

Delaware Sustainable Energy Utility
Loan Committee
DE Sustainable Energy Utility Office
500 W. Lookerman Street, Suite 400, Dover, DE 19904

January 5, 2017 – 10:00 a.m.

Members present were: Kristopher Knight (teleconference), Dave Bonar (teleconference), Doug Bacher, NW Financial Group (teleconference), Brent Shaffer, Young Conaway Stargatt & Taylor, LLP (teleconference), Trey Paradee, Anthony J. DePrima, and Suzanne Sebastian.

1. Review Loan Application – The Delaware Stadium Corporation (Frawley Stadium) – Mr. DePrima informed members that the loan request being reviewed from The Delaware Stadium Corporation (DSC) was tabled by the Loan Committee on November 15, 2016. As a reminder the DSC is proposing to install energy efficiency lighting for the Frawley Stadium and parking lot, HVAC systems in the stadium suites, and a new hot water heating system for the stadium. The cost of the energy upgrades is estimated at \$1,217,061. Funding for the upgrades will come from a DESEU loan, in the amount of \$1,176,216, a \$35,845 DNREC grant, and a \$5,000 cash contribution from DSC. Estimated savings range from \$74,417 in the first year to \$120,690 in year 20, totaling \$1,883,445 over 20 years. This includes maintenance savings and assumptions by Trane to provide for the inflation of energy costs.

Several committee members shared concerns regarding the five (5) year lease agreement. For clarification purposes, Mr. DePrima stated that the DESEU would be the primary lien holder on the property. Additionally, the lease that the Blue Rocks have on the stadium extends beyond the term of the loan.

Mr. Bacher provided members with additional financial information, and is confident in recommending approval of the loan.

Mr. Bonar moved to approve the loan to The Delaware Stadium Corporation (Frawley Stadium) in an amount of \$1,176,216 at 2% interest rate and a term of twenty (20) years with the conditions set forth in Mr. Bacher's memo dated October 24, 2016 and the loan guarantee by the Blue Rocks. The motion was seconded by Mr. Paradee and unanimously carried.

Meeting adjourned at 10:25 AM.