

Delaware Sustainable Energy Utility
Meeting of the Oversight Board
Haslet Armory – 122 William Penn Street – Room 133
Dover, DE 19901
September 19, 2013 – 9:30 A.M.

1. Welcome

Board Chair Senator Harris McDowell called the meeting to order at 9:30 AM. Present were Dr. Charles Wagner, Ismat Shah (teleconference), Sec. Collin O'Mara, Joseph Schorah, and Kristopher Knight, and David Bonar. Also present Tony DePrima, Executive Director.

2. Approval of Minutes

a. September 19, July 18, 2013 – Retreat - A motion was approved unanimously to adopt the minutes of the July 18, 2013 Retreat meeting previously circulated.

b. July 18, 2013 – Executive Committee – A motion was approved unanimously to adopt the minutes of the July 18, 2013 meeting previously circulated.

3. Introduction and Report – Accountant, Tammy Ordway – Faw Casson – Ms. Ordway thanked the members and briefed the board on planned activities. She indicated that Faw Casson is looking forward to working with the SEU.

4. SEU Business

a. Committee Appointments – A motion was approved unanimously to adopt the Committee Appointments as submitted (**Attachment 1**).

a-1. Discussion of Bond for State Agencies and Schools – Senator McDowell accentuated the importance of partaking in a second tax exempt bond.

Mr. Wagner motioned that the Tax Exempt Bonds for State agencies and school districts is a high priority of the SEU and should take priority over other financing options which should only be used when bonds are not an option, seconded by Mr. Bonar and unanimously carried.

Additionally, Senator McDowell suggested a need to incent schools districts and state agencies to proceed with investment grade audits. Mr. Bonar motioned that the Executive Director develops and presents to the Board an incentive program for state agencies and school districts to pursue investment grade audits and that \$1M of RGGI funds be reserved for this program. The motion was seconded by Dr. Wagner and unanimously carried.

b. Home Performance with Energy Star RFP – Mr. DePrima informed members that five firms respond to the Request for Qualifications (RFQ), of which four were qualified; and three were invited to participate in a more detailed Request for Proposals (RFP). Mr. DePrima reminded members that the Board approved a \$2.5 million dollar annual budget for the three (3)

year proposal. RFP were sent to the three companies of which two responded: ICF and Conservation Service Group (CSG). An energy consultant with experience in this area was engaged to assist in the preparation and evaluating the RFP's. Also enlisted to assist in the review process were two knowledgeable employees of the Division of Energy and Climate and an energy contractor\auditor with prior knowledge of the program.

As depicted in the summary provided to Board members, Mr. DePrima recommended that he be authorized to enter into contract negotiations with ICF and bring the final design and proposal to the Board for approval.

Secretary O'Mara emphasized the importance for the SEU to reach out to Delmarva Power and solicit a joint partnership during the implementation of the Home Performance with Energy Star Program.

After much discussion, Dr. Wagner motioned to authorize the Executive Director to enter into contract discussions with ICF, seconded by Mr. Schorah and unanimously carried.

c. Delaware Green Valley Building Council (DGVBC) – Green Ribbon School Proposal –

Mr. DePrima introduced this program as a pilot program to incent eight (8) schools to get involved in energy savings and capitalizing on a nationally recognized program; Green Ribbon Schools Program. Ms. Janet Milkman, Executive Director and Hollie Shields, LEED Green Associate from the DGVBC presented a Power Point Presentation (**Attachment 2**) depicting an overview of the DGVBC, roles of the DGVBC and the SEU, and benefits of the proposed pilot program.

Dr. Wagner motioned to authorize the Executive Director to negotiate a contract for services with the Delaware Valley Green Building Council and reserved a total of \$87,000 to develop and implement a "Pathway to Green Schools" pilot program that encourages K-12 schools in Delaware to reduce their energy use, become greener, healthier environments to learn and work in, and improve their chances of being competitive for the national Green Ribbon Schools award. The motion was seconded by Mr. Schorah and unanimously carried.

d. Consideration of Statements – A motion was made by Mr. Bonar to pay the following statements, seconded by Dr. Wagner and unanimously carried.

i. F. Murphy Legal Services – June & July 2013 - A motion was made and approved unanimously to approve the June 2013 (\$3,420.12.20) and July 2013 (\$1,970.96) legal statements.

ii. Faw Casson – July 2013 - \$600

iii. NW Financial – June and July 2013 – June \$4,856.06 and July \$2580.00

iv. Applied Energy Group (AEG) June and July 2013 – June \$3,701.26 and July \$616.88

v. Energy Services Group – Green For Green Measure Protocol - \$1,660

vi. Out of the Box – August 2013 - \$175

vii. Energy Transition Consulting, LLC – August 2013 - \$1,950

e. Modifying Fiscal Year – As directed by the Board during the Retreat, the Executive Director investigated the details in having the Sustainable Energy Utility operate on a fiscal year that mirrors the State of Delaware; from June 30 to July 31, instead of the current calendar year. After consulting with the SEU’s accountant and auditor, the SEU would be required to submit a short audit and short financial report to the IRS that would account for the six month transitional period. The estimated cost of modifying the fiscal year is approximately \$8,000. Secretary O’Mara authorized the Executive Director to move forward with modifying the SEU’s fiscal year, seconded by Dr. Wager and unanimously carried.

4. Reports

a. Executive Director’s Reports – Mr. DePrima reviewed the new format for the budget reports that are now prepared by Faw Casson.

i. Budget Reports 2013

ii. Activity Report for May, June, July, August 2013

5. New Business/Old Business

None

6. Public Comment

7. Adjourn

A motion to adjourn was passed unanimously at 10:50 AM.