

DELAWARE MUNICIPAL ELECTRIC CORPORATION  
**SPECIAL MEETING**  
Remotely Via Zoom  
**July 12, 2022**

A special meeting of the Board of Directors of the Delaware Municipal Electric Corporation was held Tuesday, the 12<sup>th</sup> day of July, 2022 remotely via Zoom

The meeting was called to order at 2:00 p.m. with Morris Deputy, Board Chair, presiding.

The following roll call was presented:

Present:

Morris Deputy, Board Chair  
    Representing Middletown  
Tyler Reynolds, Alternate  
    Representing Middletown  
Tom Coleman, Vice Chair  
    Representing Newark  
Dave Del Grande, Alternate  
    Representing Newark  
Scott Blomquist, Director  
    Representing the MSC of New Castle  
Charles Anderson, Treasurer  
    Representing Seaford  
June Merritt, Alternate  
    Representing Seaford  
Mary Ellen DeBenedictis, Secretary  
    Representing Clayton  
Rob Cote, Alternate  
    Representing Clayton  
Andrew Haines, Director  
    Representing Smyrna  
Lou Vitola, Alternate  
    Representing Milford  
Kim Bellere, Alternate  
    Representing Lewes BPW  
Kimberly Schlichting, President  
    Representing DEMEC

Absent:

Dr. Roy Sippel, Alternate  
    Representing the MSC of New Castle  
Mark Whitfield, Director  
    Representing Milford  
Austin Calaman, Director  
    Representing Lewes BPW

DEMEC Staff Attending: Stephanie Dove, Chief Financial Officer & Interim COO

Guests and Attendees: Michael Barnes, Bond Counsel, Clark Hill; Chris Lover, Managing Director, PFM Financial Advisors, LLC

## **RESOLUTIONS**

Ms. Schlichting thanked the board for accommodating the special meeting. On-behalf of financing is a valuable service DEMEC provides to its members, bringing them significant cost savings. The special meeting was called because the low interest rate could not be extended until July 19th, the day of our next regularly scheduled board meeting.

RESOLUTION 2022-3 - A Resolution authorizing the issuance by the Delaware Municipal Electric Corporation of its Electric Revenue Bonds to finance AMI projects on behalf of certain of its members; authorizing the execution and delivery of all necessary documents in connection with such financing; and authorizing other necessary action

Ms. Dove advised that DEMEC staff has been working with Middletown and the MSC of New Castle, the Financial Advisors and Bond Counsel to finance the member AMI projects. Middletown and the MSC of the City of New Castle have selected a financing option and this resolution authorizes DEMEC to execute the bond agreements. The rate lock for the chosen financing expired on July 15<sup>th</sup> and if the lock expires, the additional costs to the members over the life of the financing is approximately \$80,000. The private placement bond is scheduled to close on July 14<sup>th</sup>.

Mr. Barnes made comments about the structure of the financing, and explained this is a limited obligation of DEMEC payable from the Project Purchase Agreements for Middletown and the MSC of the City of New Castle.

Mr. Lover reviewed the RFP process and the proposals received. He indicated that the chosen bank agreed to lock the rate and the rate locked is less than the 10-year Treasury rate as of today, which is a AAA taxable rate. The chosen bank rated this financing as a higher rated AA credit.

Upon motion made by Milford, to approve Resolution 2022-3 - A resolution authorizing the issuance by the Delaware Municipal Electric Corporation of its Electric Revenue Bonds to finance AMI projects on behalf of certain of its members; authorizing the execution and delivery of all necessary documents in connection with such financing; and authorizing other necessary action, seconded by Clayton, the motion passed unanimously.

## **BUSINESS FROM THE FLOOR**

None.

**EXECUTIVE SESSION**

None.

**SET NEXT MEETING DATES**

The following meeting dates were set:

1. Tuesday, July 19, 2022 – 10:00 a.m.
2. Thursday, August 11, 2022 – 10:00 a.m. *(New board meeting date going into effect.)*
3. Wednesday, September 14, 2022 – 3:00 p.m. *(Annual Board Meeting. Meetings will revert to the 2nd Thursday of the month in October.)*

**ADJOURNMENT**

Upon motion by Smyrna, seconded by New Castle, the Board Meeting adjourned at 2:08 p.m.