

**CITY OF NEWARK  
DELAWARE**

**COUNCIL MEETING MINUTES**

**June 15, 2020**

Those present at 7:00 p.m.:

Presiding:	Mayor Jerry Clifton District 1, James Horning District 2, Sharon Hughes District 4, Chris Hamilton Deputy Mayor Stu Markham, District 6
Absent:	District 3, Jen Wallace District 5, Jason Lawhorn
Staff Members:	City Manager Tom Coleman City Secretary Renee Bensley City Solicitor Paul Bilodeau Finance Director David Del Grande Assistant to the City Manager Jeff Martindale

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1. Mr. Clifton called the meeting to order at 7:00 p.m.

2. **SILENT MEDITATION & PLEDGE OF ALLEGIANCE**

Mr. Clifton asked for a moment of silence and the Pledge of Allegiance.

Mr. Clifton explained the procedures for the GoToMeeting Platform. He stated that at the beginning of each item, he would call on the related staff member to present and, once the presentation was complete, he would call on each Councilmember in order of district to offer their comments. If a Councilmember had additional comments to add later, they should signal Ms. Bensley through the GoToMeeting chat function. Members of the public wishing to comment on an agenda they should also signal Ms. Bensley through the chat function with their name, district or address, and the agenda item on which they would like to comment. He noted that for participants logged in by phone, names would only appear as Caller One, Caller Two, et cetera, so it was imperative that the participants inform Council of their identities. He stated that all lines would be muted until individuals were called to speak. All speakers were required to identify themselves prior to speaking and, in compliance with the executive order on teleconference meetings by Governor Carney, votes would be taken by roll call.

3. 1. **FINANCIAL STATEMENT:** None

4. 2. **SPECIAL DEPARTMENTAL REPORTS:**

A. General Assembly Update and Associated Requests for Council Direction – Lobbyist (30 minutes)

**2:20**

Rick Armitage, Lobbyist, reported with regard to the COVID-19 pandemic that Phase II started on June 15. There was much more leeway for businesses and many other services. He noted there was a decrease to 88 hospitalizations statewide. He noted DEFAC will meet June 17 and will include these numbers when crafting a budget moving forward. He said the Senate will meet June 16 at 2:00 p.m. with a consent agenda. He believed there to be no items that would create any problems for Newark. He noted there was a one piece of legislation that was vetted with the City Secretary and he believed it did not rise to the level that objections would be made. The bill continued the ability for municipalities and meet virtually. He reported the House will be June 18 at 4:00 p.m. Also, on June 18 the Bond Committee will meet again and start to craft numbers as they will have the DEFAC revenue forecast. The Joint Finance Committee was scheduled to do Grant in Aid on the June 22. Members have been lobbied asking for an appropriation to Newark to help with the tax-exempt properties. The same number that was appropriated last year should happen again this year. He believed that to be good news but will continue to monitor the matter and lobby the members to ensure the necessary votes are garnered. He noted there was no additional news around the reassessment case due to the closure of the courts and the case had

essentially been stayed until the fall. There will not be any new scheduling or presentation of briefs by the affected parties until that time.

Mr. Clifton thanked Mr. Armitage and opened the floor to questions from Council.

Mr. Horning thanked Mr. Armitage for the update. He hoped the Grant in Aid can remain at the \$400,000 that was allotted last year. He believed at the Bond Bill Committee hearings that UD may have had some difficulty going through the process, but he understood that had been resolved. He added if that was indeed the case, he does not need any further follow up. He believed the City was a partner in the economy with UD and if further help was needed, he asked interested parties to reach out.

Ms. Hughes said she was impressed with the decline of COVID-19 numbers. She asked what the highest number of hospitalizations were at the peak. Mr. Armitage believed it to be 339 approximately. He will forward the exact number to Council. She thanked Mr. Armitage for all his updates.

Mr. Hamilton believed Mr. Armitage's report relayed good information all around.

Mr. Markham asked if he missed any updates on the federal delegation and what they are doing to reimbursement for state and municipalities. Mr. Armitage said he did not report any updates as he did not have any additional news. He believed Senator Coons had promised that after the session last week it would be at least three weeks before they were any compromises that would move some money back out to the states.

Mr. Clifton thanked Mr. Armitage for his updates and had nothing further to add.

There was no public comment.

**5. 2-B. APPOINTMENT OF DEPUTY CITY SOLICITOR – CITY SOLICITOR (15 MINUTES)**

**9:52**

Paul Bilodeau, City Solicitor, reported his firm, Losco & Marconi, was recommending the appointment of Robert J. O'Neill, Jr. as Deputy City Solicitor. Mr. Bilodeau noted he submitted a letter and a short biography to Council that was included in their packet. Mr. Bilodeau highlighted some points contained in that information including that Mr. O'Neill has served the State of Delaware as a prosecutor for approximately 31 years. Mr. O'Neill has been recognized as a leader in his field as Delaware prosecutor and throughout the country. He has excellent training in that role. Mr. Bilodeau added Mr. O'Neill is an educator and has served as one of Lt. Rubin's (NPD) professors at UD. Mr. Bilodeau stated Mr. O'Neill was a well-respected member of the Delaware Bar Association. Mr. Bilodeau said he knows him well and cannot say enough good things about him. It was Mr. Bilodeau's opinion the City will be in good stead with Mr. O'Neill as Deputy City Solicitor. Mr. Bilodeau noted this will allow Losco & Marconi to continue to provide cohesive and coordinated legal service to the City of Newark. Mr. Bilodeau stated Mr. Losco and Mr. O'Neill were available to answer any questions.

Mr. Clifton opened the floor to questions from Council.

Mr. Horning said as a Council member he was pleased with Losco & Marconi's representation of the City. He said as a fellow member of the Delaware Bar Association he can also attest to Mr. O'Neill's reputation. He noted the City of Newark was in a unique circumstance of having the University within the City limits and offered the invitation to Mr. O'Neill if he had suggestions on ways to improve and even strengthen the partnership with UD to please bring those ideas forward.

Ms. Hughes noted she appreciated Mr. Horning's comments and believed Mr. O'Neill had a good history in Delaware and has been quite successful in his roles.

Mr. Hamilton welcomed Mr. O'Neill to the team and believes Mr. O'Neill will enjoy working in Newark.

Mr. Markham asked if Mr. O'Neill would be content working with the City's Alderman Court as the cases may not be as challenging as the higher court that Mr. O'Neill worked in previously. Mr. O'Neill replied that he understood and had confidence in his ability to work successfully in Newark's Alderman Court. Mr. Markham asked for confirmation on Mr. O'Neill's municipal law background as he noted he will be Mr. Bilodeau's back-up at the dais when Mr. Bilodeau is not available. Mr. Bilodeau stated he in his and/or Mr. O'Neill's absence they do have a great back-up with Mr. Losco and Mr. Marconi from the firm as they both have municipal experience. He added Mr. Losco was currently the solicitor for the City of New Castle and had been previously for Delaware City. Mr. Bilodeau noted until Mr. O'Neill can be

brought up to speed on municipal matters, Mr. Bilodeau will use Mr. Losco or Mr. Marconi if a backup was needed. Mr. Markham said this process fits the normal precedent over the years of sharing resources between the City Solicitor and the Deputy City Solicitor.

There being no further questions from Council, Mr. Clifton opened the discussion to public comment.

Ms. Bensley stated Geena George had signed up to speak.

Geena George, former Deputy City Solicitor, asked Council to vote no to appointing Mr. O'Neill as Deputy City Solicitor. She did not wish to disparage Mr. O'Neill as he was an experienced prosecutor. Ms. George went on to say that she was UD graduate and believed that it would be in the City's best interest to reappoint her as Deputy City Solicitor. Her reasons were as follows: she believed continuity was very important as had done the job for the last two years and believed it was a job she had done well. She noted the good relationship she had with NPD and UDPD and stressed she had always been willing to take cases to trial. She believed the optics of diversity was important as well. She reminded all she was the first female Deputy City Solicitor in Newark, noted it has always been a point of pride for her and believed it was as well for the City. She believed this was not an insignificant point. She stated that Council was entrusted with taxpayer dollars and noted the Deputy City Solicitor position had been traditionally been paid \$125 per hour. Ms. George said she was willing to do the job for \$100 per hour. She noted when she and Mr. Bilodeau held the position, approximately 60-80 hours per month were formulated with the position. She noted with her reduced rate it would save the City \$18,000-\$24,000 annually. She reiterated the importance of saving taxpayer money should be the utmost priority. She noted on a personal note she was passionate about the role of Deputy City Solicitor and would consider it a tremendous honor to be reappointed.

There were no further public comments.

Mr. Clifton noted he wanted to note it for the record the current Alderman was a female and the Deputy Alderman was African American male. He believed the City court to be very diversified as it has been for seven or eight years. There were no further questions from Council.

Mr. Horning noted it was his understanding Ms. George was no longer employed by Losco and Marconi firm. Mr. Bilodeau and Ms. George confirmed the same. Mr. Horning appreciated the work of both Mr. Bilodeau as City Solicitor and Ms. George as Deputy City Solicitor. He believed there was a benefit and advantage to the citizens of having the continuity with Losco & Marconi.

MOTION BY MR. HORNING, SECONDED BY MR. HAMILTON: THAT COUNCIL APPOINT ROBERT J. O'NEILL, JR. AS DEPUTY SOLICITOR.

MOTION PASSED. VOTE: 5 to 0.

Aye – Clifton, Hamilton, Horning, Hughes, Markham.

Nay – 0.

Absent – Lawhorn, Wallace.

**6. 2C. SEIBERLICH TRANE HVAC/ENERGY EFFICIENCY UPGRADES REPORT (RFP 19-01 (CIPs N1901 AND N1603)) – ASSISTANT TO THE MANAGER /SIEBERLICH TRANE (60 MINUTES)**

**23:40**

Jeff Martindale, Assistant to the City Manager introduced Seiberlich Trane Energy Services to present their proposal (copy entered into the record) for the HVAC Upgrades and Energy Efficiencies Project associated with RFP 19-01 as well as CIPs N1901 and N1603 and N2003. The CIPs encompass HVAC projects at the George Wilson Center and municipal center as well as roofing repairs across various flat roof City buildings.

Mr. Clifton reminded everyone the desired outcomes of this discussion was to provide direction to the City Manager on this topic.

Mr. Martindale explained this was the third time has brought a Seiberlich Trane item to Council since September 2019. He added staff will return to Council next month for the formal award of the design construction services associated with this project, provided tonight's presentation goes well. He noted the George Wilson Center HVAC upgrades were complete as of early June and have been greatly enjoyed by staff as well as Council members that toured the facility last week.

Doug Edwards, Seiberlich Trane Project Manager stated the objection was to walk Council through what the project had encompassed over the last months with the engineering process and provide an overview prior to next month's final approval. He stated the project acronym often used was ESCO projects.

Mr. Edwards explained they are about 35% through the entire process and noted the investment grade audit always takes about 9-10 months to compile the data, run the calculations and review the alternative project options and different recommendations, etc. The construction phase will take about 12-16 months. The life of the equipment provided in the project will be 20+ years as will the energy savings and the operational savings for the City. Solar systems could possibly project out to 30 years.

Mr. Edwards reported the ESCO Project Financing Models have been around for quite some time. He noted the new HVAC systems are very efficient and new lighting systems are more efficient as well. He added if financing is used it is intended to be done in such a way that the energy cost savings and maintenance cost savings outweigh the debt service.

He detailed the steps in the process which started with the investment grade audit and added nothing can be based on assumptions as the energy savings have to be guaranteed. The investment grade audit also included:

- Very detailed, comprehensive technical audit of the buildings;
- Understanding how each building uses energy, including data collection, utility analysis and modeling;
- Prioritization of various ways to improve the facilities and save energy ("ECM"); and
- Determination of hard cost and financial benefits of each potential ECM.

Mr. Edwards said his firm will return to the facilities once a year for twenty years after the completion of the project to take measurements with the intent to validate the energy savings are still being realized.

Mr. Edwards offered information on their company, part of the national company Trane, and said they are a national ESCO and buildings technology company. Seiberlich Trane Energy Service was the locally owned Delaware Trane commercial office. He explained the ESCO projects are a core part of their business. He detailed local Seiberlich Trane ESCO projects, including Boys & Girls Clubs of Delaware, Delaware Children's Museum, Chase Center on the Riverfront and Red Clay Consolidated School District.

Mr. Edwards detailed the DNREC Energy Efficiency Investment Fund (EEIF) Program. The program awards grants to energy projects based on a variety of performance metrics. It recognizes energy savings and sustainability initiatives including emissions reductions and provides extra incentives and bonus grants for larger and comprehensive "multi-measure" projects such as the City of Newark project. He added the program had been upgraded in the last year to include a higher award level. His company was projecting close to a \$1 million and believe this project will get the grant from DNREC. He noted they are in the application process and anticipate an award letter coming from DNREC. They have done numerous applications with DNREC and are very familiar with the process and programs.

Mr. Edwards recapped the project requirements which included the design/build contract. They would arrange financing so it would include guaranteed fixed pricing and no change orders afterwards. They are guaranteeing the cost and the outcome. They were originally considering some state programs but recently found that some private banks were currently more competitive with financing programs. The financing options will be worked out for the next meeting and they will provide a recommendation including the financing parameters. They hope to have a final grant amount as well at the next meeting.

Mr. Edwards noted one of the most important aspects of the project development principles would be environmental stewardship. He added they are huge proponents of solar power and because of the decrease in cost over recent years it has made it quite viable to include in these projects. Mr. Edwards reported City staff were very helpful during the whole process as was Finance Director, David Del Grande to address the necessity of being fiscally conservative.

The buildings/facilities included for consideration were as follows:

- |                                    |                    |                         |
|------------------------------------|--------------------|-------------------------|
| • Municipal Building including NPD | • Maintenance Yard | • Water Treatment Plant |
| • George Wilson Community Center   | • Municipal Lots   | • Electric Utility Grid |
|                                    | • Street Lighting  | • EV Charging           |
|                                    | • Reservoir        |                         |

Mr. Edwards noted not all have scope but he will provide further detail. He reported all cost estimates were verified by installing contractors and savings estimates verified by a third-party engineering firm that specialize in this work. All assumptions were validated by field observation including data collection. Multiple factors of safety were built into calculations and the economic model.

Mr. Edwards offered detail on how they decide on Energy Conservation Measures (ECM's) and noted there was a cost benefit analysis of every ECM to determine the following:

- Does it address a current need?
- Does it bring operational benefits?
- Does it avoid an upcoming capital project?

Mr. Edwards said he knows the City puts a great deal of effort into their Sustainability Plan. He noted the pure energy savings of all the measures will be quite significant. The carbon footprint especially with the solar that is included will really come down. They will supply all the data behind of all this and will work with the City's sustainability committee to ensure the benchmarking and energy data tracking initiatives were included. They will be a constant present resource until year three after the project was complete. He reported they have been meeting bi-weekly for the last nine months with intermittent telephone calls as well. He thanked Jeff Martindale and Dave Greenplate for their information gathering and patience during the process. He noted they are evaluating on life cycle not cost exclusively as they want a project that will cost less over 20 years not less upfront.

The following systems were the focus:

- HVAC Systems and Building Automation
- LED Lighting (buildings, street lighting)
- Lighting Controls
- Smart City
- Solar Power
- Roofing
- Water Pumping
- Waste Oil Power Generation

Mr. Edwards said they were made aware of the George Wilson Center's HVAC deficiencies and noted the priority to complete that portion of the project. The hope was to have it done ahead of the summer and that portion of the project went well.

Jeff Martindale reported he had posted on Facebook to let the public know the HVAC systems has been updated and there were many positive reviews from residents.

Mr. Edwards added the next step of the project was the installation of LED lights into the George Wilson Facility. The roof will be replaced as well to include a solar array on top of the center. Due to the historic nature of the building accommodations will be made to maintain the integrity of the exterior.

Mr. Edwards stated the next portion of the project, the Police/Municipal Complex was communicated to them as priority number one and included the following upgrades and modifications:

- Major HVAC and Building Automation Upgrade
  - HVAC original to 1973/74 construction for Municipal Building and 1992 construction for Police Building
- New roof for municipal building, partial for police building (existing roof end of life, had many issues)
- New solar photovoltaic rooftop array
- Retrofit lighting interior, exterior and parking lot with LED lighting

Mr. Edwards detailed the NPD building and noted the following deficiencies with their system:

- HVAC Chiller (heart of the cooling system) was at the end of its life as it had been installed in 1992 and was having problems;
- Cooling Tower in need of refurbishment, new structural steel (current supports rusted out);
- Balancing and airflow issues;
- Poor building automation control; and
- Subpar comfort control, subpar energy performance, maintenance nuisance.

After detailed discussion of the system deficiencies he offered the following upgrades to the NPD HVAC system:

- New high-efficiency chiller w/ environmentally friendly refrigerant (new focus on this environmentally friendly option);

- Cooling Tower servicing, improved efficiency;
- New air distribution, balancing, commissioning;
- New, modern building automation system; and
- Fix comfort control, improved energy performance, maintenance relief.

He continued with the municipal building and noted the problems associated with this side of the building are largely the same as NPD. He noted the system was an old “boiler” that provides hot water heat. He provided pictures to show the terrible deterioration of the mechanisms associated with the system. He said the Chiller and Cooling Tower were in need of refurbishment and overhaul. These were newer and not original to 1973. The building was badly in need of completely new air distribution, VAV boxes, ductwork, and pneumatics. He noted there was very poor building automation, subpar comfort control, subpar energy performance, and it was a maintenance nuisance

He reported with respect to the chiller and cooler tower at the municipal building, refurbishment of the chiller and cooling tower was possible as they are newer, the equipment was good and replacement was not necessary. However, he noted the duct work will be removed as well as the diffusers, VAV boxes, controls and zoning and replace it with a new automated system. These improvements will improve energy performance, fix the major issues with comfort control, and alleviate many maintenance issues.

Mr. Edwards continued with the next piece of the project, the maintenance yard. He said the roof and the end of the Parks and Recreation Admin Building will have to be removed. It will be replaced with a new solar photovoltaic rooftop array (red roof). There will also be new retrofit LED lighting throughout to include the exterior and parking lot.

The parking lot lights at the municipal lots will include LED lighting retrofits and inclusion in street/site lighting controls network. They explored EV charging (to extend Newark’s recent progress in procuring several EV charging stations), but the team felt that additional stations would not be beneficial in the short term

The “pedestrian” lighting (street lighting) that included the 826 existing decorative pole topper style pedestrian lights will be replaced with LED lights with a ten year warranty and was a tier one product that has the best reliability available and will use half the energy use of the existing system. Lighting controls for the 2,000 cobra head streetlights, 826 decorative pole topper lights and 73 parking lot lights will have Verizon control nodes and provide dimming on/off automation that includes maintenance alerts and other capabilities.

The solar summary will include the following photovoltaic installations:

- |                                      |   |
|--------------------------------------|---|
| • Reservoir Adjacent Land – 429.3 kW | • Parks and Rec Rooftop – 56.9 kW                   |
| • Police/Muni Rooftop – 111.5 kW     | • Maintenance Pole Barn (Red Roof) Bldg. – 228.2 kW |
| • George Wilson Rooftop – 46 kW      |   |

Mr. Edwards said the environmental impact is significant and can be equated to 478 cars permanently off the road. He noted further comparisons can be found on the EPA’s website: EPA.gov. He added the common equivalent comparison was the annual metric tons of CO2 greenhouse gas emissions and this project will equate to avoiding 2,211 annual metric tons of CO2.

Mr. Edwards said the proposed financing terms are as follows:

- 20-year term loan via Bank of America (the State of Delaware uses Bank of America)
- 2% to 2.5% interest rate
- 100% financing (net of grants)
  - \$8.5MM project gross cost, before \$1MM DNREC grant
  - \$7.5MM total net costs financed
- Cost savings (energy & operational) guaranteed by ESCO (STES)

Grants and Incentives are as follows:

- **DNREC EEIF Grants**
  - \$1,000,000+ anticipated grant award (application pending approval)
  - \$17,500 assessment grant award (application submitted and approved before IGA started)
- **Annual Solar SREC Credits**
  - Earned by production of power (even if self-used on site) via solar array
  - New annual revenue stream

Mr. Edwards noted the 850kw solar total size across the systems would compare to about four times the solar load put out by McKees solar park and McKees makes up about .065% of the total electric portfolio.

In conclusion, he said the next steps will be to return to Council for a final presentation on July 13, 2020 with the final numbers. They will also incorporate feedback that occurred at this evening's meeting. They will submit a technical report and draft agreement to the City; prepare and submit the DNREC EEIF grant apps and work with the bank on financing.

Mr. Clifton thanked Mr. Edwards for his presentation and reported he toured the George Wilson Center recently and said the enhancements are impressive. He reminded Council Mr. Del Grande was available for questions and noted members from the Conservation Advisory Commission are available for questions as well.

Mr. Clifton opened the floor to questions from Council.

Mr. Horning asked about related Document #2 and #3 and noted it was a breakdown of the City of Newark Energy Performance contracts summary data table. Mr. Horning asked if the ECM implementation costs reference debt financed (\$7 million). Mr. Edwards confirmed same. Mr. Horning asked for clarification in the last column of related Document #2 and asked what the difference was between the red, yellow and green columns. Mr. Edwards said the items detail the concept of under 15 years simple payback it is classified by green. If it is between 15 and 20 years, it is marked in yellow and if it is over 20 it gets a red designation. It signifies the cost versus savings of each measure.

Mr. Horning appreciated the pictures of the condition of equipment so the taxpayers can see these areas that are not easily viewed. He believed self-funding was the key in terms of the investment. He asked if the savings estimates were verified by a third party and if the third party was owned by Trane. Mr. Edwards said the third party was not owned by Trane; but they are paid by Trane to double check their calculations as part of the audit. He noted they are a very reputable engineering firm that only does that kind of work and are used by his company for most of these projects. Mr. Horning confirmed the roofs can bear the weight with regard to the solar project or will they be adjusted to accommodate the added weight. Mr. Edwards confirmed same and noted the structural analysis will be incorporated and any work needed as part of redoing those roofs. He noted with the exception of the maintenance complex (building with the red roof) the other roofs will be non-penetrative with a ballasted array that does not penetrate the roof membrane and that was the recommended way to do it. Mr. Horning thanked Mr. Edwards for pointing out the new annual revenue stream as different ways have been discussed how to minimize expenses or increase revenue.

Ms. Hughes asked about the \$1 million grant and if it had already been put in motion. Mr. Edwards said special care was needed with DNREC as they usually take several months before the applications are reviewed and if the scope of the work was changed afterwards, reapplication was needed. Therefore, the application was ready and will now be submitted. Ms. Hughes asked what the chances are the grant will be received. Mr. Edwards responded in his opinion the chances of the City receiving the grant are very good and noted they had always received it in the past for projects. He said the grant submission was based off of calculations and is based on the submission of a technical report and models and was very detailed. It was merit based on the calculations and based on savings assumptions. Mr. Edwards reiterated said he would have final numbers at the next meeting.

Mr. Hamilton thanked Mr. Edwards for his very thorough presentation. He stated most of his questions had been answered and will reserve the right to ask any additional questions at a later time.

Mr. Markham asked if alterations would be made to the flat roof so it would no longer be a flat roof as those membranes can be rather fragile. Mr. Edwards reported commercial roofers that are experienced with solar array installations know how to adapt their approach with subtle adjustments. Mr. Markham hoped there would be routine maintenance and asked if there would be insulation added during the construction process. Mr. Edwards reported the insulation added would be a better "U" value which was the measure of thermal conductivity through the roofing, the decking and insulation.

Mr. Markham confirmed City personnel were satisfied with the proposed number of zones of the heating and cooling. Mr. Edwards reported there had been detailed discussions on the topic. Mr. Martindale said the HVAC experts had been doing a comprehensive zoning approach. Mr. Edwards said some of the offices in the building shared baseboard that were not permitted to be independently controlled so that would be enhanced and zone controls would be added to alleviate this and also include some independent sensors.

Mr. Coleman said because of issues with heating and cooling controls this was a very important point and something the City personnel stressed during the whole process. Mr. Markham noted it was a waste of energy as well. Mr. Markham asked if there was any asbestos in the buildings. Mr. Edwards said a full environmental analysis was not done, but the engineers on the team have been doing the work for over 30 years and if asbestos was encountered, they will show the costs in the final numbers but will live outside the contract. Mr. Markham asked that Council be provided with further updates if remediation was needed in the future. Mr. Markham asked for some more detail on the dashboard and asked if that only applied to the HVAC. Mr. Edwards said there would be a few different systems. The outdoor lighting would have their own software program with a dashboard screen, but there are dashboards with other parts of the project. The HVAC had its own control system for the building to include their own dashboard with high level summary pages. Mr. Edwards noted energy reporting software will be included on a third dashboard which harvests data from the separate systems to include the utility bills.

Mr. Markham asked Mr. Coleman if City staff would be able to monitor these systems. Mr. Coleman said he feels comfortable City staff would be able to monitor these systems. The lighting systems would be similar to the City vehicle GPS systems and the electric and water SCADA systems. On the building control side staff was currently managing systems that were a lot less user friendly, so he did not anticipate any difficulties from a staff perspective. Mr. Markham asked if the utility reporting feature would be useful. Mr. Del Grande said these tools would be very helpful. Mr. Edwards noted it would help in assessing the accountability for the use of electricity within the building and understanding how that building was doing compared to its peers and would address historical benchmarks.

Mr. Markham inquired about the solar dashboard. Mr. Edwards said there will definitely be a solar dashboard and may even incorporate a lobby display showcasing all the systems and he noted they are also used for maintenance metrics. Mr. Markham asked if McKees could be tied into this in some way. Mr. Coleman said he and Mr. Del Grande discussed this to incorporate Trane and Solair as it would make sense to be in a single platform. He also noted they are working with DEMEC and Solair to provide a quote to expand the rest of McKees as it may make sense to hook up with Trane and include with this project as it may help with the payback. Mr. Markham reminded all the McKees money was available for green energy uses as was the Green Energy Fund, but he did not see any mention for funding in the presentation. He asked if that was under consideration. Mr. Coleman noted on related Document #3 in row 4 under the cash flow categories the money was referenced. Mr. Del Grande said it did not include McKees. Mr. Markham said it should either be used to expand McKees and then apply for other solar. He does not believe the money should sit there but should be put to good use. Mr. Markham asked about payback and SRECs and he does not believe they are not paying very well. (\$30 currently) Mr. Markham said he sees the \$40 number and asked where that number came from. Mr. Edwards stated the number was the average of the last solicitation for the system size categories for Delaware on the SREC auction website. He believed there will not be an auction this year but will return next year hopefully with a better SREC picture. Mr. Edwards said he believed there was good contingency pushing for expanded requirements for the utilities to purchase more renewable energy credit and solar renewable energy credit. Mr. Markham said he was not sure the City would be supporting this. Mr. Coleman stated the City would not be supporting this in its current form. He added they had received word it would not be progressing in this current legislative session so there was time to modify it before it returns. Mr. Markham said he would suggest a lower number and asked if the plan was to sell it on open market. Mr. Edwards said it was an open discussion they were still addressing. Mr. Coleman said keeping in mind when discussing where to sell the recs to and noted if they are sold to anyone that was not DEMEC to be retired it was not really accurate for the City to say it was green energy the City was using because the green attribute was being sold off to retire to meet their green requirements versus selling it to DEMEC who stays in their "territory." Mr. Markham said the way McKees work was by taking credit for not having to purchase the electricity that the system generated; so that ended up being a plus to shortening the payback time. He asked if something was done similar in this circumstance. Mr. Coleman said in this circumstance the City would be using that savings to pay for the other items in the project; so essentially the answer is yes.

Mr. Markham asked if the reservoir project would include any tree removal. Mr. Edwards stated there would be some trimming needed and they are putting a detailed plan together, but it would be minimal. The trimming would be located on the back side facing the arrays. Mr. Markham asked what the VAVB referred to in the presentation. Mr. Edwards stated it was a Variable Air Volume Box and noted when an air handler provided cool supply air for cooling or hot supply air for heating, it progressed down a main duct and channeled off into the individual zone. Each zone will have its own damper blade box and will measure the temperature in each space and if the temperature was correct the damper will start to close down, and the air will continue on to the zones that need it. They use a speed controller with a variable frequency drive within the air handler on the fan and fan energy was saved as a result. Mr. Markham noted the LED lights are brighter relative to the neighborhood lighting and asked that we be aware of the potential to brighten neighbors' front lawns and adjustments may need to be considered.

Mr. Edwards noted there will be a handful of test installations before the full quantity was installed. Business owners/homeowners will be permitted to offer feedback. He added there will also be a dimmer control feature. Mr. Markham asked for consideration to add some battery backup. Mr. Edwards said they had not seen it to be commercially viable from a payback standpoint, but he would be happy to return with numbers.

There was no public comment.

Mr. Clifton returned the discussion back to the dais for further comment/questions. As there was no further discussion, Mr. Clifton asked the City Manager for further input. Mr. Coleman stated barring any feedback from Council to make changes, his plan at this point would be to return back to the team and work on finalizing the proposal. He added the one item that may potentially be added would be linking up Trane with DEMEC to discuss the remaining sections of McKees Solar Park and the Solair contract to see if this can be added to the proposal. The final proposal will return back to Council once all the documentation was ready for their consideration and move forward. He noted if the McKees project does become part of this project or if it becomes its own project the avoided costs of electric would be a funding source available as it was close to \$130,000 currently in that account. Preliminary estimate for expanding McKees depending on what size would be approximately \$400,000-\$550,000 range.

Mr. Clifton asked Council if they agree to move forward to a formal presentation on July 13 state their position. All Council members agreed to move forward. (Mr. Clifton, Mr. Horning, Ms. Hughes, Mr. Hamilton and Mr. Markham)

7.     **3.     ITEMS SUBMITTED FOR PUBLISHED AGENDA:**
  - A.     Council Members: None
  
8.     **3-B.   OTHERS: None**
  
9.     **Meeting adjourned at 9:13 p.m.**

Renee K. Bensley, CMC  
Director of Legislative Services  
City Secretary

/tas