

Delaware Sustainable Energy Utility
Loan Committee
DESEU Office - 500 W. Loockerman Street, Suite 400, Dover, DE 19904
November 20, 2018, 1:30 PM

Members present were: Kristopher Knight (teleconference), Trey Paradee, Andrew Slater, Doug Bacher, NW Financial Group (teleconference), and Anthony DePrima. Also present were Brent Shaffer and Lisa Gardner.

1. Approval of Minutes - Mr. Paradee moved for the approval of the below minutes seconded by Mr. Knight and unanimously carried.

a. September 19, 2018

b. September 26, 2018

2.a. Loan Application – AnnaLynn Farm, LLC – Owner of the AnnaLynn Farm, LLC, William Otwell has made application to the DESEU for a \$277,200 loan for purposes of purchasing and constructing a 142.56kW ground mount solar array and for the installation of insulation (the “Project”). The AnnaLynn Farm is located at 15000 Johnson Road, Laurel, DE. However, to achieve the acceptable debt ratio, Mr. Otwell increased his equity contribution an additional \$10,694 for a total of \$26,294. This effectively reduces the loan amount to \$266,506.

In October 2017, Mr. Otwell made application and received a \$165,500 loan from the DESEU to construct a ground mount solar array on an adjacent farm that Mr. Otwell also owns. The AnnaLynn Farm is a farm adjacent to the original Otwell farm and in March 2018, Mr. Otwell purchased the farm and incorporated the 2 farms at that time.

Mr. Bacher reviewed the Loan Application Report (which was previously emailed to all members of the Loan Committee for review).

After discussing, Mr. Knight moved to approve the loan request (including all noted terms and conditions) in the amount of \$266,506 with a 20 year term at 2% interest. The motion was seconded by Mr. Paradee and unanimously carried.

2.b. Flying Acres Farm - The Flying Acres Farm (the “Farm”) has made application to the DESEU for a \$214,795 loan for purposes of purchasing and constructing a 97.5 kW roof mount solar array, upgrade to LED lighting, and new stir farms to the Farm’s poultry houses (the “Project”). The Farm is owned by Carey Swartzentruber and is located at 8084 Hickman Road, Greenwood, DE.

Mr. Bacher reviewed the Loan Application Report (which was previously emailed to all members of the Loan Committee for review).

Per the guidelines of the Farm Program, the Flying Acres Farm is eligible for a loan of 2% for up to \$214,795.

After discussing, Mr. Paradee moved to approve the loan request (including all noted terms and conditions) in the amount of \$214,795 with an 18 year term at 2% interest. The motion was seconded by Mr. Slater and unanimously carried.

2.c. Fox Chase Farm, LLC - The Fox Chase Farm, LLC (the "Farm") has made application to the DESEU for a \$380,328 loan for purposes of purchasing and constructing a 222.75 kW ground mount solar array to provide electricity to the Farm's poultry houses and farm house ("Project"). The Farm is owned by Paul Baker and is located at 26073 Hidden Acres Lane, Millsboro, DE.

Mr. Bacher reviewed the Loan Application Report (which was previously emailed to all members of the Loan Committee for review).

Per the guidelines of the Farm Program, the Farm is eligible for a loan of 2% for up to \$380,328 with a 14 year term.

After discussing, Mr. Bacher moved to approve the loan request (including all noted terms and conditions) in the amount of \$380,328 with a 14 year term at 2% interest. The motion was seconded by Mr. Paradee and unanimously carried.

2.d. MW Farm, Inc. - The MW Farm, Inc. (the "Farm") has made application to the DESEU for a \$109,500 loan for purposes of purchasing and constructing a 52.8 kW ground mount solar array to provide electricity to the Farm's poultry houses and farm house ("Project"). The Farm is owned by Mark Whaley and incorporated and is located at 12267 Mirey Branch Road, Laurel, DE.

Mr. Bacher reviewed the Loan Application Report (which was previously emailed to all members of the Loan Committee for review).

Per the guidelines of the Farm Program, the Farm is eligible for a loan of 2% for up to \$109,500 with a 15 year term.

After discussing, Mr. Slater moved to approve the loan request (including all noted terms and conditions) in the amount of \$109,500 with a 15 year term at 2% interest. The motion was seconded by Mr. Paradee and unanimously carried.

Meeting Adjourned at 2:06 PM