

*"A Historic Past"*



*"A Bright Future"*

**Mayor**

John P. Buchheit, III

**Vice Mayor**

Paul H. Johnson, Sr.

**Councilmembers**

Betty Barrett

Michael J. Doebley

Ronald R. Graham, II

Jennifer M. Sullivan

**THE CITY OF DELAWARE CITY**

407 Clinton Street – P.O. Box 4159

Delaware City, Delaware 19706

Phone: 302-834-4573 Fax: 302-832-5545

**City Manager**

Richard C. Cathcart

**Chief of Police**

Daniel A. Tjaden

**Interim City Solicitor**

Max B. Walton

**City Treasurer**

Dawn K. Gwynn

**City Secretary**

Michelle A. Hartman

**CITY OF DELAWARE CITY  
SPECIAL MAYOR AND COUNCIL MEETING  
August 11, 2011**

**CALL TO ORDER**

The Honorable Mayor Buchheit called to order the special meeting of the Mayor and Council at 7:00 p.m. Present were Council Members Barrett, Johnson, Sullivan and Doebley. Also present were City Manager Cathcart, City Treasurer Gwynn and City Secretary Hartman.

**PLEDGE OF ALLEGIANCE**

Not performed

**DISCUSSION OF SOLAR PROJECT**

City Manager Cathcart apologized for having to cancel last meeting. Originally when this was put out for rebid there was communication with the Delaware Energy Office about the "Buy American Waiver" that it needed to hit the August 5<sup>th</sup> deadline to have contractor by August 6<sup>th</sup> in order to invoke the Buy American Waiver which allows the contractors to use cheaper panels made from foreign materials. In reviewing bids City Manager Cathcart contacted the Administrator for the grant she let us know that we were previously misinformed about the details of the grant. Three out of the eight bids received used foreign made panels if these were awarded we would have been in violation of the federal grant. To avoid risk City Manager Cathcart sent out for rebid to the vendors that submitted pricing including foreign materials that included new definition of the Buy American Waiver. The Federal government allows panels made from 100% foreign made cells that are manufactured in the US and panels manufactured in foreign countries that are made of 100% American made cells. They also

extended the August 6<sup>th</sup> deadline indefinitely. Re-bid were submitted and opened today in Town Hall. The price has gone down significantly from the original ground mount bid of \$154k. Even with the addition of a Solar Consultant and Structural Engineer. After inspection of the building it was found that the cafeteria was not structurally sound enough to bear the weight but the gym was this is where the panels will be installed. The low bidder for the project was SuntoSun, LLC. out of Chards Ford, PA coming in at \$109,792.00 almost \$40k below previous bid. The KW is 30.6 which is within the range per Carol Lampton as long as we are close to 30kw it is acceptable. City Manager Cathcart is also trying to have a three year maintenance agreement and monitor display included in the price. Discussion followed. Councilmember Barrett asked how long this company has been in business. City Manager Cathcart stated they have been in this type of business for just over a year, but the principal of the company has been doing this type of work for some time. Councilmember Johnson inquired about Phase II of this project. City Manager Cathcart explained that Phase II is a much larger portion to reduce the overall cost of electricity for the entire town by over 5% on an annual basis. Typically how this type project works is a company comes in providing the capitol costs and the entity (the town) provides the ground. The benefit is the entity receives a dramatic reduction in energy costs, credits by selling back to the grid and environmental benefit by reducing your carbon footprint. The company that comes in gets the solar credit, we get reduced electric costs, there is no capitol costs to the city. Councilmember Johnson suggests the use of the property across from the ball field just outside of town and the possibility of partnering with the refinery on such a project. City Manager Cathcart stated there is already a meeting planned with the refinery and that is on the agenda. Typically it requires 3-5 acres of land to be considered.

Councilmember Johnson made a motion to authorize City Manager Cathcart to enter in this contract with SuntoSun, LLC. based on the outcome of the pre-award meeting, Councilmember Sullivan seconded the motion. A roll call vote was taken, all ayes, motion passed.

#### **APPROVAL OF LINE OF CREDIT**

Due to lack of use and renewal our line of credit with Sun Bank has been closed. When City Treasurer Gwynn contacted them to reinstate they informed her they no longer do business in Delaware and referred her to WSFS, whom we currently bank with. WSFS has offered a \$150k Line of Credit at 4% interest where we would only be billed interested on a monthly basis and pay principal when we can. This LOC will also need to be renewed annually whether it's used or not. Discussion followed. Councilmember Doebley asked if we entertained offers from any other banks. City Manager Cathcart stated we did not due to the timeline. WSFS provided a two-week turnaround on the application. City Manager Cathcart mentioned he is in the process of reviewing the town's entire banking package to send out ROP to other banks including the Line of Credit. City Treasurer Gwynn stated there is a possibility that we will not need to use the Line of Credit if we start to receive some of the larger tax payments coming due.

Also she mentioned such use is so common that is it mentioned in the Charter. Councilmember Graham wants noted that the Line of Credit is not to be used unless absolutely necessary and only to get by during this time. This is noted in the Resolution as well.

Councilmember Johnson made a motion to authorize City Manager Cathcart to sign bank documents for a Line of Credit from Wilmington Savings Fund Society, Councilmember Doebley seconded the motion. A roll call vote was taken, all ayes, motion passed.

**ROLL CALL**

The Honorable Mayor Buchheit called roll, with the results as follows: Barrett – present, Graham – Johnson – present, Sullivan – present, and Doebley – present.

**ADJOURNMENT**

Council Member Barrett made a motion to adjourn the meeting. Council Member Sullivan seconded the motion. A vote was taken, all ayes, motion carried. The meeting adjourned at 7:30 pm.

Respectfully submitted,

*Michelle A. Hartman*  
City Secretary