

Approved Minutes

Delaware Sustainable Energy Utility

Oversight Board Meeting – Zoom

May 20, 2022 - 9:00 A.M.

<https://us02web.zoom.us/j/85129492238?pwd=S3VNb2ZNdm54ZzVDMlIc2U3FJbGU3dz09>

Welcome

Senator Harris B. McDowell, III called the meeting to order at 9:00 AM. Members present were Senator Hansen, Kris Knight, Ric Moore, Andrew Slater, Public Advocate, Michael Chajes, Robert Underwood (proxy for Secretary Garvin, Department of Natural Resources and Environmental Control), and Secretary Garvin, Department of Natural Resources and Environmental Control. Also present were Anthony DePrima, Frank Murphy, General Counsel, Suzanne Sebastian, Athena Bi, Jim Purcell, Kassandra Rodriguez, Robin Coventry, and Traci Evans.

Absent; Senator Paradee, Sean Finnigan, Ritchie Jones

1. **Approval of Minutes – March 20, 2022;** Drew Slater made the motion to approve the minutes, Robert Underwood seconded, and the motion carried unanimously.
2. **SEU Business**
 - a. **Contract Renewals** – Annual contracts have been streamlined so that all contracts are in line with our fiscal year (July 1 – June 30). All contracts for the subcontractors are based on 1-year renewals, except for Murphy & Landon and Young Conaway Stargatt & Taylor, LLC whose contracts are based on 3-year renewals. Suzanne Sebastian stated that in order to renew the contracts the Proposed Budget will need to be approved, which will be discussed later in this agenda. Suzanne Sebastian requested a motion to approve the minutes. Senator Hansen motioned to approve the contract renewals, Ric Moore seconded, and the motion carried unanimously.
 - b. **Personnel Policy Amendment** – During a Special Board Meeting prior to this meeting, Tony presented a Compensation & Benefit study that made recommendations for the Personnel structure at the SEU. A memo was distributed that includes three of the recommendations that are being proposed to start immediately; The Compensation Philosophy, Maternity Leave, and increasing the vacation days in accordance with the recommendations. Tony DePrima requested a motion to approve the amendment, Ric Moore motioned to approve the amendment, Michael Chajes seconded, and the motion carried unanimously.
 - c. **Contract for Data & Evaluation Service – Empowerment Program** – Jim Purcell presented a contract requesting approval to hire The Dawn Chorus Group as a consultant for the collection data and evaluation of grants being distributed by the Empowerment Grant. Ric Moore made a motion to approve the contract, and Senator Hansen seconded the motion. Drew Slater, Secretary Garvin, and Kris Knight did not vote. The contract was approved by the majority.
 - d. **Consideration of Statements** – Drew motioned to approve the financial statements, Senator

Hansen seconded, and the motion carried unanimously.

- i. **Murphy & Landon**
- ii. **NW Financial**
- iii. **Young Conaway Stargatt & Taylor, LLP**

3. Budgets

a. **2021/2022 Revised Budget & 2022/2023 Budget**

i. Energize DE Budget – Tony DePrima presented the revised and proposed budget (see attached documents). Unexpected high RGGI dollars impacted the FY22 budget, creating a larger surplus than normal. Going forward, Energize DE will be addressing the higher RGGI dollars, as well as the surplus by implementing the 3-prong strategy which is being referred to as Meeting the RGGI Challenge which consists of 1. Adding new Challenge Programs which will get money out the door quickly and serve a large number of Delawareans, 2. Increasing incentives to existing programs, and 3. Adding more staff members to bring on new programs and maintain the success of the current workload. Highlights from the proposed budget include rolling out new programs, salary increases for the staff, hiring an executive search firm to replace the current Executive Director, extending the consulting budget with Tony Ferlanda who oversees the strategic planning initiative, phase 2 of the HR study, and funding for additional office space and office equipment to support the additional staff that Energize DE will be bringing on. After much discussion on the budget, Senator McDowell requested a motion to adopt the proposed FY22/23 Budget and the revised FY21/22 budget. Ric Moore made the motion to adopt, Senator Hansen seconded. Michael Chajes and Senator McDowell voted to support the motion. Kris Knight did not support the motion based on the salary portion of the budget and the salaries not falling in line with the current market rates which was discussed in a Special Board meeting held prior to this May Board meeting. Drew Slater did not support the motion due to the funding set aside for Solar on schools. He believes we should focus on efficiency and infrastructure upgrades before focusing solely on Solar. Secretary Garvin did not support the motion because although he supports spending the money, he feels there is more discussion that needs to happen prior to adding new programs or new staff. The motion passed by majority vote.

ii. Empowerment Budget – Jim Purcell presented the Empowerment Budget. All the Delmarva funds have been allocated. The empowerment grant received \$2 million in ARPA funds and received funds from the Oversight Board to support the recent grant that closed May 20, 2022. As for the projected revenue, Jim Purcell is requesting \$1.5 million from the Oversight Board towards the grant and the Empowerment team will be doing fundraising to match the \$1.5 million from the Board. In addition, the team has partnered with a roofing company to implement a new program called Roofs from the Heart, which will provide new and/or upgraded roofs to low-to-moderate income residents with a budget of \$200,000. Total grants being predicted to be granted out in FY23 will be approximately \$3.3 million. Tony requested a motion to approve the revised FY 21/22 & FY 22/23 Budget. Ric Moore motioned to approve both budgets, and Senator Hansen seconded, and the motion carried unanimously.

4. Reports

- a. Executive Director
- b. Program Manager
- c. Communications and Marketing Manager
- d. Budget Report – Ending April 2022

5. New/Old Business

- a. DESEU has signed a contract with InClime for a New Solar Website
- b. Moving forward with the Sheriff's sale on the solar system at the Jefferson School
- c. Moving along with the Strategic Plan and will have a Plan laid out to present to the Board at the September Board Meeting
- d. Bond rating was moved from AA2 to AA1

6. Executive Session – Legal Matters – This was removed from the agenda.

Public Comment

Adjourn – Senator McDowell requested a motion to adjourn, Drew made a motion to adjourn, Robert Underwood seconded the motion, and the motion carried unanimously. Meeting adjourned at 10:31.

Agenda is subject to change. During the course of the public meeting; the Board may vote on whether to conduct an executive session to consider confidential and proprietary business before the Board, and such executive session will not be open to the public, pursuant to 29 Delaware Code § 1004. The executive session may address matters involving the discussion of the content of documents excluded from the definition of "public record," or which involve the potential for litigation. Participation by teleconference will be available to Board members.