

**Council Meeting**  
**February 13, 2023**  
**7:00 p.m.**

The Council Meeting of Mayor and Council was held on the above date and time with Council members Carrow, DeBenedictis, Flatter and Paisley present. Mayor Smith was presiding. Recording Secretary Sue Muncey, Chief Carl Hutson, Town Manager Robert Cote, Scott Chambers, Alex Dias, Marvin Pedigo, Scott Lynch, David Ross, Austin L. Moorhead, Jeff Lightcap, Jonathan Burnett, Amanda Vignuli, Shirelle Spencer, and Lasandra Stamper were also in attendance.

1. **Call to Order** - Mr. Smith called the meeting to order at 7:00 p.m.
2. **Pledge to the Flag** – Mr. Hutson led the Pledge of Allegiance.
3. **Presentation – Donation to Smyrna/Clayton July 4<sup>th</sup> Association** - Mayor Smith and Mr. Cote presented Joanne Masten with a donation check to the Smyrna/Clayton July 4<sup>th</sup> Association.
4. Mayor Smith stated the presentation of the Employee of the 4<sup>th</sup> Quarter 2022 and the Employee of the Year 2022 will be presented at the March meeting.
5. **Approval of Minutes** –

*Ms. DeBenedictis made a motion to accept the Council Meeting minutes of 01/09/23, the Street Committee Meeting minutes of 01/17/23, and the P& Z Committee Meeting minutes of 01/25/23 as presented in their written form. Mr. Paisley seconded the motion. Motion carried unanimously.*

6. **Approval of Income and Expense Report** –

*Mr. Paisley made a motion to accept the Income & Expense Report for January 2023 in its written form. Mr. Carrow seconded the motion. Motion carried unanimously.*

7. **Communications** – Mr. Paisley read the letter from the Boys & Girls Club thanking the Town of Clayton for their donation.
8. **Report of the Chief of Police** – Mr. Hutson stated there were 381 calls for service, 268 traffic arrests, and 34 parking tickets for the month of January. All the officers received their CPR certification last week. Mayor Smith asked Mr. Hutson to look into a utility truck blocking the radar at Huntington Drive and E. Radison Run.

- 9. Report of the Town Manager** – Mr. Cote stated he stands by the report put in writing. Mr. Cote reviewed the Town of Clayton Project Spreadsheet he provided to the council members. Clayton Ovals Residential – construction phase services of phases 1&2 – they are reviewing the punch list. Town of Clayton Sewer CIPP Construction Phase Services – bidding and construction phase services for phase 1 CIPP lining for sewer - received closeout documents of final completion. Payment made on 2/3/23. We are ramping up Phase II and Phase III. Ovals Residential Subdivision – construction phase services for phase 3 – walk through inspection performed and a punch list prepared. Town of Clayton sewer system repair bid and construction phase services – phase 2 sewer replacement – KCD submission slated for 2/9/23; plans to be provided for DelDOT utility permit. Wastewater SRF Loan - \$1.2 million loan put together by Verdantas. Sanitary Force Main Assessment Matching Grant - \$20,000 matching grant. We are looking at the integrity of the force main. MS-4 Matching Fund Grant – Applied for a \$50,000 matching grant. Clayton electric system mapping – grant sent to DEMA and has been forwarded to FEMA for review. Mayor Smith asked about outages. Mr. Cote stated there were two (2) in January.

- 10. Report of the Town Solicitor** – Mr. Chambers had no report.

**11. Reports from Members of Council**

- a. Report from Electric Committee** – Ms. DeBenedictis had no report.
- b. Report from Street Committee** – Mr. Carrow stated we will have a Street Planning /Workshop in March. They will discuss parking issues in developments and access for Public Works. The meeting will be held at the firehouse.
- c. Report from Sewer & Stormwater Committee** – Mr. Flatter had no report.
- d. Report from Equipment Committee** – Mr. Paisley stated the department is wrapping up work on the long-term plan.
- e. Report from Personnel Committee** – Mr. Flatter had no report.
- f. Report from Public Safety Committee** – Mr. Smith had no report.
- g. Report from Budget Committee** – Ms. DeBenedictis had no report.
- h. Report from Economic Development Committee** – Mr. Carrow stated Movie Nights will be 05/26/23, 08/04/23, and 09/30/23.
- i. Report from Downtown Development Rebate** – Ms. DeBenedictis stated David Derrick applied for a new roof and kitchen. Ms. DeBenedictis stated she and Mr. Paisley will meet with Jeremy Rothwell from Smyrna.
- j. Report from DEMEC** – Ms. DeBenedictis stated Scott Lynch is here this evening to give an AMI presentation. DEMEC gave a cyber security presentation about substations being attacked. The presentation was given by a State Police Officer. She suggested doing

something to make people aware. This has happened in North Carolina. The attackers don't want to hurt people. RPS Program – this is a safety program. More to come on that. Mr. Cote stated he met with Bruce Kitchens. We would not have received the classification before. Mr. Cote stated we will be submitting for this year. Ms. DeBenedictis stated DEMEC is researching a journeyman certificate.

**k. Report from Board of Adjustments** – Mr. Smith had no report.

**l. Report from Planning & Zoning Committee** – Mr. Smith had no report.

**m. Appeals Board** – Mr. Smith had no report.

**n. Law and Legislature Committee** – Mr. Paisley thanked Mayor Smith and Mr. Cote for participating in the meetings to review the Town Charter. Mr. Paisley asked the Council to review the changes he gave out. He stated it will first have to go to Committee, to Council, and then Representative Carson.

**12. Public Forum** – Mr. Lightcap stated they were in training at the fire company in January. He wanted to thank Mayor Smith and Mr. Paisley for their help with the Christmas Tree lot.

**13. Unfinished Business** – N/A

**14. New Business**

**a. Appointing Election Officers** – Mr. Paisley stated according to 12.2.2(a) of the Charter, the town has to appoint election officers. The three (3) residents that agreed are: Beth Petro, Kathy Tucker, and Les Bartlett. Mr. Smith asked what our obligation is. Mr. Chambers stated just do what we did in the past.

*Ms. DeBenedictis made a motion to accept Beth Petro, Kathy Tucker, and Les Bartlett as the election officers. Mr. Paisley seconded the motion. Motion carried unanimously.*

**b. Discuss and Vote to Amend PW Vehicle/Plow Purchase Expense Line Item on the 2023 Budget.** Mr. Cote stated the budget line item was approved for \$25,000 for three (3) years. The Director of Public Works and Mr. Cote searched for a vehicle. There were slim pickings. They found one at I.G. Burton and Willis Chevrolet. The best price was \$69,010. They looked into a municipal lease plan. The interest rate was 8.89% for three (3) years and the buyout would be \$1.00. The interest would be \$9,609.61 over the three (3) year period. Mr. Cote stated he is asking to adjust and/or amend the budget from \$25,000 to \$75,000. The cost would be \$65,355 from I.G. Burton. This would pay for the plow with zero interest. Mr. Smith asked if there were any concerns with the

recommendation. We are saving in interest. Mr. Paisley thanked Mr. Cote and Mr. Smith.

***Mr. Carrow made a motion to adjust the PW Vehicle/Plow Purchase Expense Line Item from \$25,000 to \$75,000. Mr. Flatter seconded the motion. Motion carried unanimously.***

- c. Discuss and Vote on Naming a Pathway in town “Thelma’s Way” in Honor of Mrs. Thelma Knight.** Mr. Paisley is suggesting that the sidewalk at Main Street and West Street be named “Thelma’s Way” to honor the town’s oldest resident who just passed away at 98 years old. This was brought to Mr. Paisley’s attention by David Letterman. The signage would be handled by the Town Manager. Ms. DeBenedictis stated Thelma was born in the Town of Clayton and lived here all her life. Mr. Carrow stated some people might not know who she was. Mr. Paisley stated maybe we can have a ceremony at the church to unveil. Mr. Smith stated that would be for a future council meeting.

***Mr. Flatter made a motion to name the sidewalk that connects Main Street and West Street to Thelma Knight’s Way. Mr. Paisley seconded the motion. Motion carried unanimously.***

- d. Request to be Put on the Town Council Agenda – Amanda Vignuli –** Amanda Vignuli introduced herself as the secretary of the Providence Crossing Homeowner’s Association. She stated they have safety concerns. There is speeding on Coldwater Drive. Cars pass school buses and other vehicles. She asked if the town could add an additional stop sign at each intersection and painting the mph on the roadway. She also asked about a digital sign. Mr. Hutson stated the digital sign that is out there is monitored showing the speed and time of day. Ms. Vignuli asked if it could be put on the other side of Coldwater Drive. Mr. Hutson stated he will look into it. He stated he will give her his contact information. They will do target patrol. Ms. Vignuli then asked about incomplete construction projects. Mr. Smith stated Code Enforcement is through the Town Manager. Ms. Vignuli’s next concern was a commercial box truck that comes in late at night and leaves early in the morning. She stated the truck is leaking fluid. Mr. Smith referred this to the Town Manager. Ms. Vignuli’s next concern was who does she contact when lights go out in the community. Mr. Smith stated to contact Town Hall and Public Works will take care of. She asked if they could get more lights. Mr. Smith stated the infrastructure is on the town. We could put a meter in the pathway, but it would be at the homeowner’s expense. Mr. Carrow stated we are looking into LED lighting. Mr. Cote stated he has a meeting next Tuesday with Efficiency Smart. Mr. Smith stated a Street Committee Meeting will need to be held for signs and painting.

**e. Request to be Put on the Town Council Agenda – Scott Lynch (DEMEC). Discuss and Vote to Adopt a Resolution to Acquire AMI for the Town’s Electrical Distribution System.**

Mr. Lynch gave an overview of DEMEC. They were incorporated in 1979. DEMEC provides reliable, environmentally responsible, low-cost wholesale power supply and related services to its members. DEMEC members have full control over their retail electric rates and services to their communities. Through active legislative and regulatory representation on both the state and federal levels, DEMEC fights to protect our members’ local control and decision-making. DEMEC identifies, develops, builds and operates assets for its members benefit, including the development of fossil-fuel and/or renewable generation, demand response resources, and offers on-behalf-of financing for its members investing in their own community infrastructure improvements. American Municipal Power Inc (AMP) has 133 members. The agenda for this evening is the DEMEC/AMP AMI Solution Program. DEMEC member AMI deployment status, DEMEC/AMP partnership, Full AMI replacement solution and GRIP enhancements, AMI and GRIP operational benefits, Return on investment – DEMEC/AMP AMI program, Roles and responsibilities, AMI – Federal Funds (GRIP Grant), AMI project options and cost estimate, Additional member data needs, and Letter of Commitment FAQs. Mr. Lynch stated AMI are smart meters. This would be a partnership.

DEMEC Member AMI Deployment Status – AMI Programs in Progress is MSC of the City of New Castle. Tentative date of 2/28/23 for metering equipment deployment. AMI Programs Currently Under Review is Clayton, Lewes BPW, and Smyrna. AMI Programs Completed include Newark, Milford, Seaford, and Middletown.

DEMEC/AMP Partnership – Greater economies of scale – increased savings brought through greater aggregated purchasing for projects, generation, programs, and other assets. Shares resources – information sharing, best practices, educational materials, and more. Access to Regional Programs & Support – opportunities to partner in broader programs, such as solar, AMI, transmission, and support with training, policies, and advocacy. Continuous improvement and increased value- shared experience, cumulative knowledge, lessons learned, access to additional providers.

Advanced Metering Infrastructure (AMI) – Whole System Replacement – AMI is two-way communication. It can give analytics to the customer if they have questions. Whole AMI System Benefits would be remote data collection and connect/disconnect, enhanced customer service, supports emerging customer needs, and data available for use in analysis.

GRIP Enhancements – Grid edge optimizer is delivering real-time visibility to the distribution grid. Location Awareness – providing the foundation for AMP Solution Network. DER Awareness – recognizing both EV and solar. Transformer Monitoring – real-time load and voltage monitoring.

AMI Operational Benefits – Going from reactive to proactive operations. Reactive operations (current) – time intensive corrective actions driven by issues as they occur or

are reported. (Customer outage calls, transformer failures, re-reads/re-bills). Proactive operations (desired) – preventive actions driven by analysis of information derived from available data. (automated notifications, predictive analytics, direct customer notifications, re-allocation of staff to value added activities).

GRID Edge Enhancement Benefits – Improve overall grid resilience. Solution hosted by AMP within AMP’s cybersecurity protocols. Facilitate the aggregation and integration of electric vehicles (EVs). Enable the integration of intermittent retail BTM renewable energy resources. Improve local grid operation to protect against faults or other system disturbances. Enable implementation of Time of Use rates to encourage load to match resources. Enable, implement and manage demand response/load shedding programs to protect/stabilize the grid; reduce transmission peaks/costs; and reduce capacity obligations/costs.

#### Return on Investment – DEMEC/AMP AMI Program

Why do this? Organizational and social benefits. Organizational benefits: Meter reading and services include automated billing determinate collection, validation, and creation; remote and on-demand device reads and commands. Mr. Lynch stated you could disconnect meters from the office. Field operations include reduced truck rolls, issue mapping/target effort, preventative maintenance, and safety issues. System losses include increased accuracy, loss identification, voltage regulation. Revenue and finance include accurate billing, increased collection, fee restructuring, process improvement. Advanced cybersecurity include intrusion prevention, data encryption, and 24/7 monitoring. Social benefits: Employee safety and engagement include fewer chances of physical and vehicle accidents, and opportunity for new staff skill development. Customer experience and engagement include customer self-service portal, reduced customer property entry, proactive communications, improved customer service outcomes, reduced time on the phone to answer basic questions. Cultural change include staff resources reallocated to higher priority tasks and predictive and preventative action vs. reactionary responses. New/Improved capabilities and support include modernized infrastructure, business engagement/attraction (key accounts and economic development), distributed generation (solar), EV charging, and community engagement.

Roles & Responsibilities – DEMEC AMP AMI Program – Mr. Lynch stated DEMEC is the liaison to AMP. A third party will change out all the electric meters. The Town of Clayton will designate a project lead to coordinate staff and resources.

AMI – Federal Funds (GRIP Grant) – American Municipal Power (AMP) sent a concept paper to the U.S. Department of Energy (DOE) which include AMI as a Grid Resilience and Innovation Partnership (GRIP) option for Bipartisan Infrastructure Law (BIL) funds. AMP received a favorable recommendation notice from DOE encouraging them to submit a full application to DOE and is now preparing its full application. This could help reduce AMI project costs by as much as 50%. The submission deadline for full applications (Topic Area 2) is 03/17/23. Expected date for DOE selection notifications (Topic Area 2) is Summer 2023. Expected timeframe for award negotiations (Topic Area 2) is Fall 2023. Mr. Lynch said it is a quick turnaround.

Town of Clayton AMI Project Options & Cost Estimate Initial services (total equipment, installation, professional services, software and implementation of 1600 electric meters (Option 1) Full AMI Replacement with no incentive is \$734,144. (Option 2) Full AMI Replacement with GRIP Grant Funding is \$392,656. The on-going annual costs and services include meter and data management software license and integration support with either Option 1 or Option 2 id \$48,016. Mr. Lynch stated you could pay outright or DEMEC could finance.

Additional Member Needs – Mr. Lynch stated the following information would be needed: key contact person at community to assist with collecting data for the application, historical system outage information, financial data/budget constraints, data on solar roof top installations, data on EV charger installations, additional information regarding the challenges your community faces that would prevent you from doing this project on your own, and any information you would be able to share regarding community benefit that we would receive from this project.

#### Letter of Commitment – FAQs

1. What is a Letter of Commitment and what does it do? Issuing a letter of commitment means your community is committing to enroll in the AMI and utilize the AMP GRIP grant for enhanced AMI services.
2. Is the Letter of Commitment binding? It does become binding after the AMP signs with the U.S. Department of Energy (DOE) after contract negotiations in the Fall of 2023.
3. Can a utility withdraw its commitment? Yes, if AMP does not receive funding from GRIP. Yes, however DEMEC members are encouraged to commit fully based on best and final quotes from AMP. No, if the utility requests after AMP has signed its contract with the DOE.
4. What is the impact if a member withdraws? While DEMEC members could withdraw their commitment it could have a significant impact on AMP's grant application.
5. If my utility does not wish to move forward can my utility apply in future years? GRIP funds are intended to be available for up to 2 additional years. AMP intends to assess future interest and apply for funds again however there is a risk in waiting such as: cost increases or funds become exhausted.
6. Can a utility do AMI through AMP without going through GRIP? Yes, however additional GRIP enhancements and funding may not be included.

#### Next Steps

Initial Process – Presentation to Clayton Town Council. Request Council to issue a Resolution committing to participating in the GRIP program and issue a Letter of Commitment. DEMEC emails AMP by 03/08/23.



Development Process – Discuss financing options if the Town would like to finance the project through DEMEC/AMP. Execute a contract and project purchase agreement with DEMEC. AMP and vendors would then execute statements of work and issue purchase orders.

Mr. Paisley stated reduce as much as 50% - who determines? Mr. Lynch stated the amount of DOE funding that is provided. Some modules are not covered based on wants and needs. Mr. Paisley stated if you decommit it affects because we apply as a group? Mr. Lynch stated yes. Mr. Smith asked Topic I and III not available? Mr. Lynch stated yes. Mr. Smith asked how much AMI would be without the additional. Mr. Lynch stated significantly less – he would need to get quotes. Mr. Smith asked if it includes commercial customers. Mr. Lynch stated all customers. Mr. Smith asked about the on-going annuals. Mr. Lynch stated it is subject to the vendor. Capped 3% increase annually. Mr. Flatter asked about the rushed timeline of 3/8/23. Is this for the GRIP Grant only? Mr. Lynch stated yes. Mr. Smith stated if not going in collectively it is not the same? Mr. Lynch stated yes. Mr. Cote stated the funding by summer. What is the cost without going with the GRIP enhancement. Mr. Lynch will give this information to Mr. Cote. Mr. Cote asked if we do not receive the funding, could we go with the regular AMI? Mr. Lynch stated yes. Mr. Flatter asked if the basic plan can be upgraded. Mr. Lynch stated yes. Mr. Smith asked the Council's comfort level. Mr. Chambers stated you can have a special council meeting. Mr. Smith stated we will have a special council meeting the week of the 27<sup>th</sup>. We will table at this time.

*Mr. Carrow made a motion to table adopting a resolution to acquire AMI for the town's electrical distribution system. Mr. Paisley seconded the motion. Motion carried unanimously.*

**f. Discuss and Vote to “Amend” Customer Service Charge to “Electric Only”**

**Customers.** Mr. Cote stated some of our customers are electric only. They do not receive any other services from the town. These customers already receive an Electric Customer Charge already. Mr. Cote stated this involves 59 customers. The total monthly charge would be \$590 and the yearly charge would be \$7,080. We would need to adjust the budget line by \$7,080. The fee is redundant. Mr. Carrow agrees. They shouldn't be charged double and agrees to remove the surcharge. Mr. Cote stated the customer contacted the town, our solicitor, and higher officials. Mr. Cote stated he takes ownership of this, and we will address it. Mr. Smith stated this was an oversight on the Council.

*Mr. Carrow made a motion to amend the Customer Service Charge and remove the charge from “electric only” customers. Mr. Paisley seconded the motion. Motion carried unanimously.*

**g. Discuss and Vote to Accept or Deny SRF Loan from DNREC to Fund Phase III of the Town of Clayton's Sewer Rehab Project.** Mr. Cote stated we signed and



approved the commitment letter for the loan. We were hoping to receive forgiveness on this loan. Mr. Cote stated we would not be receiving forgiveness on this loan. Mr. Cote read the Town of Clayton's Affordability Analysis. Annual Debt Service, New Facility would be \$72,990. The Town's median household income is .61% This rate does not allow the town to receive forgiveness on this loan. Mr. Cote stated the question is whether we pursue this loan without forgiveness. Mr. Smith stated without forgiveness the town is responsible for the entire amount. Mr. Smith is not sure if we should take the loan. We were going to use ARPA funds. He doesn't feel it is in our best interest. Mr. Paisley stated the terms scare him – 20 years. We would have to go to a referendum. If we have money, we should just pay it.

*Mr. Paisley made a motion to deny the SRF loan from DNREC to fund Phase III of the Town of Clayton's Sewer Rehab Project. Ms. DeBenedictis seconded the motion. Motion carried unanimously.*

- h. Discuss and Vote to Approve our Annual Donation to the Smyrna Clayton Little League.** Mr. Cote stated in the past the town donated \$1,500. He recommends on page 2 - \$300 new 3x5 banner with the Town of Clayton logo on the little league field and \$1,200 for field renovations, new lights on major and senior fields, bathroom renovation and indoor batting cages. Mr. Smith stated in the past we donated \$1,500 for the cost of their trash service for one (1) year. We don't want to restrict the \$1,200 for what they would like. Mr. Flatter stated this is non-profit. \$300 for the banner and \$1,200 for general donation. He asked do we see it worth putting our name on the fence. He would like to give a general \$1,500 donation. Mr. Cote stated the Smyrna school has asked before to have our name put on banners. Ms. DeBenedictis stated Clayton does not get the recognition they deserve. Mr. Smith stated we should show our participation.

*Mr. Flatter made a motion to donate \$1,500 to the Smyrna Clayton Little League; \$300 for the banner and \$1,200 for a general donation. Mr. Paisley seconded the motion. Motion carried unanimously.*

**15. Motion to Adjourn into Executive Session to Consider a Personnel Matter Pursuant to 29 Del.C §10004(b)(8) and (9).**

*Mr. Carrow made a motion to go into Executive Session for a personnel matter. Mr. Flatter seconded the motion. Motion carried unanimously at 8:46 p.m.*

**16. Motion to Reconvene into Regular Session**

*Mr. Carrow made a motion to reconvene into regular session. Mr. Flatter seconded the motion. Motion carried unanimously.*

## 17. Adjournment

*Mr. Flatter made a motion to adjourn. Ms. DeBenedictis seconded the motion. Motion carried unanimously. Adjourned at 10:03 p.m.*

Recording Secretary,

Sue Muncey