were present: Christopher Houston, Esq., Office of Chief Counsel; Stephen Drizos, Executive Director, Center for Private Financing; Brian Deamer, Center for Private Financing and Melanie Clark, Center for Private Financing.

Ms. Newhouse called the meeting to order at 11:00 a.m.

It was moved by Mr. Harper and seconded by Mr. Petrone that the Board approve the Minutes of April 17, 2013. The motion carried.

NEW NGC, INCORPORATED

Mr. Deamer stated, "The first project under consideration is New NGC Incorporated d/b/a National Gypsum Company, which is located in Beaver County.

National Gypsum is a privately held company headquartered in Charlotte, North Carolina. Nation Gypsum Company is the nation's second largest manufacturer and supplier of gypsum wallboard and related products, with an estimated US market share of 23%.

The project consists of a tax exempt bond issuance in a principal amount not to exceed \$90,000,000. The proceeds of the bonds will be used to finance (1) the installation of a stucco cooling process at the Borrower's 399,620 sq. ft. facility located at 168 Shippingport Road, Shippingport, PA, for the manufacture of gypsum wallboard using by-product gypsum recycled from calcium sulfite waste, (2) the current refunding of PEDFA Exempt Facilities Revenue Bonds, 1997 Series A and Series B and (3) the costs of issuing the Bonds. The proceeds of the Prior Bonds were used to finance or refinance the costs of constructing and equipping the Facility.

If approved by the Board, we would recommend PEDFA Exempt Facility Revenue Bonds, 2013 Series A in an aggregate amount not to exceed \$90,000,000.

Alex Nagy, Bond Counsel from Ballard Spahr and Dick Parkhurst, Treasurer of National Gypsum are on the phone to answer any questions.”

It was moved by Mr. Petrone and seconded by Mr. Harper that the Board approve PEDFA Exempt Revenue Facilities Revenue Bonds, 2013 Series A (National Gypsum Company, Shippingport Project) in an aggregate amount not to exceed \$90,000,000. The motion carried.

UPMC PROJECT

Mr. Deamer stated, “The University of Pittsburgh Medical Center (UPMC) is located in various counties and municipalities throughout Pennsylvania.

They are a national leading integrated health enterprise primarily serving residents of western Pennsylvania. The project will provide funds for capital expenditures at the various locations for the current or advanced refunding of the Hospital Revenue Bonds Series A of 1998 and the original principal amount of \$60,705,00, of which \$23,490,000 which is currently outstanding. Also, it will be for the current or advanced refunding of the Blair County Hospital Authority Fixed Rate Revenue Bonds 2009 in the principal amount \$66,645,000, of which \$57,790,000 is currently outstanding. Also, for the Erie County Hospital Authority Revenue Bonds Series 2010 A and the Erie County Hospital Authority Revenue Bonds Series 10B and the Erie County Hospital Authority Revenue Bonds Series 2010 C, in the aggregate principal amount \$35,000,000, of which \$28,415,000 is currently outstanding. Also for the payment of all or a portion of the related financing costs.

The Capital Projects being financed with proceeds of the bonds constitute healthcare facilities and equipment owned and or operated by UPMFC or one of its affiliates which are located in various counties throughout Pennsylvania.

If approved by the Board we recommend PEDFA UPMC Revenue Bonds Series 2013A and UPMC Revenue Refunding Bonds, Series 2013B, in aggregate principal amount not to exceed \$325,000,000.

Mr. Heppenstall is here from UPMC, as well as, Sara Davis Buss Bond Counsel from Campbell & Levine.”

Mr. Heppenstall stated, “We would like to thank the Authority. The bonds will be in two series. It is very convenient to have one issuer because of all the various locations that we have.”

Mr. Moyer stated, “I am glad to see the amount of capital investment.”

It was moved by Mr. Moyer and seconded by Mr. Petrone that the Board approve PEDFA UPMC Revenue Bonds, Series 2013A and UPMC Revenue Refunding Bonds, Series 2013B, in an aggregate principal amount not to exceed \$325,000,000. The motion carried.

WASTE MANAGEMENT PROJECT

Mr. Deamer stated, “Waste Management of Pennsylvania, Incorporated is a project that has various sites in municipalities and counties throughout Pennsylvania.

The Project consists of financing for improvements to existing permitted solid waste landfill facilities, including but not limited to, construction of new disposal cells and liners within currently permitted acreage, additions and improvements to the leachate collection and treatment system including leachate trenching and additions and improvements to the methane gas system, installation of new liners for intermittent and final closure of completed sections of the landfill facilities. Improvements to collection transfer station and or material recycling facilities, including but not limited to site and or land improvements. The project may also include payment of all or a portion of the costs of issuance of the bonds that may include the costs of funding the debt service reserve fund and the costs of credit enhancement or support for the Bonds.

If approved by the Board we recommend PEDFA Solid Waste Disposal Revenue Bonds, Series 2013 in an amount not to exceed \$100,000,000.

Several people are on the phone involved with the Waste Management Project; Devina Rankin, Treasurer with Waste Management, Jeff Bennett, Asst. Treasurer with Waste Management, Ramon Rodriguez, Treasury Analyst with Waste Management, Lawrence Tonomura, Underwriter with Bank of America and Lee McCormick, Borrower's Advisor with Community Development Associates and with us in person is Donna Kreiser, Bond Counsel with McNees Wallace & Nurick. They are here if the Board has any questions."

Ms. Newhouse stated, "I think your company as well as the other applicants that have been here are to be commended for taking the initiative and risk associated with helping us with economic development recoveries in the Commonwealth. We thank you for your interest in utilizing the services of PEDFA."

It was moved by Ms. Dando and seconded by Mr. Petrone that the Board PEDFA approve Solid Waste Disposal Revenue Bonds Series 2013 in an amount not to exceed \$100,000,000. The motion carried.

ADJOURNMENT

It was moved by Ms. Dando and seconded by Mr. Harper that the Board adjourn.