

Sussex County Council Public/Media Packet

**MEETING:
July 28, 2020**

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**Sussex County Council
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COUNTY COUNCIL

MICHAEL H. VINCENT, PRESIDENT
IRWIN G. BURTON III, VICE PRESIDENT
DOUGLAS B. HUDSON
JOHN L. RIELEY
SAMUEL R. WILSON JR.



Sussex County

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SUSSEX COUNTY COUNCIL

AGENDA

JULY 28, 2020

10:00 A.M.

PLEASE REVIEW MEETING INSTRUCTIONS AT THE BOTTOM OF THE AGENDA

Call to Order

Approval of Agenda

Approval of Minutes – July 14, 2020

Reading of Correspondence

Public Comments

Consent Agenda

1. Use of Existing Wastewater Infrastructure Agreement, IUA974-1 H&D Townhouses – H&D Subdivision, LLC
2. Use of Existing Wastewater Infrastructure Agreement Hyatt Hotel – Lewes Hotel LLC (revised)

Todd Lawson, County Administrator

1. Recognition of Retiring EMS Director Robert A. Stuart
2. Introduction of New Airport Manager
3. Appointment - Building Code Appeal Board (Board of Adjustments & Appeals)
4. Administrator's Report



10:15 a.m. Public Hearing

“AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO \$5,744,784 OF GENERAL OBLIGATION BONDS OF SUSSEX COUNTY IN CONNECTION WITH THE LAND CONSERVATION/WATER QUALITY PROJECT AND AUTHORIZING ALL NECESSARY ACTIONS IN CONNECTION THEREWITH”

10:30 a.m. Public Hearing

- 1. Herola Expansion of the West Rehoboth Area**
- 2. Ocean Park Expansion of the West Rehoboth Area**

Gina Jennings, Finance Director

- 1. Discussion and Possible Introduction of a Proposed Ordinance entitled “AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO \$100,000,000 OF GENERAL OBLIGATION BONDS OF SUSSEX COUNTY IN CONNECTION WITH (A) THE REFUNDING OF PRIOR DEBT OF THE COUNTY WHICH WILL RESULT IN DEBT SERVICE SAVINGS AND (B) THE FINANCING OF SEWER SYSTEM IMPROVEMENT PROJECTS; AND AUTHORIZING ALL NECESSARY ACTIONS IN CONNECTION THEREWITH”**

Vince Robertson, Assistant County Attorney

- 1. Discussion related to the July Revision of the DelDOT Memorandum of Understanding (MOU)**
- 2. Public comment related to the DelDOT MOU**

Dwayne Kilgo, Director of Information Technology

- 1. Nuvision Agreement**

William Pfaff, Director of Economic Development

- 1. Delaware Coastal Business Park Lease – Eastern Shore Natural Gas**

Robbie Murray, Deputy Director of EMS Administration

- 1. Mobile Integrated Healthcare Pilot Program**
 - A. Extension of Memorandum of Understanding (MOU) with Beebe Healthcare and State of Delaware**

Jamie Whitehouse, Director of Planning and Zoning

- 1. Request for re-hearing – Conditional Use No. 2223 filed on behalf of A&W Burbage, LLC**

Hans Medlarz, County Engineer

1. **South Coastal Regional Wastewater Facility Treatment Process Upgrade No. 3 and Rehoboth Beach Wastewater Treatment Plant Capital Improvement Program, Phase 2**
 - A. **General Construction, Project C19-11, Change Order No. 3**
 - B. **General Construction, Project C19-11, Change Order No. 4**
 - C. **Electrical Construction, Project C19-17, Change Order No. 5**
 - D. **City of Rehoboth 2nd Supplemental Financing Agreement Approval**
2. **Western Sussex Transmission Facilities Contract 4: Pumping Stations, Project S19-28**
 - A. **Change Order No. 2**
3. **Inland Bays Regional Wastewater Facility – Biosolids & Septage Facilities, Project 18-19**
 - A. **Change Order No. 6**

Grant Request

1. **AIDS Delaware, Inc. and Delaware HIV Consortium for AIDS Walk Delaware fundraiser and awareness event**

Introduction of Proposed Zoning Ordinances

Council Members' Comments

Executive Session – Pending Litigation pursuant to 29 Del.C.§10004(b)

Possible Action on Executive Session Items

1:30 p.m. Public Hearings

PLEASE REVIEW MEETING INSTRUCTIONS AT THE BOTTOM OF THE AGENDA.

Change of Zone No. 1916 filed on behalf of Alice P. Robinson, Trustee
“AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A C-2 MEDIUM COMMERCIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BROADKILL HUNDRED, SUSSEX COUNTY, CONTAINING 3.03 ACRES, MORE OR LESS” (land lying on the southwest side of Coastal Highway (Route 1), approximately 458 feet south of Cave Neck Road) (Tax I.D. No. 235-23.00-54.01, 54.02, and 54.05) (911 Address: None Available)

Change of Zone No. 1907 filed on behalf of Matthew Hete

“AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A MR MEDIUM DENSITY RESIDENTIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN LEWES AND REHOBOTH HUNDRED, SUSSEX COUNTY, CONTAINING 1.25 ACRES, MORE OR LESS” (land lying on the southeast side of Postal Lane, approximately 0.22 mile northeast of Plantation Road) (Tax I.D. No. 334-6.00-686.00) (911 Address: 34360 Postal Lane, Lewes)

Conditional Use No. 2209 filed on behalf of Matthew Hete

“AN ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN A MEDIUM DENSITY RESIDENTIAL DISTRICT FOR MULTI-FAMILY (14 UNITS) TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN LEWES AND REHOBOTH HUNDRED, SUSSEX COUNTY, CONTAINING 1.25 ACRES, MORE OR LESS” (land lying on the southeast side of Postal Lane, approximately 0.22 mile northeast of Plantation Road) (Tax I.D. No. 334-6.00-686.00) (911 Address: 34360 Postal Lane, Lewes)

Adjourn

In accordance with 29 Del.C. §10004(e)(2), this Agenda was posted on July 21, 2020 at 4:20 p.m., and at least seven (7) days in advance of the meeting.

This Agenda was prepared by the County Administrator and is subject to change to include the addition or deletion of items, including Executive Sessions, which arise at the time of the meeting.

Agenda items may be considered out of sequence.

Further meeting access instructions are listed below.

-MEETING INSTRUCTIONS-

The Sussex County Council is holding this meeting under the authority issued by Governor John C. Carney through Proclamation No. 17-3292.

The public is encouraged to view the meeting on-line. Any person attending in-person will be required to go through a wellness and security screening, including a no-touch temperature check. The public will be required to wear a facial mask.

Chambers seating capacity is limited and seating assignments will be enforced.

The meeting will be streamed live at <https://sussexcountypa.gov/council-chamber-broadcast>.

The County is required to provide a dial-in number for the public to comment during the appropriate time of the meeting. **Note, the on-line stream experiences a 30-second delay.** Any person who dials in should listen to the teleconference audio to avoid the on-line stream delay.

To join the meeting via telephone, please dial:

Conference Number: 1-302-394-5036

Conference Code: 570176

Members of the public joining the meeting on the telephone will be provided an opportunity to make comments under the Public Comment section of the meeting and during the respective Public Hearing.

The Council meeting materials, including the “packet”, are electronically accessible on the County’s website at: <https://sussexcountypa.gov/agendas-minutes/county-council>.

If any member of the public would like to submit comments electronically, please feel free to send them to rgriffith@sussexcountypa.gov. All comments shall be submitted by 4:30 P.M. on Monday, July 27, 2020.

#

SUSSEX COUNTY COUNCIL - GEORGETOWN, DELAWARE, JULY 14, 2020

A regularly scheduled meeting of the Sussex County Council was held on Tuesday, July 14, 2020, at 10:00 a.m., in Council Chambers, with the following present:

Michael H. Vincent	President
Irwin G. Burton III	Vice President
Douglas B. Hudson	Councilman
John L. Rieley	Councilman
Samuel R. Wilson Jr.	Councilman
Todd F. Lawson	County Administrator
Gina A. Jennings	Finance Director
J. Everett Moore, Jr.	County Attorney

The Invocation and Pledge of Allegiance were led by Mr. Vincent.

**Call to
Order**

Mr. Vincent called the meeting to order.

**M 264 20
Approve
Agenda**

A Motion was made by Mr. Wilson, seconded by Mr. Burton, to approve the Agenda, as amended and posted.

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea**

Minutes

The minutes of June 30, 2020 were approved by consent.

**Public
Comments**

Public comments were heard and the following spoke: Paul Reiger and Dan Kramer (both by phone).

**Appoint-
ments**

Mr. Lawson reported on several Board and Commission appointments that need to be addressed.

**M 265 20
Approve
Board of
Adjustment
Appoint-
ment**

A Motion was made by Mr. Hudson, seconded by Mr. Wilson, that the Sussex County Council approves the reappointment of John Williamson to the Sussex County Board of Adjustment, effective immediately, until such time as the term expires in June 2023.

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea**

M 266 20
Approve
P&Z
Commission
Appoint-
ment

A Motion was made by Mr. Wilson, seconded by Mr. Burton, that the Sussex County Council approves the reappointment of Keller Hopkins to the Sussex County Planning and Zoning Commission, effective immediately, until such time as the term expires in June 2023.

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea

M 267 20
Approve
P&Z
Commission
Appoint-
ment

A Motion was made by Mr. Burton, seconded by Mr. Wilson, that the Sussex County Council approves the reappointment of Kim Hoey Stevenson to the Sussex County Planning and Zoning Commission, effective immediately, until such time as the term expires in June 2023.

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea

M 268 20
Approve
P&Z
Commission
Appoint-
ment

A Motion was made by Mr. Hudson, seconded by Mr. Wilson, that the Sussex County Council approves the reappointment of Bruce Mears to the Sussex County Planning and Zoning Commission, effective immediately, until such time as the term expires in June 2023.

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea

DelDOT
MOU
Update

Vince Robertson, Assistant County Attorney, and Jamie Whitehouse, Planning and Zoning Director, discussed the Delaware Department of Transportation (DelDOT) Memorandum of Understanding. Previously, the Planning and Zoning Commission held a Public Hearing on the MOU and the Commission recommended approval with several revisions. On January 28, 2020, the Council held a Public Hearing on the MOU, as revised by the Commission. At the conclusion of the Public Hearing, the public record and public hearing were closed and the Council deferred action. Subsequent to the January 28, 2020 public hearing, staff began to edit the MOU based on the feedback and direction given by the Council. Then the COVID-19 pandemic happened and the MOU effort was put on hold. The latest revision of the MOU, entitled the July 7, 2020 Revision, was made a part of the Council Packet for this meeting. This document has been updated from the January 28, 2020 version. DelDOT staff has reviewed and signed off on the changes to the MOU. Mr. Robertson and Mr. Whitehouse gave a brief overview of the updated MOU and responded

**DelDOT
MOU
Update
(continued)**

to questions raised by Council members. Mr. Vincent questioned if the updated MOU could be placed on the County's website and questioned if the public would be allowed to comment on the MOU since the record was previously closed. Mr. Moore and Mr. Robertson agreed that the public would be permitted to comment (verbally or in writing) since the MOU is not an ordinance, with the approval of Council by Motion.

**M 269 20
Place
Updated
DelDOT
MOU on
Website
and allow
Public
Comments**

A Motion was made by Mr. Burton, seconded by Mr. Rieley, that the DelDOT Memorandum of Understanding (MOU) be placed back on the agenda of a future Council meeting; that the MOU be posted on the County's website so that the public can submit written comments to be considered by Council at its open meeting, and that the public could make comment at that time also.

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea**

**Adminis-
trator's
Report**

Mr. Lawson read the following information in his Administrator's Report:

1. Projects Receiving Substantial Completion

Per the attached Engineering Department Fact Sheets, Arbor-Lyn – Phases 1 & 2 (Construction Record), The Villas at Walden – Phase 2 (formerly Burton's Pond & Walden II) (Construction Record) Royal Farms No. 316 (Dagsboro), Bishop's Landing (formerly Dove Landing) – Phases 2A & 2B – received Substantial Completion effective June 29th, June 30th, July 2nd, and July 7th respectively.

2. Council Meeting Schedule

A reminder that Council will not meet on Tuesday, July 21st. The next regularly scheduled Council meeting will be held on July 28th at 10:00 a.m.

[Attachments to the Administrator's Report are not attachments to the minutes.]

**Independent
Library
Agreements**

Kathy Graybeal, County Librarian, reported that a year-long collaboration between the Department of Libraries and the Independent Library Group has resulted in the first-ever official grant agreement between the eleven (11) independent libraries and the County. The Agreement was created to document best practices in service and accountability.

**M 270 20
Approve
Agreements**

A Motion was made by Mr. Burton, seconded by Mr. Hudson, that the Sussex County Council approves the Grant Agreements with the eleven (11) independent libraries, as presented.

**M 270 20
(continued)**

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea**

**South
Coastal
RWF and
Rehoboth
Beach WTP
Electrical
Con-
struction
Project/
Stand
Alone
Purchase
Order**

Hans Medlarz, County Engineer, presented a request for the award of a Stand-Alone Purchase Order for Electrical Construction Project C19-17 (South Coastal RWF Treatment Process Upgrade No. 3 and Rehoboth Beach WTP Capital Improvement Program, Phase 2. Mr. Medlarz reported that the Rehoboth Beach WTP was built on a municipal landfill. Therefore, all construction including concrete duct banks are supported on piles. The encounter of landfill debris was anticipated, and the bid contained a contingency unit price bid item "Disposing of contaminated soil at an approved DSWA landfill". This cost covers the excavation, loading and hauling but not the DSWA tipping fee. The actual amount of trash encountered exceeded all expectations and triggered evaluation of alternate solutions. The Engineering Department researched the availability of large shaker style screens for separating the material reducing the DSWA disposal costs. The only such device is owned and operated by Melvin L. Joseph Construction Company, Inc. The Engineering Department solicited a proposal and compared it against the as-bid pricing by the only two bidders on the electrical contract. This approach represents a 75% reduction in cost. Therefore, the Engineering Department recommends a Stand-Alone Purchase Order to Melvin L. Joseph Construction Company, Inc. in the not to exceed amount of \$33,000.00 and an allocation to pay the associated DSWA tipping fee in the not to exceed amount of \$33,000.00.

**M 271 20
Approve
Stand
Alone
Purchase
Order**

A Motion was made by Mr. Burton, seconded by Mr. Hudson, based upon the recommendation of the Sussex County Engineering Department, that the Stand-Alone Purchase Order for Melvin L. Joseph Construction Co., Inc. as part of Contract C19-17 for the South Coastal Regional Wastewater Facility Treatment Process Upgrade No. 3 and Rehoboth Beach Wastewater Treatment Plant Capital Improvement Program, Phase 2, for Electrical Construction, be approved in the amount not to exceed \$33,000.00 for screening of material and hauling and in the amount not to exceed \$33,000.00 for DSWA disposal.

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea**

**Discussion/
Forested
Buffer
Require-
ments**

Mr. Hudson discussed forested buffer requirements. He stated that, presently, a 20 foot forested buffer on all sides of a new community is required. He noted that, instead of cutting that buffer and replanting it with saplings which would take several generations to mature, mature trees should be retained. Mr. Hudson stated that he would like to see stricter

**Discussion/
Forested
Buffer
Require-
ments
(continued)**

rules/conditions where a tree of a certain size/maturity/diameter/circumference cannot be touched if it is within that 20 foot forested buffer. Mature forests provide many benefits: wildlife habitat, production of oxygen, consumes stormwater, etc. Mr. Hudson stated that his reason for this is to help preserve the way of life in Sussex County. Mr. Hudson asked Mr. Moore and Jamie Whitehouse, Planning and Zoning Director, for input on how to make forested buffer requirements stronger and more reasonable for everyone. Mr. Robertson commented on extensive buffer requirements contained in County Code, Chapter 99. Mr. Robertson suggested that the first step should be to make sure that the current ordinance regarding mature trees be carried out. He stated that the Commission should pay close attention to existing site conditions and to clearly spell out in the conditions of approval the requirement of preserving mature trees. Also, through the Commission's review of the Final Site Plan and staff's review of plans to make sure that the conditions match what is done on the site. Mr. Whitehouse stated that, for all major subdivisions, there is a requirement that the Applicant meet with staff before the application is received and staff can continue to use that process to emphasize the need to retain mature woodlands. Mr. Whitehouse stated that a further step that can be taken relates to the Limits of Disturbance (LOD) whereby the Sussex Conservation District specifies no disturbance of the soil; there can be further discussion with applicants to emphasize that the County does not wish to see LOD lines within areas where trees are to be retained as part of the design. Mr. Whitehouse explained that there is discretion that the County can have before an application goes to public hearing to try and increase the quality of designs for better tree retention. Mr. Whitehouse stated that this can be done now as part of existing processes.

**Grant
Requests**

Mrs. Jennings presented grant requests for the Council's consideration.

**M 272 20
Council-
manic
Grant**

A Motion was made by Mr. Wilson, seconded by Mr. Burton, to give \$2,000.00 (\$1,500.00 from Mr. Wilson's Councilmanic Grant Account and \$500.00 from Mr. Burton's Councilmanic Grant Account) to the Friends of Milford Museum for operating expenses.

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea**

**M 273 20
Council-
manic
Grant**

A Motion was made by Mr. Wilson, seconded by Mr. Burton, to give \$1,000.00 from Mr. Wilson's Councilmanic Grant Account to Primeros Pasos for playground equipment.

Motion Adopted: 5 Yeas.

**M 273 20
(continued)**

**Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea**

**M 274 20
Council-
manic
Grant**

A Motion was made by Mr. Wilson, seconded by Mr. Burton, to give \$3,000.00 (\$1,500.00 from Mr. Vincent’s Councilmanic Grant Account and \$1,500.00 from Mr. Wilson’s Councilmanic Grant Account) to Woodbridge High School Marine Corps JROTC Booster Club for 5K Fun Run/Walk fundraiser.

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea**

**Introduction
of Proposed
Ordinances**

Mr. Hudson introduced the Proposed Ordinance entitled “AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM A B-1 (NEIGHBORHOOD BUSINESS DISTRICT), C-1 (GENERAL COMMERCIAL DISTRICT) AND CR-1 (COMMERCIAL RESIDENTIAL DISTRICT) TO A HR-RPC HIGH DENSITY RESIDENTIAL DISTRICT - RESIDENTIAL PLANNED COMMUNITY FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN INDIAN RIVER HUNDRED, SUSSEX COUNTY, CONTAINING 54.38 ACRES, MORE OR LESS” (Change of Zone No. 1922) filed on behalf of Baywood, LLC (Tax I.D. No. 234-23.00-270.00, 273.01, 273.02, 273.03, & 273.05) (911 Address: 32147 Long Neck Road, Millsboro).

Mr. Burton introduced the Proposed Ordinance entitled “AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A HI-1 HEAVY INDUSTRIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BROADKILL HUNDRED, SUSSEX COUNTY, CONTAINING 67.31 ACRES, MORE OR LESS” (Change of Zone No. 1923) filed on behalf of Reed Farms, LLC (Tax I.D. No. 235-13.00-29.00, 29.01 and 235-14.00-570.00) (911 Address: 14888, 14866 & 14742 Gravel Hill Road, Milton).

Mr. Burton introduced the Proposed Ordinance entitled “AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A C-5 SERVICE/LIMITED MANUFACTURING DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BROADKILL HUNDRED, SUSSEX COUNTY, CONTAINING 1.4653 ACRES, MORE OR LESS” (Change of Zone No. 1924) filed on behalf of Ryan Lehmann (Tax I.D. No. 235-30.00-58.02 (portion of) (911 Address: 26822 Lewes Georgetown Highway).

(continued) The Proposed Ordinances will be advertised for Public Hearing.

Council Members' Comments **Mr. Rieley commented on the Law Enforcement Appreciation Event held in Georgetown on July 13, 2020.**

Mr. Vincent commented on the County's "Keep Sussex Strong" campaign.

M 275 20 **At 11:03 a.m., a Motion was made by Mr. Burton, seconded by Mr. Rieley, to**
Go Into **recess the Regular Session and go into Executive Session for the purpose of**
Executive **discussing a matter relating to Job Applicants' Qualifications.**
Session

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea

Executive **At 11:05 a.m., an Executive Session of the Sussex County Council was held in**
Session **the Council Chambers for the purpose of discussing matters relating to Job**
Applicants' Qualifications. The Executive Session concluded at 11:25 a.m.

M 276 20 **At 11:27 a.m., a Motion was made by Mr. Hudson, seconded by Mr. Wilson,**
Reconvene **to come out of Executive Session and to reconvene the Regular Session.**
Regular
Session

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea

M 277 20 **A Motion was made by Mr. Burton, seconded by Mr. Hudson, that the Sussex**
Approve **County Council approves the appointment of Robert W. Murray, Jr. as the**
Appoint- **new EMS Director, effective July 26, 2020.**
ment of
new EMS
Director

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea

M 278 20 **A Motion was made by Mr. Burton, seconded by Mr. Wilson, to recess until**
Recess **1:30 p.m.**

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea

Rules Mr. Moore read the rules of procedure for zoning hearings.

**Request to Withdraw/
CU 2189** Mr. Moore reported that written communication was received from Legal Counsel for Grace Malone asking that they be permitted to withdraw the application (Conditional Use No. 2189). (Mr. Moore stated that this would require affirmative action on behalf of Council.) Thereafter, the County notified Legal Counsel (Rob Witsil) for the opposition, who submitted a letter opposing the withdraw of the application. Mr. Moore read Mr. Witsil's letter into the record.

It was noted that it is a long standing practice of the Council to approve requests to withdraw applications.

**M 279 20
Allow
Withdrawal
of CU 2189** A Motion was made by Mr. Rieley, seconded by Mr. Burton, to allow the withdrawal of Conditional Use No. 2189 entitled "AN ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT FOR AN EVENTS VENUE TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN LITTLE CREEK HUNDRED, SUSSEX COUNTY, CONTAINING 4.59 ACRES, MORE OR LESS" filed on behalf of Grace Malone (Tax I.D. No. 332-2.00-75.00) (911 Address: None Available).

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea

**Public
Hearing/
CU 2219** A Public Hearing was held on the Proposed Ordinance entitled "AN ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN A C-1 (GENERAL COMMERCIAL DISTRICT) FOR STONE & GRANITE RETAIL, FABRICATION, CUTTING, DISPLAYING & SELLING OF GRANITE, STONE & QUARTZ TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN DAGSBORO HUNDRED, SUSSEX COUNTY, CONTAINING 11.80 ACRES, MORE OR LESS" (Conditional Use No. 2219) filed on behalf of 32630 DuPont Boulevard, LLC (Tax I.D. No. 233-16.00-27.00 (portion of) (911 Address 32630 DuPont Blvd., Dagsboro).

The Planning and Zoning Commission held a Public Hearing on this application on June 11, 2020 at which time action was deferred. On June 25, 2020, the Commission recommended approval with conditions.

(See the minutes of the Planning and Zoning Commission meetings dated June 11 and 25, 2020.)

Jamie Whitehouse, Planning and Zoning Director, presented the application.

**Public
Hearing/
CU 2219
(continued)**

The Council found that Enes Celik, Applicant, was present. He stated that he is looking to obtain property in Dagsboro and to move his business to that location; that his business consists of stone and granite retail, fabrication and installation; and that he will only be using the commercial portion of the property (11 of the 22 acres).

The Council found that Victoria Hodgins was also present and stated that she works for the business. She stated that they are requesting the hours of operation to be 8:00 a.m. to 5:00 p.m., seven days per week.

There were no public comments in support of or in opposition to the application (by phone or in person).

The Public Hearing and public record were closed.

**M 280 20
Amend
Condition/
CU 2219**

A Motion was made by Mr. Rieley, seconded by Mr. Hudson, to amend the Planning and Zoning Commission's recommended Condition A to read as follows: "The hours of operation shall be from 8:00 a.m. until 5:00 p.m., seven days per week.

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea**

**M 281 20
Adopt
Ordinance
No. 2723/
CU 2219**

A Motion was made by Mr. Rieley, seconded by Mr. Hudson, to Adopt Ordinance No. 2723 entitled "AN ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN A C-1 (GENERAL COMMERCIAL DISTRICT) FOR STONE & GRANITE RETAIL, FABRICATION, CUTTING, DISPLAYING & SELLING OF GRANITE, STONE & QUARTZ TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN DAGSBORO HUNDRED, SUSSEX COUNTY, CONTAINING 11.80 ACRES, MORE OR LESS" (Conditional Use No. 2219) filed on behalf of 32630 DuPont Boulevard, LLC, with the following conditions, as amended:

- A. The hours of operation shall be from 8:00 a.m. until 5:00 p.m., seven days per week.
- B. Since this property is located within the C-1 General Commercial District, it shall comply with the signage requirements of the C-1 District.
- C. Any security lighting shall be downward screened so that it does not shine on neighboring properties or roadways.
- D. The Final Site Plan shall designate the areas set aside for outside display of the stone materials, and this area shall be clearly marked on the site itself.
- E. All grinding and fabrication operations shall occur indoors.
- F. Any dumpsters on the site shall be screened from the view of neighboring properties and roadways.

**M 281 20
Adopt
Ordinance
No. 2723/
CU 2219
(continued)**

G. Any violation of these conditions may be grounds for termination of this Conditional Use.

H. The Final Site Plan shall be subject to the review and approval of the Sussex County Planning and Zoning Commission.

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea**

**Proceed
to Next
Public
Hearing**

It was noted that no one was present on behalf of Conditional Use No. 2223 filed on behalf of A&W Burbage, LLC.

The Council proceeded with the next scheduled public hearing.

**Public
Hearing/
CZ 1908**

A Public Hearing was held on the Proposed Ordinance entitled “AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT AND MR MEDIUM DENSITY RESIDENTIAL DISTRICT TO A C-2 MEDIUM COMMERCIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BROADKILL HUNDRED, SUSSEX COUNTY, CONTAINING 37.08 ACRES, MORE OR LESS” (Change of Zone No. 1908) filed on behalf of W & B Hudson Family LTD. (Tax I.D. No. 235-30.00-62.00, 64.00, 66.00, 67.00, 70.00, and 72.00) (911 Address: None Available).

The Planning and Zoning Commission held a Public Hearing on this application on June 11, 2020 at which time action was deferred. On June 25, 2020, the Commission recommended approval.

(See the minutes of the Planning and Zoning Commission meetings dated June 11 and 25, 2020.)

Jamie Whitehouse, Planning and Zoning Director, presented the application.

The Council found that Mark Davidson of Pennoni Associates was present on behalf of the application with Wayne Hudson. Mr. Davidson discussed the history of the property, the uses and zonings of the surrounding area, the Delaware rails to trails program, a pedestrian/bicycle path, the proposed use for a small shopping center with storage and warehousing in the back of the property, the existing easements on the property and the adjacent Royal Farms property, future transportation improvements required by DelDOT, setbacks along Route 9, the availability of utilities, the application’s compliance with the Comprehensive Plan and the Zoning Ordinance, the convenience this project will provide for area residents which will reduce traffic, and the Strategies for State Policies and Spending identifying this property as a Level 3 Area.

**Public Hearing/
CZ 1908
(continued)**

Mr. Davidson commented on two (2) letters received, one in opposition and one with comments only.

There were no public comments in support of or in opposition to the application (by phone or in person).

The Public Hearing and public record were closed.

**M 282 20
Adopt
Ordinance
No. 2724/
CZ 1908**

A Motion was made by Mr. Burton, seconded by Mr. Wilson, to Adopt Ordinance No. 2724 entitled “AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT AND MR MEDIUM DENSITY RESIDENTIAL DISTRICT TO A C-2 MEDIUM COMMERCIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BROADKILL HUNDRED, SUSSEX COUNTY, CONTAINING 37.08 ACRES, MORE OR LESS” (Change of Zone No. 1908) filed on behalf of W & B Hudson Family LTD.

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea**

**Public Hearing/
CZ 1912**

A Public Hearing was held on the Proposed Ordinance entitled “AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A C-2 MEDIUM COMMERCIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN LEWES AND REHOBOTH HUNDRED, SUSSEX COUNTY, CONTAINING 0.92 ACRE, MORE OR LESS” (Change of Zone No. 1912) filed on behalf of Kyle Norwood and Katie Davidson (Beach and Bay, LLC) (Tax I.D. No. 334-6.00-58.00) (911 Address: 16816 and 16820 Kings Highway, Lewes).

The Planning and Zoning Commission held a Public Hearing on this application on June 11, 2020 at which time action was deferred. On June 25, 2020, the Commission recommended approval.

(See the minutes of the Planning and Zoning Commission meetings dated June 11 and 25, 2020.)

Jamie Whitehouse, Planning and Zoning Director, presented the application.

The Council found that David Hutt, Attorney, was present with Katie Davidson and Kyle Norwood (Applicants). Mr. Hutt discussed the uses and zonings in the surrounding area as well as the housing options in the area, the site’s close proximity to Route 1, the layout of the site, the availability of utilities, the intended use of the property for professional offices, and the application’s compliance with the Comprehensive Plan and the Zoning

(continued) Ordinance.

There were no public comments in support of or in opposition to the application (by phone or in person).

The Public Hearing and public record were closed.

**M 283 20
Adopt
Ordinance
No. 2725/
CZ 1912**

A Motion was made by Mr. Burton, seconded by Mr. Wilson, to Adopt Ordinance No. 2725 entitled “AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A C-2 MEDIUM COMMERCIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN LEWES AND REHOBOTH HUNDRED, SUSSEX COUNTY, CONTAINING 0.92 ACRE, MORE OR LESS” (Change of Zone No. 1912) filed on behalf of Kyle Norwood and Katie Davidson (Beach and Bay, LLC).

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea**

**CU 2223/
Applicant
Not
Present**

The Council found that no one was present on behalf of Conditional Use No. 2223 filed on behalf of A&W Burbage, LLC. It was noted that Planning and Zoning staff had made attempts to contact the Applicant with no success.

It was determined that there was no one present who wished to speak in regard to this application.

It was determined that there was no one who wished to speak by phone in regard to this application.

(It was noted that one person called in to speak; however, that person wished to speak in reference to the Public Hearing on Change of Zone No. 1912 and that that Public Hearing and public record were closed.)

**M 284 20
Adopt
Proposed
Ordinance/
CU 2223**

A Motion was made by Mr. Burton, seconded by Mr. Wilson, to Adopt the Proposed Ordinance entitled “AN ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT FOR BOAT & RV STORAGE TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN BALTIMORE HUNDRED, SUSSEX COUNTY, CONTAINING 3.93 ACRES, MORE OR LESS” (Conditional Use No. 2223) filed on behalf of A&W Burbage, LLC

Denied

Motion Denied: 5 Nays.

**M 284 20
(continued)**

**Vote by Roll Call: Mr. Hudson, Nay; Mr. Rieley, Nay;
Mr. Wilson, Nay; Mr. Burton, Nay;
Mr. Vincent, Nay**

**Reasons for
Denial**

The application was denied due to the fact that no one was present on behalf of the application and due to the lack of a record before the Council.

**M 285 20
Adjourn**

A Motion was made by Mr. Burton, seconded by Mr. Wilson, to adjourn at 3:14 p.m.

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mr. Hudson, Yea; Mr. Rieley, Yea;
Mr. Wilson, Yea; Mr. Burton, Yea;
Mr. Vincent, Yea**

Respectfully submitted,

**Robin A. Griffith
Clerk of the Council**

{An audio recording of this meeting is available on the County's website.}

ENGINEERING DEPARTMENT

ADMINISTRATION	(302) 855-7718
AIRPORT & INDUSTRIAL PARK	(302) 855-7774
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Sussex County


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HANS M. MEDLARZ, P.E.
COUNTY ENGINEER

JOHN J. ASHMAN
DIRECTOR OF UTILITY PLANNING

Memorandum

TO: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable Irwin G. Burton III, Vice President
The Honorable Samuel R. Wilson, Jr.
The Honorable Douglas B. Hudson
The Honorable John L. Rieley

FROM: John J. Ashman 
Director of Utility Planning

RE: *Existing Wastewater Infrastructure Use Agreement
H&D Townhomes (Sea Edge)
File: OM 9.01*

DATE: July 28, 2020

The Existing Wastewater Infrastructure Use Agreement is an arrangement that collects financial contributions based on development built out flows for available capacity in the existing wastewater transmission infrastructure previously funded by the County while at the same time eliminating the granting of "oversizing" credits.

The Engineering Department requests approval of an agreement for the use of existing wastewater infrastructure with **H&D Subdivision, LLC** for the **H&D Townhomes (Sea Edge)** project in the Millville Area. Such an arrangement does not modify the underlying land use decision in any form. However, it allows the wastewater originating from the approved project to be conveyed through the existing transmission system previously constructed by the County.

Under the proposed arrangement, the **H&D Townhomes** project will connect to the existing County owned wastewater infrastructure. In return for utilization of said infrastructure **H&D Subdivision, LLC** will contribute **\$57,395.00** for the financial catch-up contribution of the existing infrastructure to serve **58.00** Equivalent Dwelling Units. Payment will be required prior to receiving beneficial acceptance of the on-site collection system. System Connection Charges in place at the time of building permit request will still apply.



EXISTING WASTEWATER INFRASTRUCTURE USE AGREEMENT

H&D TOWNHOUSES (SEA EDGE) – IUA974-1

THIS AGREEMENT (“Agreement”), made this _____ day of _____ 2020, by and between:

SUSSEX COUNTY, a political subdivision of the State of Delaware, hereinafter called the “County,” and;

H&D SUBDIVISION, LLC, a Delaware Limited Liability Corporation and developer of a project known as H & D Townhouses (Sea Edge), hereinafter called the “Developer.”

WITNESSETH:

WHEREAS, Developer is developing a tract of land identified as Tax Map parcels 134-16.00-5.00 to be known as H & D Townhouses (Sea Edge) (“Project”) and;

WHEREAS, the Project is within the boundary of the Sussex County Unified Sanitary Sewer District (Millville Area) and;

WHEREAS, the Project will utilize available capacity in existing wastewater infrastructure previously funded by Sussex County.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, which is hereby acknowledged by both parties as sufficient consideration, the parties hereby agree as follows:

- (1) Developer is proposing to utilize County’s existing collection and transmission capacity by connecting to existing regional infrastructure used by multiple pump stations.
- (2) In exchange for permission to connect up to **58.00** additional equivalent dwelling units to County’s existing system and to utilize the existing capacity in said system, Developer agrees to financial catch-up contribution in the amount of **\$57,395.00** for said existing facilities.
- (3) The contribution amount in the case of multiple pump stations using an existing collection and transmission system is based on the ratio of average flow capacity utilization of said transmission facilities.
- (4) **Payment of the contribution must be submitted prior to receiving beneficial acceptance of the on-site collection system.**
- (5) If the Project (as currently submitted) is amended and County determines in its sole discretion that such amendments materially affect this Agreement, this Agreement

may be declared by County to be null and void, and any unused payments made pursuant to this Agreement shall be returned to Developer, unless the parties otherwise agree. Nothing herein shall prevent the parties from the negotiation of a new agreement with respect to the amended Project, as the parties may deem appropriate.

- (6) The contribution is to be placed in County's sewer capital fund and expended towards overall debt reduction or at such time when any transmission infrastructure in County's Unified Sanitary Sewer District requires capital improvements (See Chapter 110-96 of the Sussex County Code).
- (7) Developer shall be responsible for payment of any and all undiscounted system connection charges in accordance with and pursuant to the requirements of the *Sussex County Code* for all lots, due at such time the Developer receives the sewer connection permit.
- (8) Developer shall comply in all aspects with the *Sussex County Code* and any other local, state, county, or federal laws, regulations, or policies that may be applicable and as such may be hereinafter amended.
- (9) Prior to the commencement of construction of any sanitary sewer facilities for the Project, Developer shall obtain a project construction permit from the County in accordance with and pursuant to the requirements of the *Sussex County Code*.
- (10) In order to allow the opportunity for a County representative to be present as the County so chooses, Developer shall send written notice to County of the date upon which connection to the County regional transmission system will be made. Developer shall follow County's written or verbal instructions in making said connection to the County sanitary sewer system.
- (11) Developer may assign this Agreement in whole or in part to any entity controlled directly or indirectly by Developer or to any third party who purchases, leases or otherwise controls any portion of Developer's property without the consent of County. Developer, and any subsequent assignees or successors shall provide County at least ten (10) days' written notice of any such assignment. Any other assignments, transfers, or conveyances with respect to this Agreement are prohibited without prior written consent of County.
- (12) To the extent permitted by law, Developer shall indemnify and hold harmless County, and its appointed and elected officials, employees, licensees, and agents for any claims, losses, liabilities, suits, or damages, including but not limited to reasonable attorneys' fees, professional engineering fees, and any other costs of litigation, arising out of Developer's negligence in connection with its performance of this Agreement, including but not limited to damage to the County's infrastructure

in making connection to County's regional transmission system. The obligations of this Paragraph shall survive the termination of this Agreement.

- (13) All the terms, covenants, and conditions of this Agreement shall in all respects be governed and construed under and pursuant to the Laws of the State of Delaware without respect to its conflict of law provisions. This Agreement may only be amended, supplemented or modified by a subsequent written agreement executed by all the parties hereto.
- (14) This Agreement and exhibits constitute the final, entire and exclusive agreement between the parties with respect to the subject matter of all matters discussed in it and supersedes all prior or contemporaneous discussions, statements, representations, warranties or agreements, whether written or oral, made in connection with the Agreement described herein.
- (15) It is mutually agreed between the parties that no review, approval, acceptance, and/or payment made under this Agreement shall be conclusive evidence of the performance of the Agreement, either wholly or in part, and that no review, approval, acceptance, and/or payment shall be construed as acceptance of defective work by County, nor in any way relieve Developer of its responsibility for the adequacy of its work.
- (16) The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach. Neither party shall be deemed to have waived any rights under this Agreement unless such waiver is expressly given in writing and signed by the waiving party. No delay or omission on the part of either party in exercising any right shall operate as a waiver of such right or any other right.
- (17) This Agreement shall be executed in duplicate, any copy of which shall be considered and construed as and for the original.
- (18) If any provision of this Agreement shall be deemed invalid or unenforceable for any reason whatsoever, then such invalidity or unenforceability shall not render invalid or unenforceable any of the other provisions of this Agreement which may be given effect without such invalid or unenforceable provision, and to this end, the provisions of this Agreement are hereby deemed to be severable.
- (19) Any notice required to be delivered to or by either party under this Agreement shall be sent by U.S. first class mail. For purposes of this provision, the address of the County is 2 The Circle, P.O. Box 589, Georgetown, Delaware, 19947, and the address of the Developer is **30378 Mumford Road, Millsboro DE 19966.**

IN WITNESS, WHEREOF, the respective parties hereto have affixed their hands and seals the day and year aforesaid.

FOR THE COUNTY:

{Seal}

By: _____
(President - Sussex County Council)

_____ (DATE)

ATTEST:

Robin A. Griffith
Clerk of the County Council

FOR H&D SUBDIVISION, LLC

By: Gerald W. Hocker Jr. (Seal)
Gerald W. Hocker Jr. Managing Member

7/1/2020 (DATE)

WITNESS: Gerald W. Hocker Jr.

Use of Existing Infrastructure

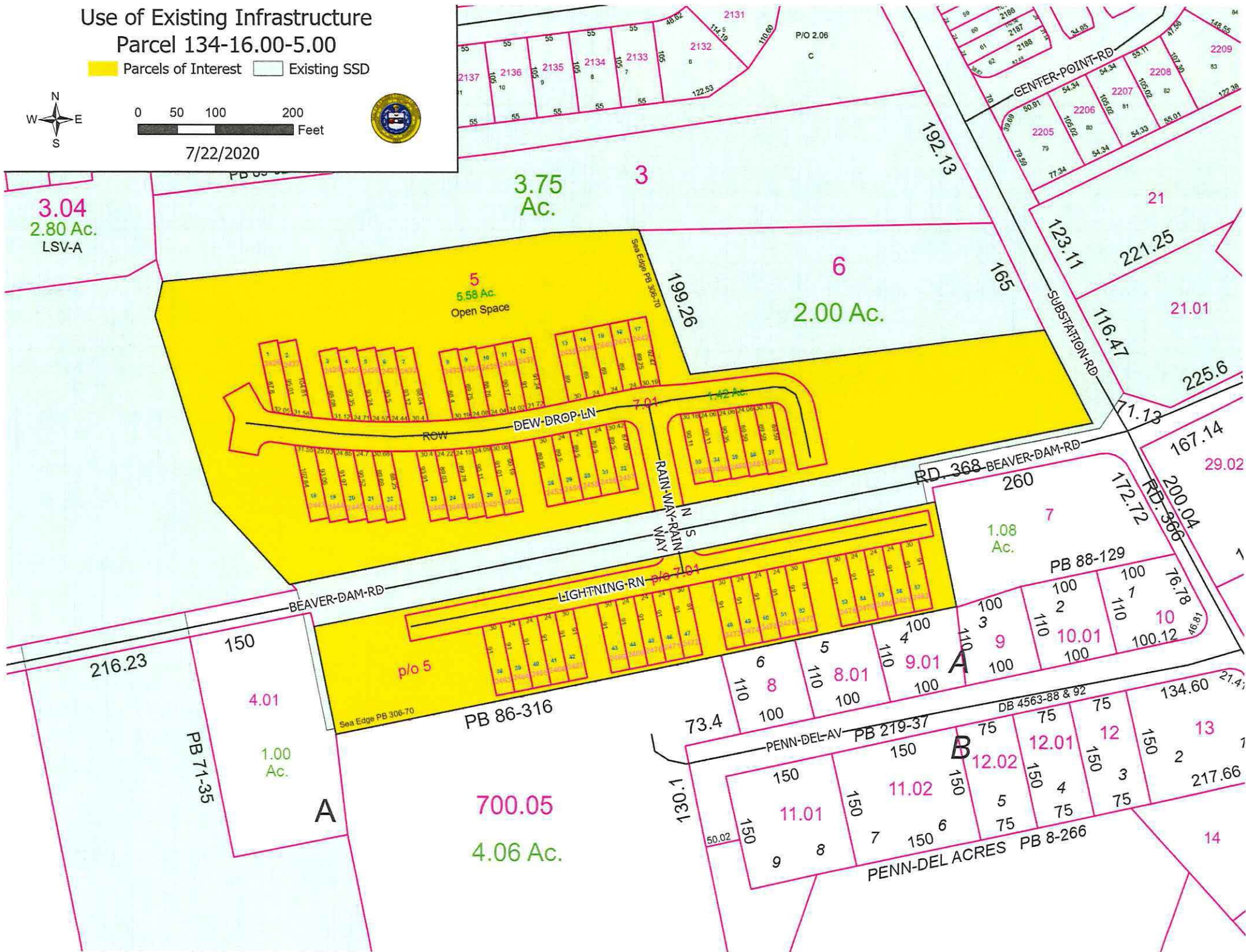
Parcel 134-16.00-5.00

Parcels of Interest Existing SSD



0 50 100 200 Feet

7/22/2020



ENGINEERING DEPARTMENT

ADMINISTRATION	(302) 855-7718
AIRPORT & INDUSTRIAL PARK	(302) 855-7774
ENVIRONMENTAL SERVICES	(302) 855-7730
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Sussex County


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HANS M. MEDLARZ, P.E.
COUNTY ENGINEER

JOHN J. ASHMAN
DIRECTOR OF UTILITY PLANNING

Memorandum

TO: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable Irwin G. Burton III, Vice President
The Honorable Samuel R. Wilson, Jr.
The Honorable Douglas B. Hudson
The Honorable John L. Rieley

FROM: John J. Ashman 
Director of Utility Planning

RE: *Existing Wastewater Infrastructure Use Agreement
Hyatt Hotel-REVISED
File: OM 9.01*

DATE: JULY 28, 2020

The Existing Wastewater Infrastructure Use Agreement is an arrangement that collects financial contributions based on development built out flows for available capacity in the existing wastewater transmission infrastructure previously funded by the County while at the same time eliminating the granting of "oversizing" credits.

The Engineering Department requests approval of a **revised** existing wastewater infrastructure use agreement with **Lewes Hotel, LLC** for the **Hyatt Hotel** project in the West Rehoboth Area. Under the revised agreement, the **Hyatt Hotel** project will connect an additional 9.0 EDUs above the original agreement approved on 6/2/20 to the existing County owned wastewater infrastructure. In return for the 9.0 EDUs **Lewes Hotel, LLC** will contribute an additional **\$5,143.00** towards the financial catch-up contribution. The project will have paid catch-up contributions for a total of **66.83** Equivalent Dwelling Units. Payment will be required prior to receiving a connection permit for the project. System Connection Charges in place at the time of building permit request will still apply.



EXISTING WASTEWATER INFRASTRUCTURE USE AGREEMENT

HYATT HOTEL - REVISED

THIS AGREEMENT (“Agreement”), made this July 7 day of _____ 2020, by and between:

SUSSEX COUNTY, a political subdivision of the State of Delaware, hereinafter called the “County,” and;

LEWES HOTEL, LLC, a Delaware Limited Liability Corporation and developer of a project known as Hyatt Hotel, hereinafter called the “Developer.”

WITNESSETH:

WHEREAS, Developer is developing several tracts of land identified as Tax Map parcels 334-6.00-26.03, 26.04 & 26.05 to be known as Hyatt Hotel (“Project”) and;

WHEREAS, the Project is within the boundary of the Sussex County Unified Sanitary Sewer District (West Rehoboth Area) and;

WHEREAS, the Project will utilize available capacity in existing wastewater infrastructure previously funded by Sussex County.

WHEREAS, the Project design was revised by the developer and a modification of the agreement is required to address the additional Equivalent Dwelling Units (EDUs) connecting to the existing infrastructure.

WHEREAS, this agreement will supersede the original agreement executed February 19, 2019.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, which is hereby acknowledged by both parties as sufficient consideration, the parties hereby agree as follows:

- (1) Developer is proposing to utilize County’s existing collection and transmission capacity by connecting to existing regional infrastructure used by multiple pump stations.
- (2) In exchange for permission to connect up to **66.83** additional equivalent dwelling units to County’s existing system and to utilize the existing capacity in said system, Developer agrees to financial catch-up contribution in the amount of **\$42,856.00** for said existing facilities. The Developer paid the previous agreement for 57.83 EDUs at \$37,713.00 leaving a **balance due of \$ 5,143.00.**

- (3) The contribution amount in the case of multiple pump stations using an existing collection and transmission system is based on the ratio of average flow capacity utilization of said transmission facilities.
- (4) **Payment of the contribution must be submitted prior to receiving a connection permit for the facility.**
- (5) If the Project (as currently submitted) is amended and County determines in its sole discretion that such amendments materially affect this Agreement, this Agreement may be declared by County to be null and void, and any unused payments made pursuant to this Agreement shall be returned to Developer, unless the parties otherwise agree. Nothing herein shall prevent the parties from the negotiation of a new agreement with respect to the amended Project, as the parties may deem appropriate.
- (6) The contribution is to be placed in County's sewer capital fund and expended towards overall debt reduction or at such time when any transmission infrastructure in County's Unified Sanitary Sewer District requires capital improvements (See Chapter 110-96 of the Sussex County Code).
- (7) Developer shall be responsible for payment of any and all undiscounted system connection charges in accordance with and pursuant to the requirements of the *Sussex County Code* for all lots, due at such time the Developer receives the sewer connection permit.
- (8) Developer shall comply in all aspects with the *Sussex County Code* and any other local, state, county, or federal laws, regulations, or policies that may be applicable and as such may be hereinafter amended.
- (9) Prior to the commencement of construction of any sanitary sewer facilities for the Project, Developer shall obtain a project construction permit from the County in accordance with and pursuant to the requirements of the *Sussex County Code*.
- (10) In order to allow the opportunity for a County representative to be present as the County so chooses, Developer shall send written notice to County of the date upon which connection to the County regional transmission system will be made. Developer shall follow County's written or verbal instructions in making said connection to the County sanitary sewer system.
- (11) Developer may assign this Agreement in whole or in part to any entity controlled directly or indirectly by Developer or to any third party who purchases, leases or otherwise controls any portion of Developer's property without the consent of County. Developer, and any subsequent assignees or successors shall provide County at least ten (10) days' written notice of any such assignment. Any other assignments, transfers, or conveyances with respect to this Agreement are prohibited without prior written consent of County.

- (12) To the extent permitted by law, Developer shall indemnify and hold harmless County, and its appointed and elected officials, employees, licensees, and agents for any claims, losses, liabilities, suits, or damages, including but not limited to reasonable attorneys' fees, professional engineering fees, and any other costs of litigation, arising out of Developer's negligence in connection with its performance of this Agreement, including but not limited to damage to the County's infrastructure in making connection to County's regional transmission system. The obligations of this Paragraph shall survive the termination of this Agreement.
- (13) All the terms, covenants, and conditions of this Agreement shall in all respects be governed and construed under and pursuant to the Laws of the State of Delaware without respect to its conflict of law provisions. This Agreement may only be amended, supplemented or modified by a subsequent written agreement executed by all the parties hereto.
- (14) This Agreement and exhibits constitute the final, entire and exclusive agreement between the parties with respect to the subject matter of all matters discussed in it and supersedes all prior or contemporaneous discussions, statements, representations, warranties or agreements, whether written or oral, made in connection with the Agreement described herein.
- (15) It is mutually agreed between the parties that no review, approval, acceptance, and/or payment made under this Agreement shall be conclusive evidence of the performance of the Agreement, either wholly or in part, and that no review, approval, acceptance, and/or payment shall be construed as acceptance of defective work by County, nor in any way relieve Developer of its responsibility for the adequacy of its work.
- (16) The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach. Neither party shall be deemed to have waived any rights under this Agreement unless such waiver is expressly given in writing and signed by the waiving party. No delay or omission on the part of either party in exercising any right shall operate as a waiver of such right or any other right.
- (17) This Agreement shall be executed in duplicate, any copy of which shall be considered and construed as and for the original.
- (18) If any provision of this Agreement shall be deemed invalid or unenforceable for any reason whatsoever, then such invalidity or unenforceability shall not render invalid or unenforceable any of the other provisions of this Agreement which may be given effect without such invalid or unenforceable provision, and to this end, the provisions of this Agreement are hereby deemed to be severable.

(19) Any notice required to be delivered to or by either party under this Agreement shall be sent by U.S. first class mail. For purposes of this provision, the address of the County is 2 The Circle, P.O. Box 589, Georgetown, Delaware, 19947, and the address of the Developer is **405 East Marsh Lane, Suite 1, Newport DE 19804.**

IN WITNESS, WHEREOF, the respective parties hereto have affixed their hands

and seals the day and year aforesaid.

FOR THE COUNTY:

{Seal}

By: _____
(President - Sussex County Council)

_____ (DATE)

ATTEST:

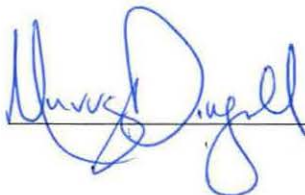
Robin A. Griffith
Clerk of the County Council

FOR LEWES HOTEL, LLC



By:  _____ (Seal)
Thomas J. Hanna - Authorized Signatory

7/7/2020 (DATE)

WITNESS:

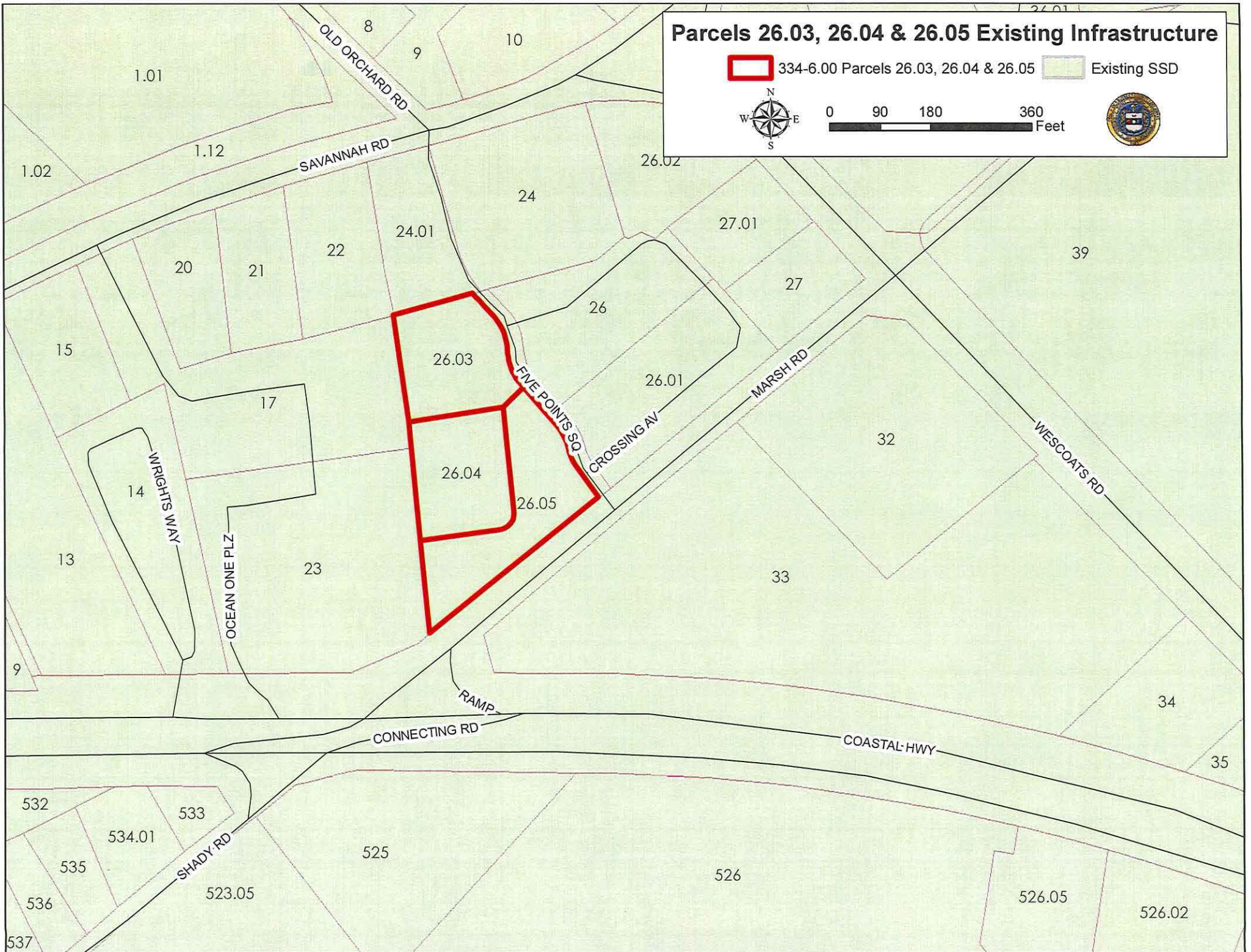
 _____

Parcels 26.03, 26.04 & 26.05 Existing Infrastructure

 334-6.00 Parcels 26.03, 26.04 & 26.05  Existing SSD

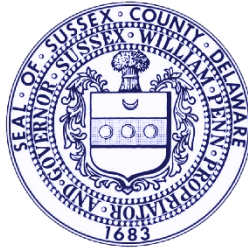


0 90 180 360 Feet



ENGINEERING DEPARTMENT

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AIRPORT & INDUSTRIAL PARK	(302) 855-7774
ENVIRONMENTAL SERVICES	(302) 855-7730
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FAX	(302) 855-7799



Sussex County

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HANS M. MEDLARZ, P.E.
COUNTY ENGINEER

Memorandum

TO: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable Irwin G. Burton III, Vice President
The Honorable Douglas B. Hudson
The Honorable John L. Rieley
The Honorable Samuel R. Wilson, Jr.

FROM: Hans Medlarz, P.E., County Engineer

RE: **ORDINANCE AUTHORIZING ISSUANCE OF UP TO \$5,744,784 OF GENERAL OBLIGATION BONDS IN CONNECTION WITH THE LAND CONSERVATION/WATER QUALITY PROJECT**

DATE: July 28, 2020

The Land Conservation Loan Sponsorship Program (LCLP) is an innovative financing approach to fund land conservation easements and fee simple land purchases under modified loan arrangements of the Clean Water State Revolving Fund (CWSRF) administered by the Department of Natural Resources and Environmental Control (DNREC). In this case the City of Rehoboth Beach had received financing through the CWSRF for the Ocean Outfall Project as well as Phase 1 of the City's treatment plant upgrades.

However, the City declined to participate in the LCLP. In response, DNREC issued a Special Project Notice-of-Intent (NOI) Solicitation which on November 3, 2017 received four (4) municipal submissions including Sussex County's. After a special DNREC review committee scored the submissions, the Water Infrastructure Advisory Council (WIAC) evaluated them during the December 6, 2017 meeting, and voted to recommend that Sussex County be invited to submit an application for two (2) Land Conservation and Water Quality Improvement Loan Application for a combined amount up to \$5,744,784 at 0% interest rate over a loan term of 20 & 25 years respectively.

With the Secretary's approval, DNREC solicited a loan application from the County for this CWSRF Special Project funding. The County completed the application by the March 31, 2018 deadline and on September 17, 2018 DNREC issued the revised attached Commitment Letter for the financing of the "Comfort Burton Property" located in the headwaters of Guinea Creek, a tributary of Rehoboth Bay and part of the Herring Creek/Rehoboth Bay sub-watershed.



The County's plan calls for enhancement of the forest biodiversity of the land, wetland creation and reforestation of approximately sixty (60) acres as part of the Inland Bays Wastewater Treatment Plant Upgrade Project Phase 3.

One of the requirements of the funding is a Conservation Agreement to implement the plan. The attached Agreement was prepared with the assistance of the County Attorney. Under the Agreement the Forest Service agrees to monitor and inspect the LCLP Project for the length of the loan term in exchange for a one-time payment.

On June 23, 2020 Council introduced the above referenced Ordinance providing the bond security. The Finance and Engineering Departments request Council's approval of the Ordinance and concurrence in principle with the Conservation Agreement as presented.

Introduced 06/23/20

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO \$5,744,784 OF GENERAL OBLIGATION BONDS OF SUSSEX COUNTY IN CONNECTION WITH THE LAND CONSERVATION/WATER QUALITY PROJECT AND AUTHORIZING ALL NECESSARY ACTIONS IN CONNECTION THEREWITH

WHEREAS, pursuant to Title 9, Delaware Code, Section 7001(a) Sussex County (the "County") has "all powers which, under the Constitution of the State, it would be competent for the General Assembly to grant by specific enumeration, and which are not denied by statute" (the "Home Rule Power");

WHEREAS, acting pursuant to its Home Rule Power, and pursuant to Title 9, Delaware Code, Chapters 65 and 67, the County has authorized the design, construction and equipping of the Land Conservation/Water Quality Project, consisting of the (a) acquisition of fee simple interest in a forested parcel (Comfort Burton Property) located in the headwaters of Guinea Creek; (b) enhancement of biodiversity of the site; (c) restoration of elements of a first order stream, including wetlands creation; and (d) reforestation of tillable land located primarily in the Herring Creek/Rehoboth Bay sub-watershed (the "Project");

WHEREAS, pursuant to Title 9, Delaware Code, Section 6706, the County is authorized to issue its bonds and to pledge its full faith and credit thereto, to finance the cost of any object, program or purpose for which the County is authorized to raise, appropriate or expend money under Chapter 67 of Title 9; and

WHEREAS, acting pursuant to the aforesaid authority, the County desires to authorize the issuance of general obligations of the County to finance the costs of the Project and for the other purposes described herein.

NOW, THEREFORE, THE COUNTY OF SUSSEX HEREBY ORDAINS (AT LEAST FOUR FIFTHS OF THE MEMBERS OF COUNCIL CONCURRING HEREIN):

Section 1. Amount and Purpose of the Bonds. Acting pursuant to Title 9, Delaware Code, Chapters 65 and 67, Sussex County shall issue its negotiable general obligations in the maximum aggregate principal amount not to exceed \$5,744,784 (the "Bonds") to finance or reimburse the County for a portion of the cost of the design, construction and equipping of the Project.

The monies raised from the sale of the Bonds (including the investment earnings thereon) after the payment of the costs of issuance, shall be held in one or more Project accounts and shall be expended only for the purposes authorized herein or as may otherwise be authorized by subsequent action by County Council. Authorized purposes include the costs of planning, constructing, acquiring and equipping the Project or any portion thereof; interest on the Bonds and any interim financing during the construction period and for a period of up to one year following the estimated date of completion; the reasonable costs of issuance of the Bonds and any interim financing; the repayment of temporary loans incurred

with respect to the Project; and the reimbursement of authorized costs previously expended by the County from other funds.

Section 2. Security for the Bonds. The principal, interest, if any, and premium, if any, on the Bonds may be paid by ad valorem taxes on all real property subject to taxation by the County without limitation as to rate or amount, except as limited by Title 9, Delaware Code Section 8002 (c). Pursuant to Title 9, Delaware Code, Section 6706, the full faith and credit of the County is pledged to such payment. The Bonds shall contain a recital that they are issued pursuant to Title 9, Delaware Code, Chapter 67, which recital shall be conclusive evidence of their validity and of the regularity of their issuance. The Bonds are backed by the County's full faith and credit.

Section 3. Terms of the Bonds. The Bonds shall be sold at such prices and upon such other terms and conditions consistent with the provisions of this Ordinance and otherwise as the County Administrator shall determine to be in the best interests of the County. The Bonds are currently expected to bear no interest and shall mature in such amounts and at such times, but not exceeding (a) twenty-five (25) years for the land conservation portion of the Project (expected to be in an amount not to exceed \$5,370,531) and (b) twenty (20) years for the water quality portion of the Project (expected to be in an amount not to exceed \$374,253) from the date of completion of the Project, and shall be subject to redemption, as the County Administrator shall determine.

Section 4. Sale of the Bonds. The Bonds may be issued in one or more series and shall be sold in one or more public sales or private negotiated transactions upon such terms and conditions as the County Administrator shall determine shall be in the best interest of the County. It is anticipated that the Bonds will be sold to the State of Delaware Water Pollution Control Revolving Fund (acting by and through the Delaware Department of Natural Resources and Environmental Control) (or any successor agency).

Section 5. Details of the Bonds. The County Administrator is authorized to determine the details of the Bonds including the following: the date or dates of the Bonds; provisions for either serial or term bonds; sinking fund or other reserve fund requirements; due dates of the interest thereon; the form of the Bonds; the denominations and designations of the Bonds; registration, conversion and transfer provisions; provisions for the receipt, deposit and investment of the proceeds of the Bonds; provisions for the replacement of lost, stolen, mutilated or destroyed Bonds; and provisions for issuing uncertificated obligations and all procedures appropriate for the establishment of a system of issuing uncertificated debt. The Bonds shall be executed by the manual or facsimile signature of the County Administrator, shall contain an impression of the County seal or a facsimile thereof and shall be attested by the manual signature of the County Clerk. The County Administrator shall determine the form of the Bonds.

Section 6. Debt Limit. It is hereby determined and certified, as of the effective date hereof, that the issuance of the Bonds is within the legal debt limit of the County.

Section 7. Further Action. The President of the County Council, the County Administrator, the Finance Director and the County Clerk are authorized and directed to take such other action on behalf of the County, as may be necessary or desirable to effect the adoption of this Ordinance and the issuance and sale of the Bonds and to provide for their security and to carry out the intent of this Ordinance, including the publication of notices and advertisements and the execution and delivery of customary closing certificates.

Section 8. Effective Date. This Ordinance shall become effective immediately upon its passage.

SYNOPSIS: This Ordinance provides for the issuance of up to \$5,744,784 of Sussex County General Obligation Bonds in order to finance or reimburse the County for a portion of the costs for the design, construction and equipping of the Land Conservation/Water Quality Project, consisting of the (a) acquisition of fee simple interest in a forested parcel (Comfort Burton Property) located in the headwaters of Guinea Creek; (b) enhancement of biodiversity of the site; (c) restoration of elements of a first order stream, including wetlands creation; and (d) reforestation of tillable land located primarily in the Herring Creek/Rehoboth Bay sub-watershed (the "Project").



STATE OF DELAWARE
DEPARTMENT OF NATURAL RESOURCES &
ENVIRONMENTAL CONTROL
OFFICE OF THE SECRETARY
ENTERPRISE BUSINESS PARK
97 COMMERCE WAY, SUITE 106
DOVER, DELAWARE 19904

ENVIRONMENTAL FINANCE

TELEPHONE: (302) 739-9941
FAX: (302) 739-2137

September 17, 2018

Todd F. Lawson
Sussex County Administrator
Sussex County Administrative Office
Building 1st Floor
2 The Circle, PO Box 589
Georgetown, DE 19947

RE: **Revised** Delaware Water Pollution Control Revolving Fund Supplemental Binding Commitment Offer Sussex County Land Conservation/Water Quality Project

Dear Mr. Lawson:

On behalf of the Delaware Water Pollution Control Revolving Fund (Fund), the Delaware Department of Natural Resources and Environmental Control (Department) is pleased to advise you that a Loan (Loan) has been authorized from the Fund to Sussex County Council (County) in the amount of **\$5,744,784**.

In accordance with the requirements of the CWSRF Land Conservation Loan Sponsorship (LCLP) / Water Quality Improvement Loan Sponsorship Program (WQILP) and the Special NOI award to Sussex County in February 2018, the Loan will be specifically used to acquire fee simple interest in a forested parcel, "Comfort Burton Property", located in the headwaters of Guinea Creek, a tributary of Rehoboth Bay and part of the Herring Creek/Rehoboth Bay sub-watershed. The funds will also be used to enhance biodiversity of the site which is currently planted as a monoculture pine plantation and also to restore elements of a first order stream, including wetlands creation, which traverses the property and serves as headwaters for Guinea Creek. The project will also include the reforestation of approximately 60 acres of tillable land that is currently under County ownership as part of the Inland Bays Wastewater Treatment Plant (IBWWTP) which is also located primarily in the Herring Creek/Rehoboth Bay subwatershed.

Furthermore, Sussex County is required to enter into a conservation agreement with DNREC, and forestry management plan with the Delaware Department of Agriculture to protect the property under a permanent conservation easement prior to loan closing.

Based on having the highest score among the proposals submitted under the Special NOI solicitation, the **CWSRF Land Conservation Loan of \$5,370,531 will be at 0% interest for a**

Delaware's Good Nature Depends on You!

Mr. Todd F. Lawson
September 17, 2018
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term of 25 years and a CWSRF Water Quality Loan of \$374,253 will be at 0% interest for a term of 20 years.

It is understood that a General Obligation Pledge of the County will secure the Loan. All legal costs, incurred by the Fund, associated with loan closing shall be borne by the County and will become a part of loan proceeds.

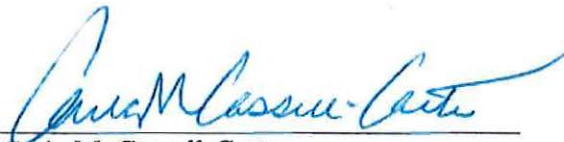
The Fund reserves the right to withdraw or alter the terms of this commitment if, between the date of the County's loan application and the date of the closing, the County incurs any debt or its financial condition changes in any way deemed material by the Fund at its sole discretion. Loan closing and the disbursement of funds shall remain subject to the satisfaction of any conditions established by the Fund.

The County shall comply in all respects with all applicable Fund requirements and reporting, federal laws, regulations and other requirements related to or arising out of, or in connection with funding by the Fund. The County shall also comply in all respects with the Federal Single Audit Act and OMB Circular A-133, 2 CFR 200 Subpart F, as a sub-recipient of Federal funds. The Catalog of Federal Domestic Assistance (CFDA) number for the Fund is 66.458. Where noncompliance of such requirements is determined by the Fund or the Department, the issue shall be referred to the proper federal authority and/or agency for consultation and/or enforcement action.

If you have any questions concerning the foregoing, please contact this office at (302) 739-9941. If you concur with the terms and conditions stated above, please acknowledge your acceptance by signing below and returning the original to this office no later than September 30, 2018.

If Loan closing shall not have occurred within 120 days of receipt of this letter, the Fund reserves the right to discontinue processing the County's application.

Sincerely,
FOR THE DELAWARE WATER POLLUTION
CONTROL REVOLVING FUND



Carla M. Cassell-Carter
Acting Chief of Administration
Office of the Secretary
Environmental Finance

Mr. Todd F. Lawson
September 17, 2018
Revised WPCRF Binding Commitment Letter
Sussex County Council – LCLP/WQILP Project
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The foregoing terms and conditions are hereby acknowledged and accepted this 19 day of September, 2018.

By: 

Todd F. Lawson
Sussex County Administrator

(SEAL OF THE COUNTY)

cc: Robert Zimmerman, DNREC
Greg Pope, DNREC
Keith Kooker, DNREC
Hans Medlarz, Sussex County
Gina Jennings, Sussex County

**DELAWARE WATER POLLUTION CONTROL
REVOLVING FUND**

LAND CONSERVATION LOAN PROGRAM

LAND CONSERVATION AGREEMENT

THIS LAND CONSERVATION AGREEMENT is made this ____ day of _____, 2020, by and between SUSSEX COUNTY, a political subdivision of the State of Delaware, with an address of 2 The Circle, P.O. Box 589, Georgetown, DE 19947 and the DELAWARE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL ("DNREC"), ENVIRONMENTAL FINANCE ("EF"), with an address of 89 Kings Highway, Dover, DE 19901, and the DELAWARE DEPARTMENT OF AGRICULTURE ("DA") with an address of 2320 South Dupont Hwy, Dover, DE 19901.

WHEREAS, the State of Delaware created the Water Pollution Control Revolving Fund ("WPCRF"), also known as the Clean Water State Revolving Fund ("CWSRF"), pursuant to 29 Del. C., Ch. 80, §8003 to provide financial assistance for water resource protection and water quality improvement; and

WHEREAS, the Delaware Department of Natural Resources and Environmental Control ("DNREC") created the Land Conservation Loan Program ("LCLP") within the WPCRF to fund perpetual land conservation easements and fee simple land purchases with municipal wastewater loans to facilitate improvements in water quality; and

WHEREAS, an applicant applying to the WPCRF for financing or refinancing of a new and/or existing municipal wastewater project may also borrow additional funds for a qualifying LCLP project that will be permanently monitored and inspected by DNREC; and

WHEREAS, The City of Rehoboth Beach applied to the WPCRF to finance the Ocean Outfall Project as well as Phase 1 of the WWTP Upgrades under Loan Numbers 12000082 and 12000083 respectively and, as part of the underlying financed WPCRF loans, Sussex County ("Borrower") also requested additional funds for a fee simple land purchase for an LCLP project, in accordance with the requirements of the LCLP and the Special NOI award, being a forested parcel known as the "Comfort Burton Property" which is located in the headwaters of Guinea Creek, a tributary of Rehoboth Bay and part of the Herring Creek/Rehoboth Bay sub-watershed as well as enhancing the biodiversity of the LCLP Project to include the reforestation of approximately sixty (60) acres of tillable land owned by Borrower as part of the Inland Bays Wastewater Treatment Plant ("Project"); and

WHEREAS, the Forest Service ("Monitor/Inspector") within DA agrees to undertake monitoring and inspection of the LCLP Project which is further described in the approved final Forestry Management Plan with the DA ("Plan"), containing a Monitoring and Inspection schedule, attached as Exhibit 1; and

WHEREAS, the Borrower and the Monitor/Inspector have the common purpose of completing the LCLP Project in accordance with the Plan to protect and improve water

resources within the State of Delaware; and

WHEREAS, the Borrower agrees to enter into a Forestland Preservation Area to more formally and permanently protect and improve said water resources within the State of Delaware; and

NOW THEREFORE, the Borrower and the Monitor/Inspector agree to be bound by the terms and conditions of this LCLP Land Conservation Agreement ("Agreement").

SECTION I. GENERAL PROVISIONS

A. Pursuant to the intent of the LCLP, the Borrower and the Monitor/Inspector agree that the essence of this Agreement is for the parties to carry out their respective responsibilities in perpetuity for the planning, implementation, management, preservation, maintenance, and monitoring/inspection of the LCLP Project.

B. The parties acknowledge that a failure to implement the terms of this Agreement may be determined by EF to be an instance of default by the Borrower on its WPCRF Loan Agreement. The Borrower and the Monitor/Inspector further acknowledge that remedies provided under the WPCRF Loan Agreement may be invoked by EF against the Borrower for unresolved instances of default. The Monitor/Inspector acknowledges that the DNREC shall seek to resolve any failure to conform to the provisions of the Plan first by seeking remedy directly from the Monitor/Inspector before taking action against the Borrower.

C. The parties acknowledge that, if the EF determines that the Monitor/Inspector fails to monitor/inspect the Project, it may declare such failure an event of default and shall provide the Monitor/Inspector and Borrower with written notice of such event of default. If the Monitor/Inspector fails to cure such default in a timely manner, the Borrower shall have the right to take all steps necessary to cure the default in order to avoid the EF invoking remedies against the Borrower for unresolved instances of default under the WPCRF Loan Agreement.

SECTION II. LCLP PAYMENT REQUESTS AND DISBURSEMENTS

Funds for the fee simple land purchase shall be disbursed to the Borrower at loan closing. Funds for a one-time 20-year monitoring/inspection fee of \$10,000 shall be disbursed to the Monitor/Inspector at loan closing.

SECTION III. LCLP PROJECT SCHEDULE

The Borrower and Monitor/Inspector agree to coordinate the implementation and monitoring/inspection of the LCLP as described in the Plan.

SECTION IV. OBLIGATION TO PROTECT AND MAINTAIN THE LCLP PROJECT

The Borrower and Monitor/Inspector recognize the value of the area associated with the LCLP Project. Upon completion, the LCLP Project will contribute to the physical, biological, and chemical integrity of the water quality of the Herring Creek/Rehoboth Bay sub-watershed. These and other conservation values associated with the LCLP Project are documented in the Plan as approved by the EF.

The parties agree that the Plan constitutes the basis for subsequent actions by the Monitor/Inspector under this Agreement and is incorporated herein by reference. Without limitation, the Plan is intended to serve as an objective information baseline for monitoring perpetual conformance. The Borrower and the Monitor/Inspector agree that the perpetual protection and maintenance of the LCLP Project shall be carried out in accordance with the responsibilities identified in the Plan.

SECTION V. INDEPENDENCE OF PARTIES

The Borrower and the Monitor/Inspector are independent parties and neither of the parties shall be considered an agent for the other party.

SECTION VI. TERMINATION

A. The Borrower and the Monitor/Inspector shall work together under this Agreement to complete the LCLP Project in accordance with the Plan. However, the Borrower and the Monitor/Inspector specifically retain the right to terminate this Agreement for any reason with written notice to the other party not less than five (5) days prior to the date that the Borrower enters into the WPCRF Loan Agreement.

B. If the EF does not award WPCRF assistance for the LCLP Project, then this Agreement is considered null and void and is terminated.

SECTION VII. DEFAULT

In the event of default by any party under this Agreement, the non-defaulting party will have all remedies available to it at law or in equity, including, but not limited to, the right of termination, injunctive relief and the right to specific performance. No party shall be deemed to be in default of this Agreement unless and until the other party has provided written notice to the defaulting party specifying the default and (a) in the case of a monetary default, the defaulting party fails to cure the default within fifteen (15) days of notice; or (b) in the case of any other type of default, the defaulting party fails to cure the default within thirty (30) days of notice, or fails to commence and diligently prosecute such cure to completion if such cure cannot, with reasonable diligence, be completed with such thirty-day (30) period.

SECTION VIII. NOTICE

Any notice required to be given by either party under this Agreement, shall be given in writing in each case at the address set forth below, or such other address as either party shall provide to the other for such purpose, in writing. Written notice shall be given by registered or certified mail, or by overnight delivery service (such as Federal Express, UPS or the like) where proof of delivery and date of delivery is provided.

To Sussex County:

Michael Vincent, President
Sussex County Council
2 The Circle
P.O. Box 589
Georgetown, DE 19947

With a copy to:

J. Everett Moore, Jr., Esquire
Moore & Rutt, P.A.
122 W. Market Street
P.O. Box 554
Georgetown, DE 19947

To DA

DA/Forest Service
c/o Michael A. Valenti, Forestry Program Administrator
2320 South DuPont Highway
Dover, DE 19901

and

DNREC/Office of the Secretary
Environmental Finance
c/o Gregory Pope, Administrator
Enterprise Business Park
97 Commerce Way, Suite 106
Dover, DE 19904

SECTION IX. COMPLIANCE WITH LAWS

In performing their obligations hereunder, the parties hereto will comply with all applicable federal, state, and municipal laws.

SECTION X. MISCELLANEOUS

A. **Amendment/Waiver.** This Agreement cannot be amended, modified, revised or waived unless done so in writing and executed by both parties.

B. Binding Agreement. The terms and conditions contained in this Agreement shall be binding upon and inure to the benefit of the parties and shall be binding upon and inure to their respective heirs, executors, administrators, successors and assigns.

C. Entire Agreement. This Agreement and the exhibits attached hereto, all being a part hereof, constitute the entire agreement of the parties hereto and will supersede all prior offers, negotiations and agreements with respect to the subject matter of this Agreement.

D. Governing Law. This Agreement will be governed by the laws of the State of Delaware without regard to its conflicts of law principles, venue lying in Sussex County.

E. Interpretation. Unless otherwise specified, the following rules of construction and interpretation apply: (i) captions and headings are for convenience and reference only and in no way define or limit the construction of the terms and conditions hereof; (ii) use of the term "including" will be interpreted to mean "including but not limited to"; (iii) whenever a party's consent is required under this Agreement, except as otherwise stated in the Agreement or as same may be duplicative, such consent will not be unreasonably withheld, conditioned or delayed; (iv) exhibits are an integral part of the Agreement and are incorporated by reference into this Agreement; (v) use of the terms "termination" or "expiration" are interchangeable; and (vi) reference to a default will take into consideration any applicable notice, grace and cure periods.

F. No Agency or Partnership. Nothing contained herein shall be construed or deemed by either party or any third person to create the relationship of principal and agent or create a partnership, joint venture, or any other association between the parties.

G. Counterparts; Electronic Signatures. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Electronic signatures and photocopies or facsimile copies of signatures shall be deemed to have the same force and effect as originals.

[REMAINDER OF PAGE HAS BEEN LEFT BLANK INTENTIONALLY.
SIGNATURE PAGE TO FOLLOW.]

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on this Agreement on the respective date(s) set forth below.

SUSSEX COUNTY

By: _____ (SEAL)

Michael H, Vincent, President
Sussex County Council

Date: _____

Attest: _____

Robin Griffith, Clerk of the
Sussex County Council

DEPARTMENT OF NATURAL RESOURCES
AND ENVIRONMENTAL CONTROL

By: _____ (SEAL)

Print Name and Title

Date: _____

Attest: _____

Print Name and Title

DEPARTMENT OF AGRICULTURE

By: _____ (SEAL)

Print Name and Title

Date: _____

Attest: _____

Print Name and Title

Exhibit 1
Forestry Management Plan

DRAFT

Exhibit 2
WPCR Loan Agreement (to be drafted by FAB)

DRAFT

FOREST STEWARDSHIP PLAN

Comfort Burton Tract

199.6 Acres

Tax Parcel ID #: 234-23.00-56.00

Rehoboth Bay Watershed

Sussex County Government
Engineering Office
C/o Hans Medlarz, Sussex County Engineer
2 The Circle
P.O. Box 589
Georgetown, DE 19947
(302) 855-7728
Hans.medlarz@sussexcountyde.gov



Prepared By:

Sam Topper
Delaware Forest Service
(302) 856-2893
06/16/2020
sam.topper@delaware.gov
<https://agriculture.delaware.gov/forest-service/>

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FOREST LOCATION:

This forest land is located between Indian Mission Rd. (SR 23) and Friendship Rd. (CR 306A); generally, south of Harbeson, DE. The property is located within the Rehoboth Bay Watershed, in eastern Sussex County, DE. The property is tax parcel I.D. number 234-23.00-56.00. (Please see site maps in appendix B for exact site location).

STEWARDSHIP PURPOSE

By following a Stewardship Plan, you as a landowner will be joining with many other landowners across the state in a program that promotes ecologically responsible resource management through the following actions and values:

1. Managing for long-term forest health, productivity, diversity, and quality.
2. Conserving or enhancing water quality, wetlands, soil productivity, biodiversity, cultural, historical, and aesthetic resources.
3. Following a strategy guided by well-founded silvicultural principles to improve timber quality and quantity when wood products are a goal.
4. Setting high standards for foresters, loggers, and other operators as practices are implemented; and minimizing negative impacts.
5. Learning how woodlands benefit and affect surrounding communities, and cooperation with neighboring owners to accomplish mutual goals when practical.

LANDOWNERS OBJECTIVES:

1. Primary Objectives

- Restore and maintain wetland and stream processes in the Guinea Creek headwaters.
- Improve water and soil quality by increasing amount and duration of photosynthesis season through species composition focused on transitioning to more mixed overstory and understory.
- Restore forest type from industrial pine plantation to a more natural mixed forest.
- Fulfill obligations outlined in the DNREC Land Conservation Agreement
- Maintain a natural forest, consisting of mixed, native species and free of invasive species.
- Manage for timber harvesting.

2. Secondary Objectives

- Manage deer hunting and other wildlife habitat.
- Maintaining and enhancing wildlife habitat.
- Maintaining community and professional educational and demonstration opportunities.

FOREST STEWARDSHIP CONSIDERATIONS:

1. Aesthetics

Aesthetics is a consideration in that a healthy, diverse forest will be established (or maintained) in this area to keep the property in a natural forested state.

2. Threatened and Endangered Animals & Plants; Cultural Resources

According to existing maps and information, there are no threatened and endangered animals, plants or cultural resources on your property. Please see the document in Appendix F, and contact Delaware Natural Heritage (Appendix F) if you are interested in finding out more about your property.

3. Forest Health and Protection

This will be accomplished through a cooperative effort of the landowner and the Delaware Forest Service (DFS). The DFS will conduct periodic professional inspections to augment landowner visits.

4. Recreational Opportunities

Recreational opportunities are goals of this plan. Any recreation opportunities that are present will be limited and reserved for the owner, family, and guests.

5. Soil and Water Quality and Protection

This is a major consideration in this plan and management activities will be recommended and conducted with this goal in mind. Soil and water quality are being maintained by the presence of a healthy, actively growing forest cover on the property. Water quality is enhanced by the natural uptake of water by the trees and subsequent transpiration of this water. The root structure of the trees and associated vegetation will keep the soil in place and prevent erosion. Delaware's best management practices will be followed during any forestry operations to protect soil and water quality.

6. Riparian and Wetland Areas

The ditch system that flows through the property are the headwaters of the Guinea Creek system which flows directly into the Delaware Bay. Restoring and maintaining this system is a primary goal of the plan and is supplemented by existing agreements with DNREC. All activities recommended in the plan serve to achieve the goal of improved water and soil quality. Some of the property is forested wetland. Management prescriptions will follow Best Management Practices and will be sensitive to this area. The owner will maintain the integrity of the soils by keeping the area forested. All silvicultural activities utilizing large equipment, such as timber harvesting, will be done only during dry weather to prevent any water or soil degradation.

7. Timber

Producing forest products for eventual sale is one of the goals of this plan. This forest management plan is designed to maintain a natural, native forest while enhancing and maintaining wildlife habitat, and producing timber.

8. Wildlife

Providing a variety of wildlife habitat areas, including deer hunting habitat is a goal of this plan and will be accomplished as a secondary benefit of the timber harvesting activities and subsequent reforestation, along with wildlife habitat improvement measures that will be described later in this plan. This area will provide a variety of habitat types during the rotational period of the forest, augmented by the wildlife practices installed by the owner. Very little needs to be done to favor the establishment of wildlife populations, other than promote and provide changes which will affect the plant succession in the area. Specific activities can be developed to further enhance the desirability of the woodland to wildlife as owner goals and objectives change.

FOREST SOILS:

Detailed information regarding forested soils are found in Appendix B.

GENERAL WOODLAND DESCRIPTON:

There is one stand of woodland on this property. Additional stands will be created in sequential order as the practices are conducted. The stand is a productive site for growing timber. Wildlife usage of the site is moderate, with songbirds observed, along with evidence of deer, and gray squirrel populations. This area is in the Rehoboth Bay

Watershed. The surrounding land is mixed farmland, forestland, and development. The stand has a long history of industrial timber management and is currently in a Loblolly pine (*Pinus taeda*) plantation condition. It was harvested and replanted from 1986 through 1988 and thinned in 2011. The remaining trees are evenly spaced and evenly sized. There is an existing road system through the property. It is typical of semi-mature pine plantations in Delaware.

STAND ANALYSIS:

Stand 01 – 199.6 acres +/-

Stand 01 is a small sawtimber sized pine plantation. The overstory is well stocked, the thinning in 2011 reset the stocking to desirable levels for maximum growth. The mid-story contains regeneration from the openings created during the thinning. The stand is comprised mostly of Loblolly pine (95% by basal area stocking), followed by Red maple and White oak (1.5% by basal area stocking each). It also contains minor components of other mixed hardwoods such as Southern Red oak, Sweetgum, Sassafras and holly (2% total).

This is a 'small-sawtimber sized stand, with a median diameter of 11 inches DBH. The stand contains roughly 7,500 board feet per acre of sawtimber and 30 tons per acre of pulpwood.

RECOMMEDED SILVICULTURAL PRACTICES: (Primary goal)

Stand 01

It is the goal of this plan to transition this forest from an industrial pine plantation to a more natural forest, consisting of a mix of overstory and understory native species. The intent of the plan is to increase soil and water quality of the Delaware bay headwaters by increasing photosynthesis and water uptake by increasing the amount and diversity of overstory and understory vegetation.

The plan will employ multiple strategies to achieve the goal. Flexibility to experiment with different management strategies will be necessary in order to take advantage of variations in current species composition and structure, as well as the availability of materials and contractors. It will take multiple projects over multiple years to convert the entire site to a more natural, mixed state. The methods described below are offered as a menu to choose from at various points in each project.

The general process includes harvesting timber to generate income and create openings to work with, followed by site-preparation (if needed) and regeneration activities (natural, artificial, or both). The new stands will likely need some protection as they become established. This process will be repeated on each project until the entire

site has been converted. A new plan will be needed at that point to shift the management strategy to maintenance. Thirty to Fifty acres is the recommended size for each project, but modifications may be made as needed. General timeline is 0-3 years for harvesting, 1-3 years for regeneration, and 1-5 years for establishment maintenance.

Timber Harvesting Options:

- Harvesting timber will be the easiest part of the process. The landowner has existing relationships with multiple potential contractors. The Delaware Forest Service (DFS) will assist as needed developing timber sale projects. Care must be taken to avoid damaging existing desirable species. Harvests should take the shape of a selection harvest in areas with existing desirable regeneration, and clear-cuts in areas lacking sufficient desirable species.

Site Preparation/Regeneration Options:

- Site preparation is usually conducted as part of the timber harvesting through on-site chipping. It may also be achieved by chemical application or in some instances prescribed fire. Site preparation is not usually needed to replant in forested settings but may be needed in instances of pine plantation reversion.
- There are multiple methods of regeneration that may be appropriate.
 - In areas with existing desirable species, natural regeneration may be enough. It can be supplemented with planting if needed. At least two growing seasons should be given before deciding if natural regeneration is adequate.
 - Areas without existing seed source will need to be planted. Planting options include the DFS planting program. DFS sources 1-2-year-old bare root seedlings from the MD state nursery (hardwood selection and availability are limited). The landowner can source seedlings from anywhere and still use the DFS program.
 - Planting larger containerized seedlings or spade-ball saplings are also an option. Planting stock and contractor would have to be sourced.
 - Planting may be done over several years as regeneration and establishment dictate.

Establishment/Maintenance Options:

- Chemical treatments are sometimes used to control selected competition and/or invasive species. Treatments of regenerated stands will probably be limited to ground applications.
- Pre-commercial thinning is a practice used often to assist with establishing natural and artificial regeneration. Ground crews use brush saws to remove undesirable regeneration that may be crowding desirables. It is likely to be a common practice in this project. It is sometimes conducted more than once.
- Protecting regeneration from deer browse will be critical. Larger project areas (50 acres and up) can help overwhelm browse pressure but area fencing, or tree tubes work better. Area fencing is more expensive than tree tubes, but more effective. Both require maintenance.

- Fire is sometimes used to reduce competition in the young seedling stage, particularly in oak stands. DFS conducts landowner prescribed fire.

Long-Term Maintenance Options

The long-term goal is to achieve a mixed forest composed of stands of similar forest type but different life stages. This mosaic of age classes allows for diversity of species, diversity of habitat, resiliency, and maintains areas of young vigorous growth and maximum water uptake. The forest will be managed as one unit, but each stand will be managed as a single even age-class unit. To that end, the long-term plan will seek to develop 4-10 stands that differ in age by at least 10 years. That will allow for a continuous, sustainable harvest and age-class distribution.

RECOMMENDED SILVICULTURAL PRACTICES: (Secondary goal)

Establishing and Maintaining Wildlife Habitat:

This forest will continue to provide habitat for a variety of wildlife species. Different wildlife species, such as bobwhite quail, wild turkey, whitetail deer, and dozens of songbirds will utilize the habitat created by the changing vegetation during the life of the forest. As changes in the vegetative cover take place in the form of trees maturing, dying, or through silvicultural practices done on the site, so will the number and variety of wildlife species. Controlling the deer population and resulting browse will be a critical factor in the success of the plan. Hunting is the most effective way to control deer population. Deer hunting, either through public hunting or private lease is strongly encouraged to achieve successful hardwood regeneration.

Education and Demonstration:

Active, sustainable forest management benefits all of society, not only the landowner. Showcasing successful, active managers helps spread the word that active management is an achievable and beneficial landowner goal. It is the hope of DFS that showing sites like this may encourage more landowners to engage in active forest management on their lands. You are encouraged to work with DFS and other partners to demonstrate these principles.

COST SHARING INFORMATION:

Cost share programs may be available in the form of EQIP or state cost share to help fund the site improvement activities and other future management activities dependent

on availability of funding.

IN WITNESS WHEREOF, the parties agree this Forest Stewardship Plan achieves the goals for Sussex County’s Comfort-Burton Tract and therefore set their hands and seals on this Agreement on the respective date(s) set forth below.

SUSSEX COUNTY

(SEAL)

By: _____

Michael H, Vincent, President
Sussex County Council

Date: _____

Attest: _____

Robin Griffith, Clerk of the
Sussex County Council

DELAWARE DEPARTMENT OF AGRICULTURE

(SEAL)

By: _____

Sam Topper, Service Forester

Date: _____

Attest: _____

Print Name and Title

APPENDIX A

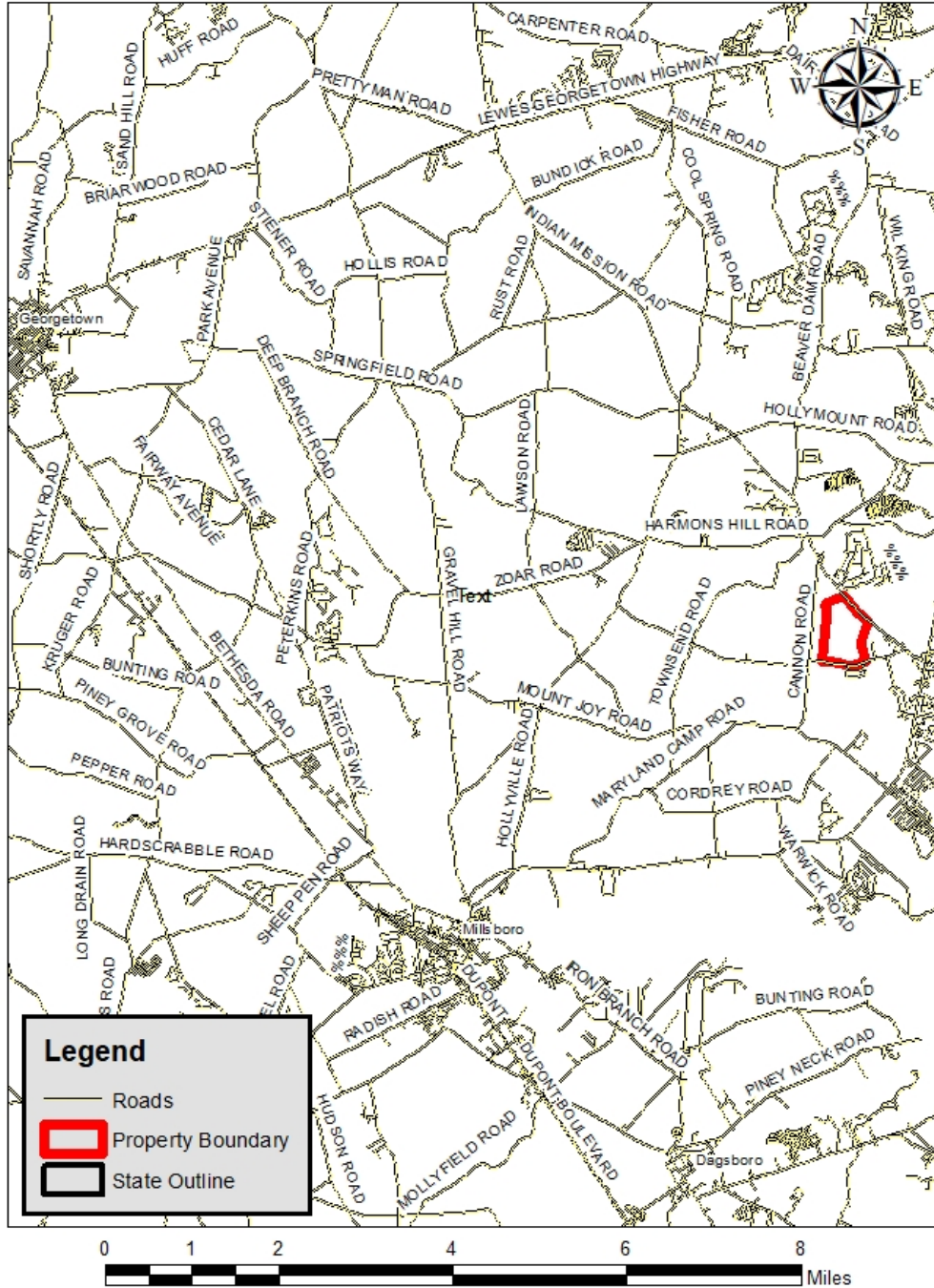
Forest Management Activities Timetable

2021.....	Harvest, Stand 02
2026.....	Assess regeneration, site-prep, and plant if necessary, Stand 02. Professional inspection by DFS for competing vegetation, health and vigor.
2030.....	Perform necessary establishment and maintenance practices, Stand 02
2031.....	Harvest, Stand 03. Update Stewardship Plan.
2036.....	Assess regeneration, site-prep, and plant if necessary, Stand 03. Professional inspection by DFS for competing vegetation, health and vigor.
2040.....	Perform necessary establishment and maintenance practices, Stand 03
2041.....	Harvest, Stand 04. Update Stewardship Plan.

Note: Each professional inspection will include a check on the condition of the stand and recommendations for maintenance or improvement.

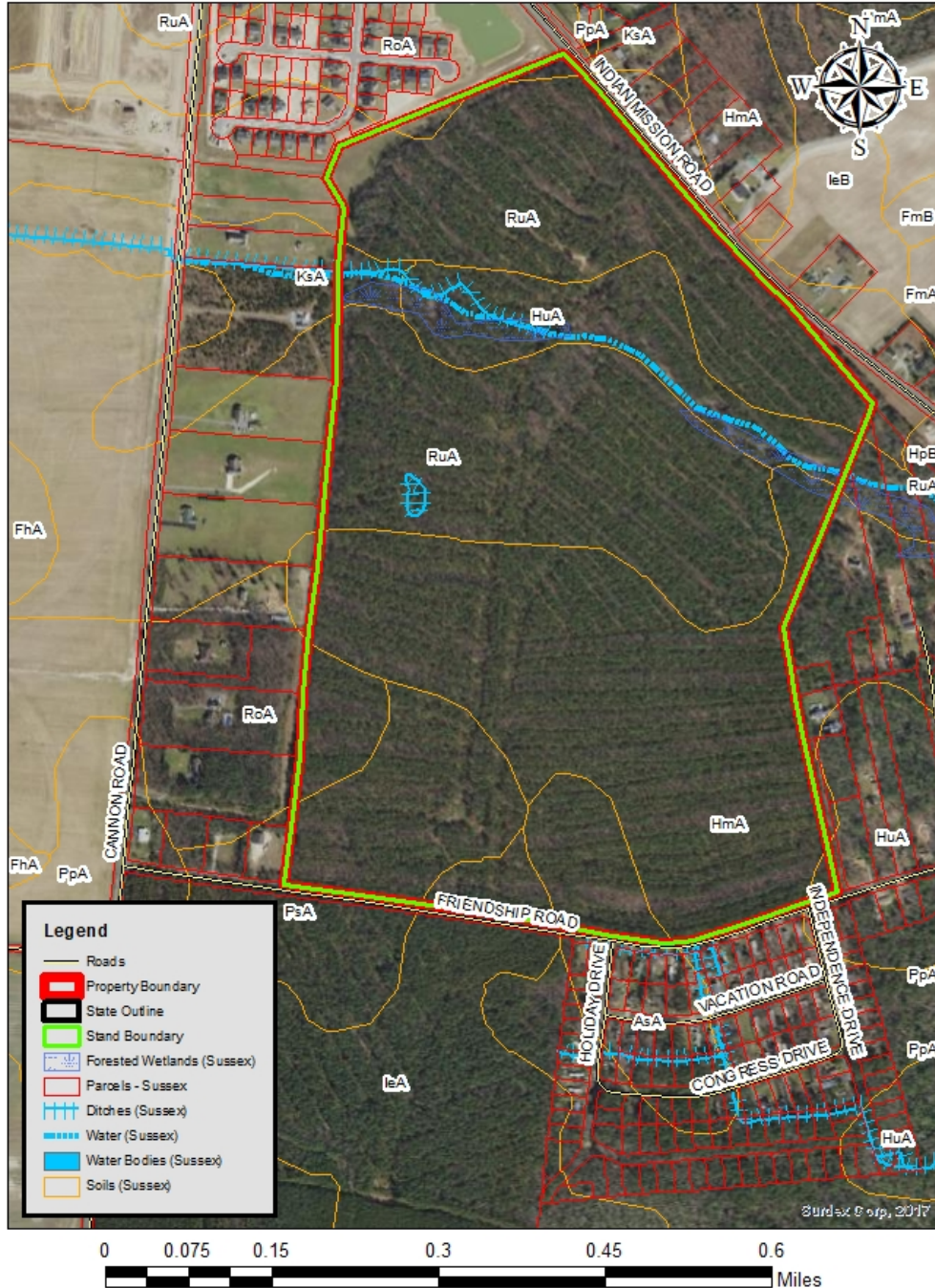
**Appendix B
Site Maps**

Sussex County Delaware Comfort-Burton Tract 199 Forested Acres



This is not a survey, all map features are approximate. 06/16/2020, DFS, SLT

Sussex County Delaware Comfort-Burton Tract 199 Forested Acres



This is not a survey, all map features are approximate. 06/16/2020, DFS, SLT

Soils Information:

The following is a list of the soils found on the property. Also included is a USDA forestland productivity report highlighting the tree species best suited for the site.

Soil Symbol	Soil Name	Acres	% of Total
AsA	Askecksy loamy sand, 0-2% slope	7.5	3.76%
HmA	hammonton loamy sand, 0-2% slope	62	31.09%
HuA	Hurlock loamy sand, 0-2% slope	18.2	9.13%
leA	Ingleside loamy sand, 0-2% slope	3.3	1.65%
KsA	Klej loamy sand, 0-2% slope	1.8	0.90%
PsA	Pepperbox-Rosedale complex, 0-2% slope	17	8.53%
RoA	Rosedale loamy sand, 0-2% slope	6.3	3.16%
RuA	Runclint loamy sand, 0-2% slope	83.3	41.78%
		199.4	100.00%

Forestland Productivity

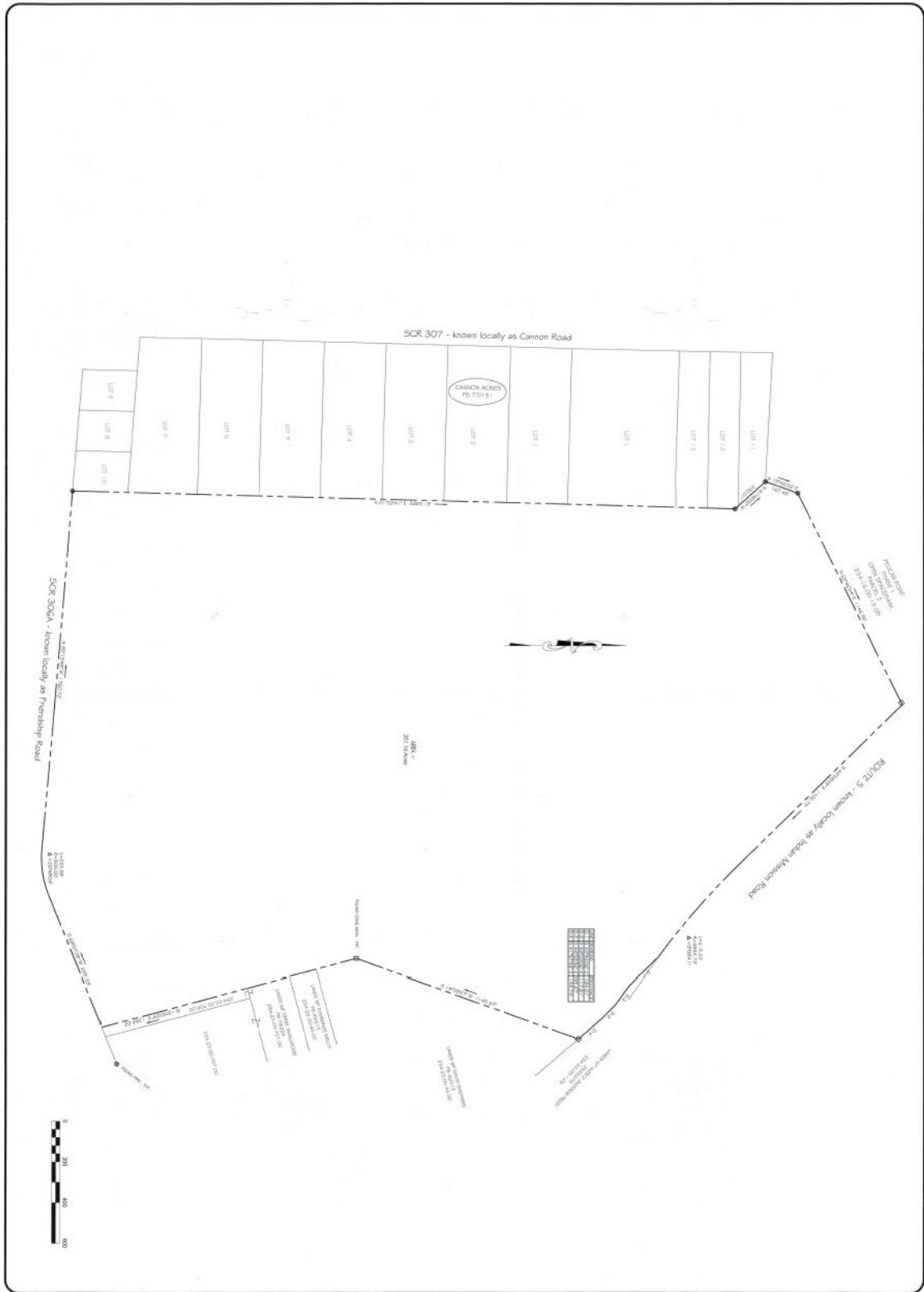
Sussex County, Delaware

Map symbol and soil name	Potential productivity			Trees to manage
	Common trees	Site index	Volume of wood fiber	
<i>Cu ft/ac</i>				
AsA:				
Askecksy, undrained	Blackgum	75	79	Cherrybark oak, Loblolly pine, Swamp chestnut oak, Water oak, Willow oak
	Loblolly pine	80	110	
	Red maple	65	40	
	Swamp chestnut oak	70	50	
	Sweetgum	75	68	
	Willow oak	70	57	
Askecksy, drained	—	—	—	Cherrybark oak, Loblolly pine, White oak, Willow oak
HmA:				
Hammonton	Loblolly pine	70	101	Loblolly pine, Northern red oak, Southern red oak, White oak, Yellow-poplar
	Northern red oak	70	52	
	Red maple	75	47	
	Southern red oak	75	57	
	Sweetgum	80	79	
	White oak	80	55	
	Yellow-poplar	85	81	
HuA:				
Hurlock, undrained	Blackgum	70	75	Cherrybark oak, Loblolly pine, Swamp chestnut oak, Water oak, Willow oak
	Loblolly pine	85	120	
	Red maple	70	43	
	Southern red oak	70	50	
	Swamp chestnut oak	80	65	
	Sweetgum	70	57	
	White oak	75	47	
	Willow oak	70	57	
Hurlock, drained	—	—	—	Loblolly pine, Northern red oak, Southern red oak, White oak, Yellow-poplar
IeA:				
Ingleside	Loblolly pine	70	101	Eastern white pine, Loblolly pine, Northern red oak, Southern red oak, White oak, Yellow-poplar
	Northern red oak	80	62	
	Red maple	75	47	
	Southern red oak	85	75	
	Sweetgum	80	79	
	White oak	80	55	
	Yellow-poplar	90	90	

Forestland Productivity

Sussex County, Delaware

Map symbol and soil name	Potential productivity			Trees to manage
	Common trees	Site index	Volume of wood fiber <i>Cu ft/ac</i>	
KsA:				
Klej	Loblolly pine	80	110	Cherrybark oak, Loblolly pine, White oak, Willow oak
	Red maple	65	40	
	Southern red oak	70	50	
	Swamp chestnut oak	65	45	
	Sweetgum	75	68	
	White oak	70	40	
	Willow oak	70	57	
	Yellow-poplar	75	68	
PsA:				
Pepperbox	Loblolly pine	80	110	Loblolly pine, Northern red oak, Southern red oak, White oak, Yellow-poplar
	Northern red oak	75	57	
	Red maple	65	40	
	Southern red oak	80	65	
	Sweetgum	80	79	
	White oak	75	47	
	Yellow-poplar	80	74	
Rosedale				
	Loblolly pine	75	105	Eastern white pine, Loblolly pine, Northern red oak, Southern red oak, White oak, Yellow-poplar
	Northern red oak	70	52	
	Red maple	65	40	
	Southern red oak	80	65	
	Virginia pine	70	109	
	White oak	70	40	
	Yellow-poplar	75	68	
RoA:				
Rosedale	Loblolly pine	75	105	Eastern white pine, Loblolly pine, Northern red oak, Southern red oak, White oak, Yellow-poplar
	Northern red oak	70	52	
	Red maple	65	40	
	Southern red oak	80	65	
	Virginia pine	70	109	
	White oak	70	40	
	Yellow-poplar	75	68	
RuA:				
Runclint	Loblolly pine	70	101	Loblolly pine, Virginia pine, White oak
	Northern red oak	70	52	
	Red maple	65	40	
	Southern red oak	70	50	
	Virginia pine	70	109	
	White oak	70	40	
	Yellow-poplar	70	64	



ATLANTIC SURVEYING & MAPPING, L.L.C. 1100 W. 11th Street Wilmington, Delaware 19801 Tel: 302-426-2882 Fax: 302-426-2883	Project: BOUNDARY SURVEY PLAN LANDS OF J.G. TOWNSEND, JR. CO. INDIAN RIVER HUNDRED SUSSEX COUNTY, DELAWARE TM: 234-23.00-56.00	Date: 11/27/2017 Scale: As Shown	Revisions: <table border="1"> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> <tr><td> </td></tr> </table>												
Sheet 1 of 1	Surveyed by: Robert A. White Checked by: R.A.W. Drawn by: R.A.W. Date of Field Work: 11/27/2017 Date of Office Work: 11/27/2017 Project No.: 2017-001														

APPENDIX C

General Loblolly Pine Management Information

The first five years of growth of a new plantation are probably the most critical years in the life of a stand. During the growing season of the year the trees were planted, the seedlings are in shock from the transplanting process. Survival of the trees in this year is more important than much growth. Inadequate rainfall during the first year is extremely stressful on new plantings. If competition from other growth is also present, then failure of the plantation is very possible. Rainfall is not controllable, but we can control competition from grasses and brush to some extent. Weed control chemicals such as Arsenal, Oust, or Roundup can be used on or around the trees themselves as practical or economically feasible.

Plantation inspections every other month for the first two years are highly desirable. The landowner or agent can do these inspections. Special attention should be given to the following:

1. The condition of the trees
 - a. Color
 - b. Vigor
 - c. Presence of new growth
2. Suspicion of, or the presence of harmful insects
 - a. Chewed needles
 - b. Discolored or dead growing tips
 - c. Web material on the trees
 - d. The presence of frass (a sawdust-like material)
 - e. The insects themselves
3. Appearance of disease
 - a. Discoloration of needles
 - b. Fungus growth on stems or branches
 - c. Wilting of growing tips
 - d. General lack of vigor
4. Competition of surrounding vegetation

If any of these conditions are seen, contact a professional forester for evaluation and treatment.

After the first three years of growth, inspections need not be as often, but there really is no substitute for regular visits to the plantation. Periodic inspection of the stand keeps the landowner informed about the condition of his woodlot. This is helpful in correcting small problems before they become more pronounced. At three years of age, the stand should be checked for competition from hardwood trees and brush that may have

invaded the site. A professional forester should be consulted for evaluation of the benefits of aerial spraying the woodlot with an approved herbicide, such as Arsenal. This will release the young pines from competition, so they may grow at their maximum rate.

At five-year intervals, a professional forester should check the stand for growth. An initial pulpwood thinning is possible at age fifteen if the trees have made enough growth. Professional forestry advice should determine the extent and amount of the thinning then.

A professional forester should make additional 5-year inspections after the first thinning. Professional reevaluating for additional thinning should be done after another 15-year period of growth. If the trees have grown enough, this thinning will produce small sawlogs and piling, with some pulpwood. The remaining stand is then grown to maturity, which should be in an additional fifteen to twenty years. Plans can then be developed to make the final harvest. The final harvest should be scheduled when market conditions are favorable, and during a year that produces a large cone crop. The cutting operation should be done in the late fall or early winter, after the mature cones have dispersed seed. This insures that enough seed is present on the forest floor for adequate natural regeneration. If the seed produced is not adequate to produce a fully-stocked stand, then nursery-grown seedlings can be planted as a supplement.

During the two years following the harvest operation, inspect the area for adequate species regeneration, and make supplemental plantings if necessary.

Throughout the growth period of the stand, be careful to maintain well-marked boundaries, and to exercise control and prevention of wildfires. Maintaining well-marked property lines allows a landowner some reasonable assurance that adjacent property owners will not inadvertently trespass when engaging in silvicultural or farming practices. Property boundaries can serve a dual purpose by also acting as firebreaks to control wildfires. Creating a path along a boundary line will enable firefighting equipment easier access to a woodland fire, as well as slowing the spread of a wildfire.

This forest plantation is now under a management plan, and may be eligible for property tax exemption for thirty years under the Commercial Forest Plantation act. The owner must apply to the State Forester's office on the enclosed form for this exemption.

A General Pine Management Time Schedule

The schedule below is presented to help a landowner understand the schedule and the typical events that occur over the life of a loblolly pine forest. This schedule and its events may change depending on the growth rate of the forest, market conditions, changing landowner goals, and weather events (ice storms, hurricanes, etc.):

- | | |
|-------------|---|
| Year 1 | Loblolly pines are planted – typically at a spacing of 8' x 9' (605 trees per acre) or the landowner may allow natural regeneration to occur if the site previously contained loblolly pine. |
| Year 2-3 | A herbicide is aerially applied to reduce the hardwood competition, thereby maximizing the growth of the pine seedlings. In some cases, the herbicide may be applied prior to planting if competition is severe; if this is the case, then an application after planting is not usually necessary. |
| Years 5-7 | The stand may be precommercially thinned (using brush cutters) if the pines are too thick in order to achieve the proper stocking level (500-600 trees per acre) and maintain seedling vigor. This activity is more likely in stands that naturally regenerated. |
| Years 17-20 | Depending on the pines' growth, a commercial thinning is likely. Typically, approximately 1/3 to 1/2 of the trees are removed for pulpwood. This activity removes the poorer quality trees (crooked, suppressed, damaged, etc.), allowing the better-quality trees to continue to grow at a rapid rate. |
| Years 27-30 | A second commercial thinning occurs, depending on the stand's growth rate and response to the first thinning. As with the first thinning, the highest quality trees are left to grow into large sawtimber. This operation removes pulpwood and small sawtimber. After the second thinning, approximately 125 trees per acre remain. |
| Years 40-45 | Final harvest using the clearcut method whereupon the cycle is repeated. |

GENERAL HARDWOOD MANAGEMENT INFORMATION

General Oak Crop Tree Management Guidelines

Crop Tree Selection

Diversify crop tree selection by species to provide more stable mast crops and to reduce the likelihood of suffering total crop failure because of a destructive agent such as gypsy moth.

1. White oak is often one of the most valuable oak species, but it is also one of the slowest growing. It is very susceptible to epicormic branching and, in many areas has been quite vulnerable to mortality after gypsy moth defoliation. White oak is a desirable species for selection as a wildlife crop tree because its acorns are preferred by many wildlife species.
2. Northern red oak is one of the most valuable oak timber crop trees and is fast growing. It is very desirable as a mast producer for wildlife because of its relatively abundant production.
3. Black and scarlet oak are more likely to develop cavities than white oak or hickory. However, cavities in longer-lived species (like white oak and hickory) provided available shelter for wildlife for a longer period.

Regardless of the species, favor crop trees with vigorous crowns in the dominant and co-dominant positions. Favor trees showing bark characteristics that indicate rapid growth and straight grain. Avoid trees with epicormic branches.

1. Many oak trees originate from seedling sprouts or stump sprouts. Stump sprouts can produce good quality timber if the stem originates from a low stump. Companion sprouts with a U-shaped connection may be cut at different times, but V-shaped sprout connections should usually be treated as a unit (cut both or neither). The rigidity with which this guideline should be applied varies by species and length of cutting cycle to be used in the stand.
2. Where the species composition is less than 50 percent oak, the stand's susceptibility to defoliation by gypsy moth is reduced. Generally, oaks with vigorous crowns are more likely to survive defoliation. Oaks on mesic sites (soil conditions that are medium, regarding moisture – not wet or dry) have a greater vulnerability to mortality if defoliated.

Natural Regeneration

1. Oak natural regeneration is relatively easy to establish on areas that have an adequate seed source available and a red oak site index less than 70. Better sites are more challenging to regenerate because of competition from other species. Well-developed, advanced regeneration is a key to successful establishment of oak stands. Most oak natural regeneration is established when there is a bumper crop of acorns that provides enough food for insects and wildlife with some left over to germinate.
2. Management activities that establish regeneration and encourage its development can be started at any time especially 20 to 30 years prior to final harvest.
3. Maintaining a closed overstory canopy while applying herbicide to midstory and understory competitors is often necessary to provide a microclimate suitable for regeneration establishment and development. When seedlings are 3-4 feet tall, provide additional moisture, light, nutrients, and growing space by opening the main crown canopy with a partial cut.
4. Evaluate the adequacy of the established oak regeneration.

Artificial Regeneration

1. Oak seedlings may be planted in old fields and forested sites; however, they usually require post-planting release from competing vegetation for at least 3 years. Tree shelters can be used to provide protection from animal damage and to accelerate early seedling shoot development.
2. Direct seeding of oaks using viable acorns is another regeneration alternative. Use of tree shelters can greatly reduce the number of acorns needed to obtain an oak component in a new stand.

The first five years of growth of a new forest area probably to most critical years in its life. During the first growing season after establishment, the seedlings are under tremendous stress from competition for water, light and nutrients. Survival of the trees in this year is more important than growth rate. Inadequate rainfall during the first year is extremely stressful on young seedlings. If competition from other vegetative growth is also present, then failure of the stand is very possible. Rainfall is not controllable, but we can control competition from grasses, brush and other trees to some extent, whether through chemicals or mechanical means if practical or economically feasible.

APPENDIX D

Tax Incentive Program:

The Commercial Forest Plantation Act (Title 3, Chapter 26) was established to give landowners a property tax exemption for forests that are managed for timber production. In order to qualify for this thirty (30) year exemption, landowners must have at least 10 contiguous forested acres and follow a forest management plan approved by the Delaware Forest Service.

Water Quality Assurance:

The Delaware Forest Service strives to protect water quality in Delaware through its Erosion and Sediment Program. Our foresters assist loggers and landowners through site visits and educational programs to help ensure forest management activities follow Best Management Practices (BMPs), and thus comply with the Forest Practices Erosion and Sedimentation Law (Title 3, Chapter 10, Subchapter VI). Operators submit a permit prior to commencing forest management activities, and our staff reviews the site during the operation. If you are considering a timber harvest, please contact your local Delaware Forest Service office for a permit.

Regenerating our Forests:

In addition, the Delaware Forest Service administers the Delaware Seed Tree Law. (Title 3, Chapter 10, Subchapter V), which was passed due to the long-term decrease in pine and yellow-poplar forests. It requires landowners to reforest all harvested sites, ten acres or more, that contained at least twenty-five percent pine and/or yellow-poplar unless the site will be developed or cleared for agriculture. Information regarding the Seed Tree Law is also included on the timber harvest permit. In addition to enforcing this law, our foresters also help landowners meet its requirements by supervising reforestation activities.

(302) 698-4500
(800) 282-8685 (DE Only)

Date _____

APPLICATION FOR FOREST LAND TAX EXEMPTION

(I) (We) the undersigned owner(s) hereby apply for forest land tax exemption under the terms of Chapter 26, Title 3 of the Delaware Code on _____ acres, located at: _____
(Please include adjoining county road names/number)

in _____ County, Delaware. This parcel is identified as Tax Parcel Number _____

Under the provision of the Code, (I) (We) understand that the State Forester's Office of the Delaware Department of Agriculture will inspect the woodland to determine its feasibility for retirement from the County Tax rolls for a period of thirty (30) years. Therefore, a forester from the Department shall have the right to enter upon this parcel for the purpose of inspecting, measuring timber, and collecting other information, as needed, in determining the acceptability of the wooded acreage for said retirement. The State Forester will so advise the County Board of Assessment.

Landowner(s) Signature

Date

Landowner(s) Signature

Date

(Please Print) First Name and Last Name

(Please Print) First Name and Last Name

(Please Print) street, city, state, and zip code

(Area Code) Phone Number

FOR DEPARTMENT USE ONLY

Inspected by: _____
Forester

Date

Approved _____
Disapproved _____
State Forester

Date

Delaware Forest Service
2320 S. DuPont Hwy.
Dover, DE 19901
(302) 698-4547
(800) 282-8685 (In State)
(302) 697-6245 (Fax)

DELAWARE FOREST SERVICE

Departmental Use
Permit No. _____ Co/Yr/Mo/#
Tract Name: _____

DELAWARE'S FORESTRY PRACTICES EROSION AND SEDIMENT CONTROL (E&S) LAW AND SEED TREE LAW NOTIFICATION FORM AND PERMIT

I. SITE INFORMATION

- A. Operator or Contractor Name: _____
Address: _____
Contact Person: _____ Telephone No.: _____
- B. Landowner Name (as listed on title): _____
Address: _____
Contact Person: _____ Telephone No.: _____
- C. Acres to be Harvested: _____ Total Acres of Woodland on Property: _____ County: _____
Location of Property (including nearest road intersection): _____
- D. Silvicultural Activity: (Please check all that apply.)
 Clearcut Selection Cut Thinning Other _____
(Chemical application, site prep, etc.)
- E. Anticipated Start Date: (Please call when the activity begins.) _____
- F. Harvested under a Management Plan? Yes No
- G. Is the harvest area located in one of the Delmarva Fox Squirrel Zones? Yes No

II. BEST MANAGEMENT PRACTICES

It is critical that silvicultural operations are conducted in a way that will protect water quality and preserve site productivity. Best Management Practices (BMPs) are simple, common sense techniques to accomplish these goals. For a complete description of BMPs please refer to the Delaware BMP manual or BMP field manual. The following questions deal with water quality and BMPs.

- A. Are there any water features in or bordering the harvest area? Yes (if yes, please indicate type below) No (skip to D.)
 Pond / Lake Stream Ditch Maintained Ditch Wetland
- B. **Proposed Buffers:** All open water features except maintained ditches must have a minimum fifty-foot wide buffer (Streamside Management Zone). Buffers are not required on properties that are covered under the Seed Tree Law with slopes less than 5%. The operator and landowner should consider using a modified or reduced buffer on these properties.
Buffer Type: No Buffer No Cut Zone Leave at least 60 sq. ft. BA/acre
 Ditch Maintenance Road Proposed Buffer Width (at least 50'): _____
- C. Will any stream crossing be necessary? Yes (if yes, please check type below) No
Type of Crossing: Bridge Culvert Bridge Mats Other (specify) _____
Check one: Temporary Permanent
- D. Are truck haul roads necessary? Yes No Are primary skid trails necessary? Yes No
Check all practices that will be used on these roads or trails to reduce erosion and protect water quality:
 Wooden Mats Avoid Wet Soils Water Bars Wood Chips
 Use Tops in low areas Cross Road Drainage Water Turnouts Seeding
Remember to grade and close roads when finished, smooth out ruts over 12" deep, and properly store/dispose equipment fluids.
- E. Other practices to be used: _____

III. SITE MAP

Please include a site map which shows the location of the property, water features, access, landings and the location of any buffers. Otherwise the E&S Permit cannot be approved.

IV. DELAWARE SEED TREE LAW

In the past, many forested areas were harvested without any plan for reforestation. This resulted in a loss of valuable species and greatly reduced the value of future harvests. The Delaware Seed Tree Law is intended to reverse this trend and preserve forest land values.

- A. Is the harvest area equal to or greater than 10 acres? Yes No
- B. Does the harvest area contain 25% or more pine and/or yellow-poplar? Yes No Don't Know
- C. Will the land use of the property remain as forest? Yes No Portion
If No, please indicate the intended future use of this property Agriculture Development

Number of Acres to be Converted _____

If you answered Yes to all three of these questions, then the property qualifies for the Delaware Seed Tree Law. Please indicate your proposed reforestation method below. If you answered No to one or more of these questions, the Seed Tree Law does not apply; However, to protect the future value of your property, you should contact a professional forester to discuss management and reforestation options.

- D. Proposed Reforestation Method: Plant Nursery Grown Seedlings
Natural Reproduction (Two years to establish, then plant seedlings if stocking is insufficient)
Seed Tree (Leave uncut for two years at least 6-8 evenly distributed trees per acre that are at least 14" D.B.H.)

V. STATEMENTS AND SIGNATURES

- A. **Landowner Statements:** By signing below, the landowner declares that he/she holds legal title over this property, intends to use BMPs to protect water quality, and will meet any applicable Seed Tree Law requirements by ensuring the property will be properly forested.

"I am/we are the owner(s) of the woodlot described above. Under the provisions of Title 3, Chapter 10, Subchapter V of the Delaware Code, I/we hereby state that I/we will reforest the woodlot as required. According to the provisions of Title 3, Chapter 10, Subchapter VI of the Delaware Code, I/we agree to protect the water and land from erosion and sedimentation which may result from the silvicultural activities proposed through the use of Forestry Best Management Practices as outlined in Delaware's Forestry Best Management Practices Manual and as approved by the Delaware Forest Service."

Signed: _____ Date: _____
(Landowner)

- B. **Operator Statements:** By signing below, the operator declares to use BMPs and work with the Delaware Forest Service to protect water quality from erosion and sedimentation.

"According to the provisions of Title 3, Chapter 10, Subchapter VI of the Delaware Code, I agree to protect the water and land from erosion and sedimentation which may result from the silvicultural activities proposed through the use of Forestry Best Management Practices as outlined in Delaware's Forestry Best Management Practices Manual and as approved by the Delaware Forest Service."

Operator agrees to contact the Delaware Forest Service when harvest is complete.

Signed: _____ Date: _____
(Operator/Contractor)

Please remember to include a site map with this permit

For Delaware Forest Service Use Only

Date Received: _____	Date Processed: _____
E&S Law Compliance: Approved <input type="checkbox"/>	Approved with Modifications <input type="checkbox"/> Denied <input type="checkbox"/>
Seed Tree Law: Applies <input type="checkbox"/>	Does not apply <input type="checkbox"/> Acres _____
Watershed: _____	Tax Parcel ID: _____
Approved by: _____	Field Forester: _____

APPENDIX E

Cost Sharing Information

EQIP is the primary cost-share incentive program for private landowners under the Farm Bill. The Natural Resource Conservation Service (NRCS), and the Delaware Forest Service (DFS), administer the program that targets private lands with the objective of helping landowners both technically and financially to enhance and protect forests and wildlife habitat. Cost-sharing for future management activities are dependent of availability of funding

Environmental Quality Incentives Program (EQIP): EQIP is a program administered by the USDA Natural Resources Conservation Service (NRCS), and provides technical, educational and financial assistance to eligible farmers to address soil, water and related natural resource concerns on their lands in an environmentally – beneficial and cost-effective manner. The program is funded through the Commodity Credit Corporation. The purposes of the program are achieved through the implementation of a conservation plan. Five – 10-year contracts are made with producers and cost-share payments may be made to implement eligible conservation practices including animal waste management systems, buffer strips and nutrient management. Application for EQIP funds are made at county NRCS offices. Telephone numbers are: New Castle County – 302-378-9883; Kent County – 302-697-3179; Sussex County – 302-856-9426.

Delaware Forest Service Cost Share: This program is administered by the Delaware Department of Agriculture, Forest Service. This cost share program is intended to provide supplemental funding to the EQIP program for eligible conservation practices, including Forest Stewardship Plans. Telephone contact for additional information is – 302-856-2893.

APPENDIX F

The Delaware Natural Heritage and Endangered Species Program Delaware Division of Fish and Wildlife, DNREC

Biological and Ecological Services for the Private Landowner

Delaware Natural Heritage and Endangered Species Program (DNHESP), conducts biological surveys throughout the State of Delaware for the purpose of documenting the State's diverse assemblage of plants, animals and unique plant communities or habitats. These data are then used for a variety of purposes at both the private and public levels, such as aiding in land-use planning decisions, prioritizing areas for conservation and protection, and assisting private landowners and land managers. To manage these data, the DNHESP maintains a database containing thousands of records of plants, animals and noteworthy plant communities from throughout the State. This database includes plants and animals that are uncommon in the State, and also includes unique plant and wildlife habitats, such as coastal plain seasonal ponds (Delmarva bays, or whale wallows), Atlantic white cedar swamps, bald cypress swamps and mature oak/hickory forests.

Technical services the staff of DNHESP can provide include:

- Plant identification, including trees, shrubs and herbaceous plants.
- Animal identification, including mammals, birds, amphibians, reptiles, fish and insects.
- Locate and identify uncommon species of plants and animals and provide management recommendations in order to maintain their viability.
- Identify and describe unique plant communities or habitat and provide management recommendations.
- Provide guidance in selecting plant material for restoration activities and buffer creation or expansion.
- Offer guidance and recommendations concerning habitat enhancement and restoration.
- Suggest forest management options for non-game wildlife species.
- Advise on wildlife corridor management, creation, and enhancement.
- Conduct habitat evaluations and quality assessments.
- Monitor uncommon plant and animal populations.
- Conduct full biological and ecological studies.

The primary staff of DNHESP includes a zoologist, an endangered species biologist, an ecologist, and a botanist. Staff can be reached at:

**Delaware Natural Heritage and Endangered Species Program
4876 Haypoint Landing Rd.
Smyrna, DE 19977
302-653-2880
<http://www.dnrec.state.de.us/nhp/>**

ENGINEERING DEPARTMENT

ADMINISTRATION	(302) 855-7718
AIRPORT & INDUSTRIAL PARK	(302) 855-7774
ENVIRONMENTAL SERVICES	(302) 855-7730
PUBLIC WORKS	(302) 855-7703
RECORDS MANAGEMENT	(302) 854-5033
UTILITY ENGINEERING	(302) 855-7717
UTILITY PERMITS	(302) 855-7719
UTILITY PLANNING	(302) 855-1299
FAX	(302) 855-7799



Sussex County

DELAWARE
sussexcountyde.gov

HANS M. MEDLARZ, P.E.
COUNTY ENGINEER

JOHN J. ASHMAN
DIRECTOR OF UTILITY PLANNING

Proposed Herola Expansion of the Sussex County Unified Sanitary Sewer District

PUBLIC HEARING FACT SHEET

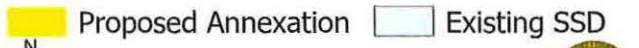
- Expansion of the Sussex County Unified Sanitary Sewer District (West Rehoboth Area)
- Permission to Prepare and Post Notices was granted on March 10, 2020.
- Includes a parcel along Route 24, John J. Williams Highway near the Beebe Cancer Center.
- The Engineering Department had received a request from DBF on behalf of their client OA Rehoboth, LLC the owners/developers of a project known as Lands of Herola Family LLC on parcel 334-12.00-127.01.
- The expansion would consist of 18.793 acres more or less.
- The project will be responsible for System Connection Charges of \$6,360.00 per EDU based on current rates.
- The Engineering Department posted notices on July 13, 2020 per state code.
- To date we have received no comments either in support or opposition to the annexation.
- Do you have any questions?





COUNTY ADMINISTRATIVE OFFICES
2 THE CIRCLE | PO BOX 589
GEORGETOWN, DELAWARE 19947

Proposed Annexation Herola Expansion of the SCUSSD

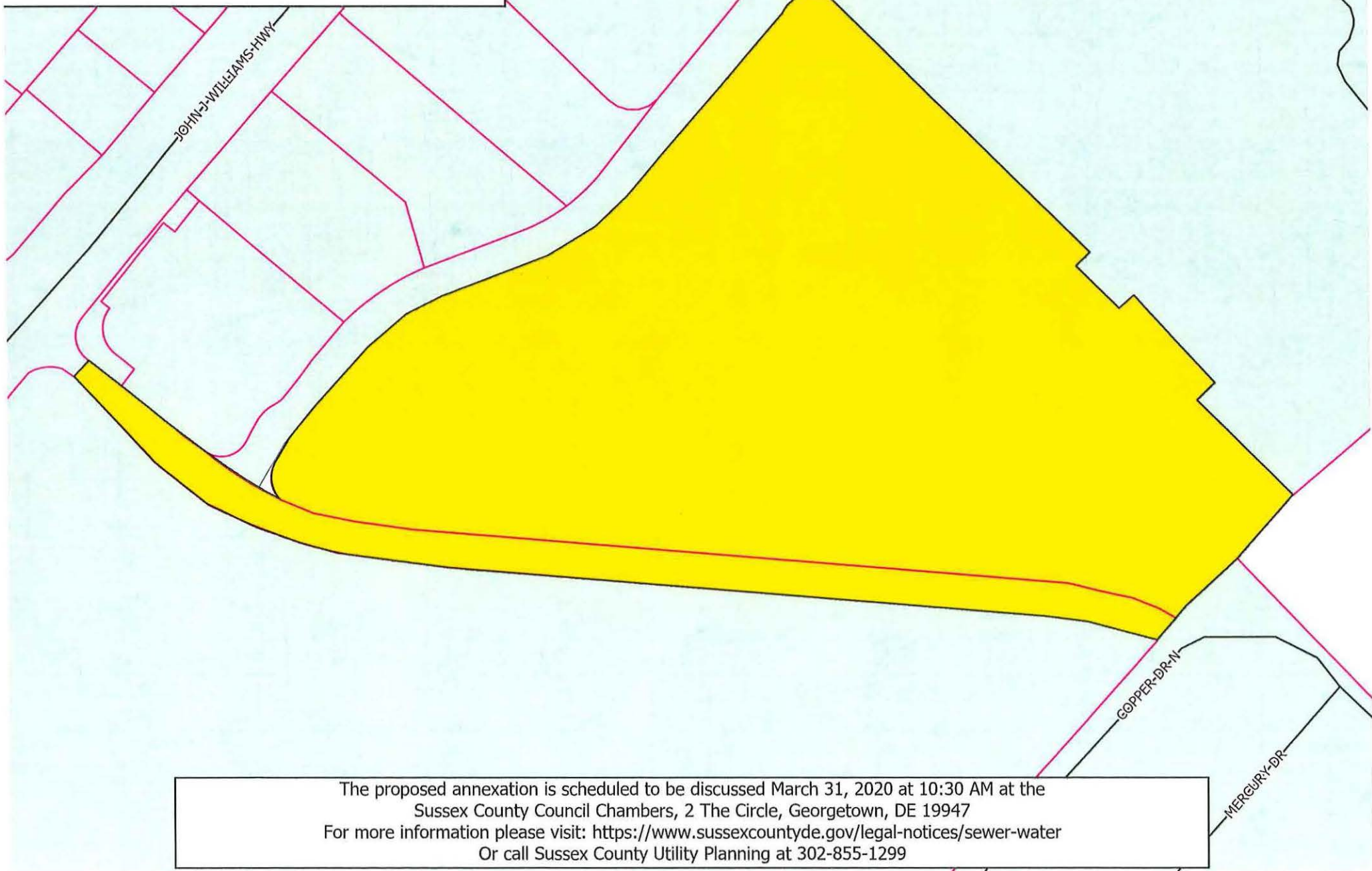
Proposed Annexation Existing SSD



0 62.5 125 250 Feet



2/12/2020



The proposed annexation is scheduled to be discussed March 31, 2020 at 10:30 AM at the
Sussex County Council Chambers, 2 The Circle, Georgetown, DE 19947
For more information please visit: <https://www.sussexcountyde.gov/legal-notice/sewer-water>
Or call Sussex County Utility Planning at 302-855-1299

RESOLUTION

A RESOLUTION TO EXTEND THE BOUNDARY OF THE SUSSEX COUNTY UNIFIED SANITARY SEWER DISTRICT (SCUSSD), TO INCLUDE PARCEL 334-12.00-127.01 ON THE SOUTH SIDE OF JOHN J. WILLIAMS HIGHWAY. THE PARCEL IS LOCATED IN THE LEWES AND REHOBOTH HUNDRED, SUSSEX COUNTY, DELAWARE AND RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS, IN AND FOR SUSSEX COUNTY, DELAWARE.

WHEREAS, Sussex County has established the Sussex County Unified Sanitary Sewer Sanitary Sewer District (SCUSSD); and

WHEREAS, in the best interests of the present district and to enhance the general health and welfare of that portion of Sussex County in the vicinity of John J. Williams Highway, the inclusion of this area will be beneficial; and

WHEREAS, in accordance with 9 Del.C., Section 6502 (a), the Sussex County Council may, upon request of the County Engineer, revise the boundary of an established sewer district when 50 or more houses have been connected by posting a public notice in four public places in the district describing the new or revised boundary; and

WHEREAS, the Sussex County Council has caused to be posted a public notice in at least four public places in the district, as verified by the affidavit of Phillip C. Calio, a copy of which affidavit and public notice is attached hereto and made a part hereof; and

WHEREAS, in accordance with 9 Del.C., Section 6502 (b), the Sussex County Council shall, within ninety days after posting the public notices pass a formal resolution establishing the new boundary of the district;

NOW, THEREFORE,

BE IT RESOLVED the Sussex County Council hereby revises the boundary of the SCUSSD to encompass the lands mentioned above situated on the southeasterly side of John J. Williams Hwy (Rt. 24), as follows:

BEGINNING at a point, situate at the intersection of the southeasterly right of way (ROW) of John J. Williams Highway and a point on the existing boundary of the Sussex County Unified Sanitary Sewer District (SCUSSD); thence leaving said ROW and proceeding by and with said SCUSSD boundary in a southeasterly direction a distance of 376'± to a point; thence in a northeasterly direction a distance of 1,157'± to a point; thence in a generally southeasterly direction a distance of 1,104'± to a point; thence leaving said SCUSSD boundary and proceeding in a southwesterly direction a distance of 125'± to a point, said point being the northwesternmost property corner of lands N/F of J.G. Townsend Jr. Co, said point also being on the SCUSSD boundary; thence proceeding by and with said SCUSSD boundary in a southwesterly direction a distance of 170'± to a point; thence in a northwesterly direction respectively a distance of 1,722'± to a point; thence proceeding in a northeasterly direction across a 50' ROW to a point, said point being that of the **BEGINNING**.

BE IT FURTHER RESOLVED that the Sussex County Council directs the County Engineer and the Attorney for the County Council to procure the necessary lands and right-of-way by purchase, agreement, or condemnation in accordance with the existing statutes; and

BE IT FURTHER RESOLVED that the County Engineer is hereby authorized to prepare maps, plans, specifications, and estimates, let contracts for and supervise the construction and maintenance of, or enlarging and remodeling of, any and all structures required to provide for the safe disposal of sewage in the sanitary sewer district, as amended.

SUSSEX COUNTY UNIFIED SANITARY SEWER DISTRICT
HEROLA EXPANSION
AFFIDAVIT FOR PUBLIC HEARING

STATE OF DELAWARE)(

COUNTY OF SUSSEX)(

BE IT REMEMBERED, That the subscriber, PHILLIP C. CALIO, personally appeared before me and known to me personally to be such, who being by me duly sworn to law did depose and say as follows:

- A. On July 8, 2020 he was a Utility Planner for the Sussex County Engineering Department, Sussex County, State of Delaware; and
- B. On July 8, 2020 he did post the attached "Public Notice," prepared by the Sussex County Engineering Department, at the following locations:
1. On a post on the northeasterly side of the entrance road to Beebee Health Campus 361'± southeast of John J. Williams Highway,
 2. On a post on the northeasterly side of the entrance road to Beebee Health Campus 614'± southeast of John J. Williams Highway,
 3. On a post on the northeasterly side of the entrance road to Beebee Health Campus 698'± southeast of John J. Williams Highway,
 4. On a post on the northeasterly side of the entrance road to Beebee Health Campus 730'± southeast of John J. Williams Highway,
 5. On a post in front of a stop sign at the intersection of John J. Williams Highway and the entrance road of Beebee Health Campus,
 6. On a post in front of a stop sign at the intersection of John J. Williams Highway and the entrance to Rehoboth Mall,
 7. On a post in front of a stop sign on the southwest side of the entrance road to the Rehoboth Mall, 700'± southeast of John J. Williams Highway.
 8. On a post in the westerly ROW of John J. Williams Highway, 154'± southwest of Lexington Avenue



PHILLIP C. CALIO

SWORN TO AND SUBSCRIBED before me on this 16th day of July A.D., 2020



NOTARY PUBLIC

SHARON E. SMITH
NOTARY PUBLIC
STATE OF DELAWARE
My Commission Expires on 6/14/22

My Commission Expires 6/14/22

ENGINEERING DEPARTMENT

ADMINISTRATION	(302) 855-7718
AIRPORT & INDUSTRIAL PARK	(302) 855-7774
ENVIRONMENTAL SERVICES	(302) 855-7730
PUBLIC WORKS	(302) 855-7703
RECORDS MANAGEMENT	(302) 854-5033
UTILITY ENGINEERING	(302) 855-7717
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FAX	(302) 855-7799



Sussex County

DELAWARE
sussexcountyde.gov

HANS M. MEDLARZ, P.E.
COUNTY ENGINEER

JOHN J. ASHMAN
DIRECTOR OF UTILITY PLANNING

Proposed Ocean Park Expansion of the Sussex County Unified Sanitary Sewer District

PUBLIC HEARING FACT SHEET

- Expansion of the Sussex County Unified Sanitary Sewer District (West Rehoboth Area)
- Permission to Prepare and Post Notices was granted on March 10, 2020.
- Includes parcels on the corner of Plantation Road and Cedar Grove Road.
- The Engineering Department had received a request from DBF on behalf of their client HKLS, LLC the owners/developers of a project known as Ocean Park on parcels 334-12.00-50.00 & 51.00.
- The expansion would consist of 5.482 acres more or less and has received preliminary site plan approval (January 9, 2020).
- The project will be responsible for System Connection Charges of \$6,360.00 per EDU based on current rates.
- The Engineering Department posted notices on July 13, 2020 per state code.
- To date we have received no comments either in support or opposition to the annexation.
- Do you have any questions?



COUNTY ADMINISTRATIVE OFFICES
2 THE CIRCLE | PO BOX 589
GEORGETOWN, DELAWARE 19947

Proposed Annexation Ocean Park Expansion of the SCUSSD

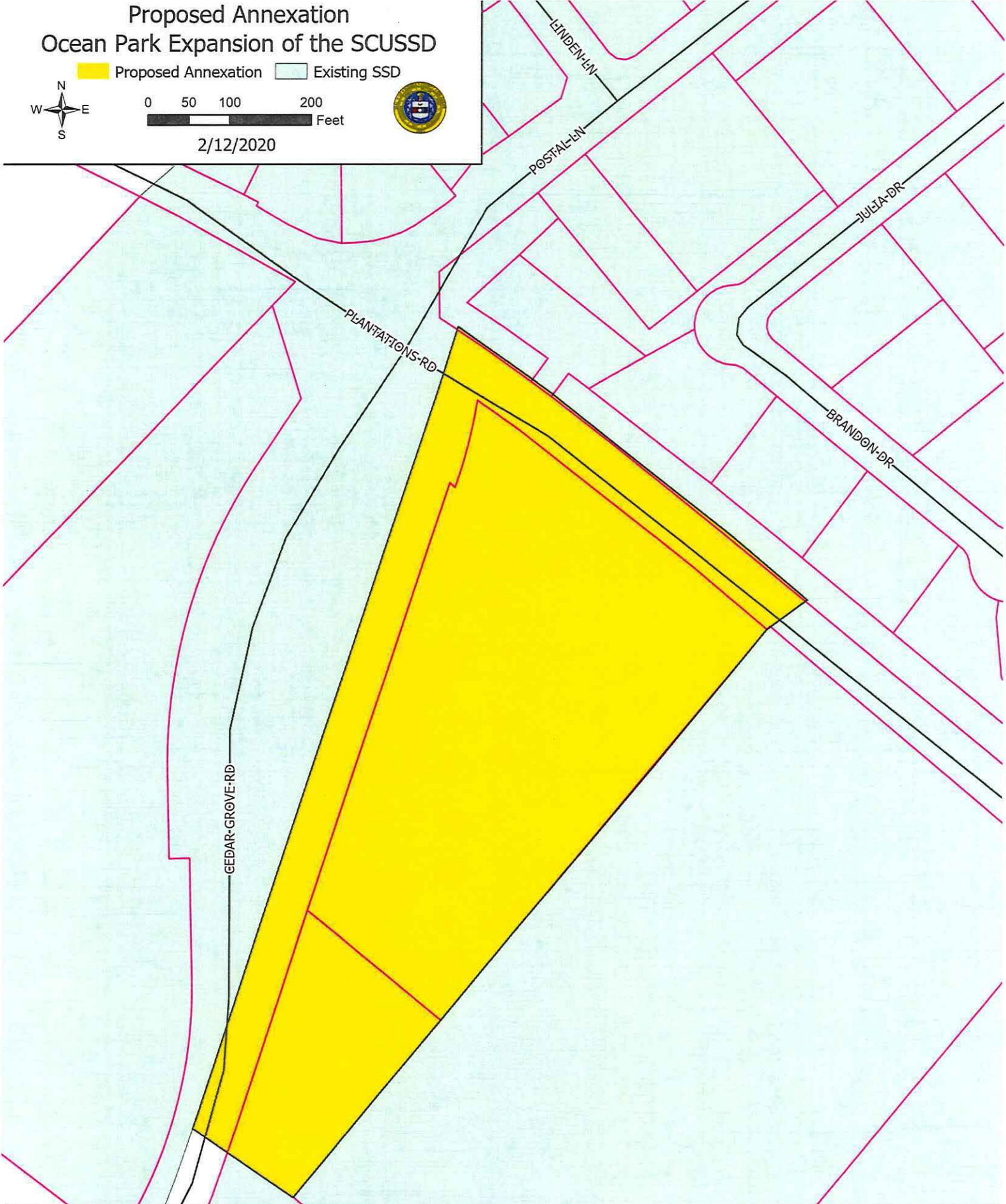
Proposed Annexation Existing SSD



0 50 100 200 Feet



2/12/2020



The proposed annexation is scheduled to be discussed March 31, 2020 at 10:30 AM at the
Sussex County Council Chambers, 2 The Circle, Georgetown, DE 19947
For more information please visit: <https://www.sussexcountyde.gov/legal-notices/sewer-water>
Or call Sussex County Utility Planning at 302-855-1299

RESOLUTION

A RESOLUTION TO EXTEND THE BOUNDARY OF THE SUSSEX COUNTY UNIFIED SANITARY SEWER DISTRICT (SCUSSD), TO INCLUDE PARCELS 334-12.00-50.00 AND 51.00 ON THE SOUTH SIDE OF PLANTATION ROAD. THE PARCELS ARE LOCATED IN THE LEWES AND REHOBOTH HUNDRED, SUSSEX COUNTY, DELAWARE AND RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS, IN AND FOR SUSSEX COUNTY, DELAWARE.

WHEREAS, Sussex County has established the Sussex County Unified Sanitary Sewer Sanitary Sewer District (SCUSSD); and

WHEREAS, in the best interests of the present district and to enhance the general health and welfare of that portion of Sussex County in the vicinity of Plantation Road, the inclusion of this area will be beneficial; and

WHEREAS, in accordance with 9 Del.C., Section 6502 (a), the Sussex County Council may, upon request of the County Engineer, revise the boundary of an established sewer district when 50 or more houses have been connected by posting a public notice in four public places in the district describing the new or revised boundary; and

WHEREAS, the Sussex County Council has caused to be posted a public notice in at least four public places in the district, as verified by the affidavit of Phillip C. Calio, a copy of which affidavit and public notice is attached hereto and made a part hereof; and

WHEREAS, in accordance with 9 Del.C., Section 6502 (b), the Sussex County Council shall, within ninety days after posting the public notices pass a formal resolution establishing the new boundary of the district;

NOW, THEREFORE,

BE IT RESOLVED the Sussex County Council hereby revises the boundary of the SCUSSD to encompass the lands mentioned above situated on the south side of Plantation Road, as follows:

BEGINNING at a point, situate at the intersection of the northerly right of way (ROW) of Plantations Road, and a point on the existing boundary of the Sussex County Unified Sanitary Sewer District (SCUSSD); thence continuing by and with said ROW and SCUSSD boundary in a southeasterly direction a distance of 576'± to a point; thence leaving said ROW and proceeding in a southwesterly direction across Plantation Road a distance of 60'± to a point, said point being on the southerly ROW of Plantation Road; thence leaving said ROW and continuing by and with said SCUSSD boundary in a southwesterly direction a distance of 949'± to a point, said point being the southeasternmost property corner of lands N/F of HKLS LLC; thence continuing with said LLC and SCUSSD boundary in a northwesterly direction a distance of 155'± to a point, said point being on the previous western ROW of Cedar Grove Road; thence proceeding by and with said SCUSSD boundary in a northeasterly direction a distance of 1,049'± to a point, said point being the former westerly ROW of Cedar Grove Road, thence proceeding in a northeasterly direction, crossing Plantation Road to the northerly ROW a distance of 60'± to a point, said point being that of the **BEGINNING**.

BE IT FURTHER RESOLVED that the Sussex County Council directs the County Engineer and the Attorney for the County Council to procure the necessary lands and right-of-way by purchase, agreement, or condemnation in accordance with the existing statutes; and

BE IT FURTHER RESOLVED that the County Engineer is hereby authorized to prepare maps, plans, specifications, and estimates, let contracts for and supervise the construction and maintenance of, or enlarging and remodeling of, any and all structures required to provide for the safe disposal of sewage in the sanitary sewer district, as amended.

SUSSEX COUNTY UNIFIED SANITARY SEWER DISTRICT
OCEAN PARK EXPANSION
AFFIDAVIT FOR PUBLIC HEARING

STATE OF DELAWARE)(

COUNTY OF SUSSEX)(

BE IT REMEMBERED, That the subscriber, PHILLIP C. CALIO, personally appeared before me and known to me personally to be such, who being by me duly sworn to law did depose and say as follows:

- A. On July 8, 2020 he was a Utility Planner for the Sussex County Engineering Department, Sussex County, State of Delaware; and
- B. On July 8, 2020 he did post the attached "Public Notice," prepared by the Sussex County Engineering Department, at the following locations:
 - 1. On a post in the easterly Right-of-Way (ROW) of Plantations Road, 181'± southeast of Postal Lane,
 - 2. On a post in front of DEC Pole 23832 in the southwesterly ROW of Plantations Road,
 - 3. On a post in the southwesterly ROW of Plantations Road 162'± southeast of Cedar Grove Road,
 - 4. On a post in southeasterly ROW of Cedar Grove Road 833'± southwest of Plantation Road,
 - 5. On a post in the southwesterly ROW of Cedar Grove Road, 524'± southwest of Plantation Road,
 - 6. On a post in front of DEC Pole 162131 in the southwesterly ROW of Plantation Road,
 - 7. On a post in front of a stop sign at the intersection of Plantation Road and Dot Sparrow Drive,
 - 8. On a post in front of DEC Pole 158110 in the southwesterly ROW of Plantation Road.


PHILLIP C. CALIO

SWORN TO AND SUBSCRIBED before me on this 16th day of July A.D., 2020


NOTARY PUBLIC

SHARON E. SMITH
NOTARY PUBLIC
STATE OF DELAWARE
My Commission Expires on 6/14/22

My Commission Expires 6/14/22

GINA A. JENNINGS, MBA, MPA
FINANCE DIRECTOR
(302) 855-7741 T
(302) 855-7749 F
gjennings@sussexcountyde.gov



Sussex County
DELAWARE
sussexcountyde.gov

MEMORANDUM:

TO: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable Irwin G. Burton III, Vice President
The Honorable Douglas B. Hudson
The Honorable John L. Rieley
The Honorable Samuel R. Wilson Jr.

FROM: Gina A. Jennings
Finance Director/Chief Operating Officer

RE: **PUBLIC BOND ISSUANCE**

DATE: July 24, 2020

On Tuesday, July 28, I will be discussing current bond refunding opportunities along with additional financing for the County's wastewater capital projects. Because interest rates are favorable and the County recently had an upgrade to its bond rating, it is prudent that the County refund the eligible bonds in connection with the issuance of new debt for comprehensive upgrades to the County's regional wastewater treatment facilities. Lester Guthorn from Public Advisory Consultants, our financial advisor, will also be in attendance to discuss this opportunity. At the end of the discussion, I will be requesting that Council introduce the attached ordinance to proceed with the public bond issuance process.

Public Advisory Consultants provided the attached memorandum that explains the upcoming public bond sale if Council so chooses to move forward. In summary, the total bond issuance is not to exceed \$100 million. It is anticipated that we will see over \$10 million in savings that will reduce sewer assessment rates over time. On the next page is a list of bonds to be refunded along with their issued amount, potential savings, and the sewer assessment areas that will be impacted. A comprehensive chart is included at the end of Public Advisory Consultants' memorandum. In addition to the refunding, I am requesting that we also issue bonds for five large capital wastewater projects. These projects include the following:

- Inland Bays Regional Wastewater Facility: construction of a regional biosolids drying facility and a septage pre-treatment system
- South Coastal Regional Wastewater Facility: treatment plant upgrades for permit compliance
- Piney Neck Regional Wastewater Facility: transmission system diversion improvements
- Inland Bays Regional Wastewater Facility: effluent distribution system connecting various agricultural spray irrigation sites and the acquisition of such lands
- Piney Neck Regional Wastewater Facility: remediation of existing lagoons associated with the retirement of the state permit

Type of Transaction	Bond	Par Amount	Estimated Net PV of Savings	Sewer Areas Impacted
Refunding	2012A/B	\$36,770,000	\$5,936,000	Ellendale, Oak Orchard, Cedar Neck, Dagsboro/Frankford, West Rehoboth
Refunding	RD92-32	\$245,173	\$63,000	Ocean Way Estates
Refunding	RD92-58	\$5,985,000	\$1,461,000	SCRWF
Refunding	RD92-72	\$410,000	\$119,000	Prince George's
Refunding	RD92-67	\$1,715,000	\$465,000	Piney Neck
Refunding	RD92-48	\$1,415,000	\$411,000	Miller Creek
Refunding	RD92-50	\$880,000	\$256,000	Miller Creek
Refunding	RD92-68	\$3,240,000	\$672,000	Millville
Refunding	RD92-34	\$900,000	\$186,000	Fenwick – RT 54
Refunding	RD92-70	\$3,310,000	\$540,000	Millville
New		\$10,900,000		IBRWF Biosolids and Septage Pre-treatment
New		\$14,450,000		SCRWF upgrades
New		\$7,000,000		Piney Neck Diversion
New		\$7,500,000		IBRWF Distribution System
New		\$2,750,000		Piney Neck Remediation of Lagoons
Total		\$97,470,173	\$10,109,000	

Please let me know if you have any questions.

pc: Mr. Todd F. Lawson

Attachments

ORDINANCE NO. [_____]

AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO \$100,000,000 OF GENERAL OBLIGATION BONDS OF SUSSEX COUNTY IN CONNECTION WITH (A) THE REFUNDING OF PRIOR DEBT OF THE COUNTY WHICH WILL RESULT IN DEBT SERVICE SAVINGS AND (B) THE FINANCING OF SEWER SYSTEM IMPROVEMENT PROJECTS; AND AUTHORIZING ALL NECESSARY ACTIONS IN CONNECTION THEREWITH

WHEREAS, pursuant to Title 9, Delaware Code, Section 7001(a) Sussex County (the “County”) has “all powers which, under the Constitution of the State, it would be competent for the General Assembly to grant by specific enumeration, and which are not denied by statute” (the “Home Rule Power”);

WHEREAS, acting pursuant to its Home Rule Power and pursuant to Title 9, Delaware Code, Chapter 67 and Ordinance No. 2212 adopted by the County Council on September 13, 2011, the County has previously authorized the issuance of its General Obligation Refunding Bonds, Series 2012A (the “2012A Bonds”) and General Obligation Refunding Bonds, Series 2012B (the “2012B Bonds” and collectively with the 2012A Bonds, the “2012 Bonds”), the proceeds of which were used to (i) provide funds for the current refunding of certain of the County’s General Obligation Bonds owned by the United States Department of Agriculture, Rural Utilities Service, (ii) provide funds for the current refunding of the County’s outstanding General Obligation Bonds, Series 2003, and (iii) pay the costs of issuance of the 2012 Bonds;

WHEREAS, the Series 2012 Bonds remain outstanding and the County deems it in the best interest of the County to refund some or all of these obligations in order to realize debt service savings therefrom;

WHEREAS, acting pursuant to its Home Rule Power and pursuant to Title 9, Delaware Code, Chapter 67 and various ordinances adopted by County Council, the County has previously authorized the issuance of its general obligation bonds (the “USDA Bonds”) listed in Exhibit A attached hereto and made a part hereof;

WHEREAS, the USDA Bonds remain outstanding and the County deems it in the best interest of the County to refund some or all of these obligations in order to realize debt service savings therefrom;

WHEREAS, acting pursuant to its Home Rule Power, and pursuant to Title 9, Delaware Code, Chapters 65 and 67, the County has authorized (a) the refunding of some or all of the 2012 Bonds and some or all of the USDA Bonds to pay the principal, premium and interest on some or all of the 2012 Bonds and some or all of the USDA Bonds to the date of maturity or prior redemption or to acquire United States Government (or other) obligations to be invested and applied for such purpose (“the Refunding Program”) and (b) the design, construction and equipping of the sewer system improvement projects listed in Exhibit B attached hereto and made a part hereof (the “New Money Project” and collectively with the Refunding Program, the “Project”);

WHEREAS, pursuant to Title 9, Delaware Code, Section 6706, the County is authorized to issue its bonds and to pledge its full faith and credit thereto, to finance the cost of any object, program or purpose for which the County is authorized to raise, appropriate or expend money under Chapter 67 of Title 9; and

WHEREAS, acting pursuant to the aforesaid authority, the County desires to authorize the issuance of general obligations in one or more series of the County which are backed by the County's full faith and credit to finance the costs of the Project and for the other purposes described herein.

NOW THEREFORE THE COUNTY OF SUSSEX HEREBY ORDAINS (AT LEAST FOUR FIFTHS OF THE MEMBERS OF COUNCIL CONCURRING HEREIN):

Section 1. Amount and Purpose of the Bonds. Acting pursuant to Title 9, Delaware Code, Chapters 65 and 67, Sussex County shall issue its general obligations in one or more series in the maximum aggregate principal amount not to exceed \$100,000,000 (the "Bonds") to finance or reimburse the County for the costs of the Project. The annual debt service payments on the that portion of the Bonds dedicated towards the Refunding Program shall not exceed the annual debt service payments on the 2012 Bonds or the USDA Bonds being refunded in any fiscal year.

The County Administrator is authorized and directed to give notice on behalf of the County of the call for redemption of the 2012 Bonds and the USDA Bonds selected for redemption before their scheduled maturity date consistent with the refunding plan determined by the County Administrator to be in the best interest of the County.

The monies raised from the sale of the Bonds (including the investment earnings thereon) after the payment of the costs of issuance, shall be held in one or more Project accounts and shall be expended only for the purposes authorized herein or as may otherwise be authorized by subsequent action by County Council. Authorized purposes include the Refunding Program and the costs of planning, constructing, acquiring and equipping the New Money Project or any portion thereof; interest on the Bonds and any interim financing during the construction period of the New Money Project and for a period of up to one year following the estimated date of completion of the New Money Project; the reasonable costs of issuance of the Bonds and any interim financing; the repayment of temporary loans incurred with respect to the New Money Project; and the reimbursement of authorized costs previously expended by the County on the New Money Project from other funds.

Proceeds of the Bonds may not be applied for the payment of any operating expense, the payment of any judgment resulting from the failure of the County to pay any item of operating expense, or the payment for any equipment or any public improvements of a normal life of less than 3 years.

Section 2. Security for the Bonds. The principal, interest and premium, if any, on the Bonds may be paid by ad valorem taxes on all real property subject to taxation by the County without limitation as to rate or amount, except as limited by Title 9, Delaware Code Section 8002 (c). Pursuant to Title 9, Delaware Code, Section 6706, the full faith and credit of the County is pledged to such payment. The Bonds shall contain a recital that they are issued pursuant to Title

9, Delaware Code, Chapter 67, which recital shall be conclusive evidence of their validity and of the regularity of their issuance.

Section 3. Appointment of Financial Advisor. The County hereby appoints Public Advisory Consultants, Inc. as its financial advisor (the “Financial Advisor”) in connection with the sale of the Bonds.

Section 4. Terms and Sale of the Bonds. The Bonds shall be sold at such prices and upon such other terms and conditions consistent with the provisions of this Ordinance and otherwise as the County Administrator shall determine, with the advice of the County’s Financial Advisor, to be in the best interests of the County, including containing a pledge of the County’s full faith and credit. The Bonds shall bear interest at such rate or rates and shall mature in such amounts and at such times, and shall be subject to redemption, as the County Administrator shall determine, with the advice of the County’s Financial Advisor, shall be in the best interests of the County subject to the other provisions of this Ordinance.

The Bonds shall be issued pursuant to the terms of a bond purchase agreement and other bond documents which shall prescribe the terms of the Bonds. The Bonds may be issued in one or more series and shall be sold in a public competitive bid transaction or in a privately negotiated transaction with one or more investment bankers selected by the County Administrator, as shall be determined by the County Administrator to be in the best interests of the County.

Section 5. Details of the Bonds. The County Administrator is authorized to determine the details of the Bonds including the following: the date or dates of the Bonds; provisions for either serial or term bonds; sinking fund or other reserve fund requirements; interest provisions; due dates of the interest thereon; the form of the Bonds; the denominations and designations of the Bonds; registration, conversion and transfer provisions; provisions for the receipt, deposit and investment of the proceeds of the Bonds; provisions for the replacement of lost, stolen, mutilated or destroyed Bonds; and provisions for issuing uncertificated obligations and all procedures appropriate for the establishment of a system of issuing uncertificated debt. The Bonds shall be executed by the manual or facsimile signature of the County Administrator, shall contain an impression of the County seal or a facsimile thereof and shall be attested by the manual signature of the County Clerk and shall be authenticated by a trustee or paying agent. The County Administrator shall determine the form of the Bonds.

Section 6. Authorization and Approval of Bond Documents. The County Administrator is authorized to execute and deliver on behalf of the County, a bond purchase agreement and other bond documents, if necessary, with such terms and provisions consistent with this Ordinance which the County Administrator shall deem to be in the best interests of the County. In addition the County Administrator is authorized to enter into, on behalf of the County, all such other agreements, certificates and other documents as he shall determine shall be necessary or appropriate to carry out the intent of this Ordinance, including but not limited to a bond purchase agreement with respect to the sale of the Bonds, applications for, and agreements with respect to, bond insurance or other credit enhancement, and an agreement or agreements with depositories with respect to the bond proceeds and related funds.

Section 7. Authorization of Offering Documents. The County Administrator is authorized to cause to be prepared and to execute and deliver on behalf of the County, any and all offering documents he determines are necessary or appropriate in connection with the offering and sale of the Bonds, including a Preliminary Official Statement and an Official Statement, and he is authorized to “deem final” the Preliminary Official Statement for the purposes of Rule 15c2-12 of the Securities and Exchange Act of 1934 (the “Rule”).

The final form of the Official Statement, and any supplement thereto, shall be substantially in the form of the Preliminary Official Statement, except for such changes, modifications, additions, and deletions as the County Administrator determines and approves. The President or the Vice-President of the Sussex County Council or the County Administrator are authorized to execute by and on behalf of the County such Official Statement (including any supplement thereto), and the County Administrator is authorized to cause such Official Statement (and any supplement thereto) to be distributed in connection with the offering and sale of the Bonds.

Section 8. Continuing Disclosure. The County covenants for the benefit of holders of the Bonds that, so long as any Bonds are outstanding, it will file or cause to be filed all financial information, operating data and notices of events, actions or failure to act, with such persons or entities and at such times as may be necessary to comply with the requirements of the Rule with respect to the Bonds.

The County Administrator is authorized to execute and deliver on behalf of the County a Continuing Disclosure Agreement in connection with the issuance of the Bonds specifying the specific actions that the County shall be obligated to undertake to comply with the Rule. The County Administrator is hereby authorized to take such other actions, by contract with a fiscal agent or otherwise, as such official shall deem appropriate to cause the County to comply with this Section.

Section 9. Non-Arbitrage Certificate and Covenants. The Bonds may be issued as taxable or tax-exempt obligations in one or more series.

If any of the Bonds or any series of the Bonds are issued on a tax-exempt basis, the County Administrator and the Director of Finance shall be the officials of the County responsible for the issuance of the Bonds pursuant to Section 103 of the Code (hereinafter defined). The County Administrator and the Director of Finance shall also be the officials of the County responsible for the execution and delivery (on the date of the issuance of the Bonds) of a certificate of the County (the “Tax Certificate”) that complies with the requirements of the Internal Revenue Code of 1986, as amended (the “Code”), and the applicable regulations thereunder (the “Regulations”), and such officials are hereby authorized and directed to execute and deliver a Tax Certificate to Bond Counsel on the date of the issuance of the Bonds.

The County shall set forth in the Tax Certificate its reasonable expectations as to relevant facts, estimates, and circumstances relating to the use of the proceeds of the Bonds or of any moneys, securities, other obligations to the credit of any account of the County, which may be deemed to be proceeds of the Bonds pursuant to Section 148 of the Code or the Regulations (collectively, the “Bond Proceeds”). The County covenants and agrees with the registered owners

of the Bonds that the facts, estimates, and circumstances set forth in the Tax Certificate will be based on the County's reasonable expectations on the date of the issuance of the Bonds and will be, to the best of the certifying officials' knowledge, true and correct as of that date.

The County covenants and agrees with the registered owners of the Bonds that it will not make, or permit to be made, any use of the Bond Proceeds that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations and that it will comply with those provisions of Section 148 of the Code and the Regulations as may be applicable to the Bonds.

The County specifically covenants that it will comply with the provisions of the Code applicable to the Bonds, including, without limitation, compliance with provisions regarding the timing of the expenditure of the proceeds of the Bonds, the use of such proceeds, the restriction of investment yields, the filing of information with the Internal Revenue Service, and the calculation and rebate of certain earnings resulting from the investment of the proceeds of the Bonds. The County further covenants that it shall make such use of the proceeds of the Bonds, regulate the investment of the proceeds thereof and take such other and further actions as may be required to maintain the exemption from federal income taxation on the Bonds. All officers, employees, and agents of the County are hereby authorized and directed to provide such certifications of facts and estimates regarding the amount and use of the proceeds of the Bonds as may be necessary or appropriate in connection herewith.

The County hereby declares its official intent to use a portion of the Bond Proceeds to reimburse itself for certain expenditures made in connection with the New Money Project prior to the issuance of the Bonds.

Section 10. Debt Limit. It is hereby determined and certified, as of the effective date hereof, that the issuance of the Bonds is within the legal debt limit of the County.

Section 11. Further Action. The County Administrator is hereby authorized to appoint, if appropriate, in such manner and on such terms and conditions as he deems appropriate, an escrow agent, a verification agent, a Bond Registrar and a Trustee or Paying Agent, who may be the same person or organization.

The President or Vice President of the County Council, the County Administrator, the Finance Director and the County Clerk are authorized and directed to take such other action on behalf of the County, as may be necessary or desirable to effect the adoption of this Ordinance and the issuance and sale of the Bonds and to provide for their security and to carry out the intent of this Ordinance, including the publication of notices and advertisements and the execution and delivery of customary closing certificates.

Section 12. Effective Date. This Ordinance shall become effective immediately upon its passage.

The County Clerk is hereby directed to publish a notice of the adoption hereof in accordance with Section 7002(m)(2) of Title 9 of the Delaware Code, as amended.

I DO HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT COPY OF ORDINANCE NO. [_____] ADOPTED BY THE SUSSEX COUNTY COUNCIL ON THE ____ DAY OF _____, 2020.

SUSSEX COUNTY, DELAWARE

Clerk
Sussex County Council

EXHIBIT A

USDA LOANS ELIGIBLE FOR REFUNDING

- 1996 Wastewater General Obligation Bonds (Ocean Way Estates)
- 2010 Wastewater General Obligation Bonds (SCRWF)
- 2011 Wastewater General Obligation Bonds (Prince Georges Acres)
- 2011 Wastewater General Obligation Bonds (Piney Neck)
- 2011A Wastewater General Obligation Bonds (Millers Creek)
- 2011B Wastewater General Obligation Bonds (Millers Creek)
- 2011 Wastewater General Obligation Bonds (Millville)
- 2011 Wastewater General Obligation Bonds (Fenwick Island)
- 2012 Wastewater General Obligation Bonds (Millville)

EXHIBIT B

<u>New Money Project</u>	<u>Expected Amount (\$)</u>
Inland Bays Regional Wastewater Facility: Construction of a Regional Biosolids Drying Facility and a Septage Pre-treatment System	10,900,000
South Coastal Regional Wastewater Facility: Treatment Plant Upgrades for continued NPDES Permit Compliance associated with the 2020 Plant Capacity	14,450,000
Piney Neck Regional Wastewater Facility: Transmission System Diversion Improvements including Right-of-Way Acquisition to allow for Compliance and eventual Retirement of ext. State LTS Permit	7,000,000
Inland Bay Regional Wastewater Facility: Effluent Distribution System connecting various agricultural spray irrigation sites and the acquisition of such Lands	7,500,000
Piney Neck Regional Wastewater Facility: Remediation of existing Lagoons associated with the Retirement of the State LTS Permit	<u>2,750,000</u>
Total	<u>42,600,000</u>

Memorandum

To: Gina Jennings

From: Lester Guthorn, Susan Ostazeski

Date: July 22, 2020

Re: Refunding Analysis, Public Bond Sale, and How the Process Works

The following memo describes refunding opportunities for the County if the County were to publicly issue refunding bonds. The second part of the memo describes the process for completing a public bonds financing.

Refunding Analysis

Public Advisory Consultants, the County's financial advisor, has evaluated most of the County's outstanding debt for possible savings. A chart has been attached that describes savings with current market conditions of all of the County's outstanding loans and bonds with the exception of the loans that have interest rates of 2.0% or lower. We believe the very low interest rates on these loans would make a refunding uneconomical.

Based on current market conditions, the following loans and bonds all exhibit positive net present value percent savings greater than 3%:

- General Obligation Refunding Bonds, Series 2012A
- General Obligation Refunding Bonds, Series 2012B
- Ocean Way Estates Expansion Sewer Project Loan #92-32
- SCRWF Improvements Loan #92-58
- Dagsboro-Frankford Prince George's Acres Expansion Loan #92-72
- Dagsboro-Frankford Piney Neck Land Purchase Project Loan #92-67
- Millers Creek RD Loan #92-48
- Millers Creek RD Loan #92-50
- Millville Area Exp of the BBSSD Project – Rural Utility Service – 2011 Loan #92-68
- Fenwick Island – Route 54 – Rural Utility Service – 2011 Loan #92-34
- Millville Series 2012-RUS Loan #92-70

Tax-exempt bonds can only be refunded on a tax-exempt basis if they are currently callable, which means it is no more than 90 days before their call date. The 2012 Bonds are not callable until September 15, 2022 and therefore can only be refunded on a taxable basis. Although taxable rates are higher than tax-exempt rates, taxable rates are at or near historical lows and the savings is significant.

From these nine loan issues and two bond issues, approximately \$10.1 million in net present value (NPV) savings and \$13.0 million in gross savings can be realized through the issuance of approximately \$36.8 million in taxable general obligation advance refunding bonds and approximately \$18.1 in tax-exempt general obligation current refunding bonds to refinance approximately \$52.5 million in outstanding debt.

This analysis is based on current market conditions and subject to change.

When evaluating savings on a refunding, we state the savings achieved by lowering the interest rate on the Refunded Bonds net of transaction costs associated with the refunding. We have described issue costs in more detail below in the Public Bond Sale section. Generally, we look for net present value savings of at least 2 to 3% for each loan or bond that we refund. In the case of this analysis, we have assumed that all maturities of a loan or bond will be refunded.

Savings can be realized at different times. The two most common savings methods are upfront savings, where an issuer achieves savings in the immediate fiscal year or two and then has similar payments as before in the remainder of years, and equal annual savings, where savings is realized throughout the life of the bonds. In the chart provided and summarized below, we have assumed uniform savings, but we can also provide the upfront analysis.

Unlike the loans, which can likely be paid off immediately upon closing of the Refunding Bonds and receipt of bond proceeds, any refunded 2012 Bonds would need to be placed into an escrow until the call date on September 15, 2022. Generally, escrows are invested in State and Local Government Securities ("SLGS"), which are treasury securities available to tax-exempt issuers.

Current Interest Rates

The chart below shows interest rate estimates provided to us as of July 2020. Rates change constantly and there is more uncertainty right now than normal due to the COVID-19 pandemic.

Maturity	Taxable Estimated Rate	Tax-Exempt Estimated Rate
2021	0.59%	0.44%
2022	0.69	0.46
2023	0.77	0.47
2024	0.87	0.52
2025	1.02	0.60
2026	1.17	0.72
2027	1.37	0.82
2028	1.53	0.89
2029	1.63	0.96
2030	1.73	1.03
2031	1.83	1.09
2032	1.88	1.32
2033	1.98	1.41
2034	2.08	1.90
2035	2.18	2.00
2036	2.23	2.04

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2037	2.28	2.08
2038	2.33	2.12
2039	2.38	2.16
2040	2.43	2.20
2041	2.47	2.29
2042	2.52	2.32
2043	2.57	2.35
2044	2.60	2.38
2045	2.62	2.40
2046	2.64	2.46
2047	2.67	2.47
2048	2.69	2.48
2049		2.49
2050		2.50
2051		2.51
2052		2.52
2053		2.53

Public Bond Sale

The County has not gone to the public bond market since 2012. Public sales are more work and have a higher issuance cost than loans, but they can provide substantial savings to the issuer due to lower interest rates.

Competitive vs. Negotiated Sale

There are two main types of public bond sales. In a competitive sale, the issuer, financial advisor, and bond counsel work together to get all pre-marketing documents complete. We set a date and time for the bond sale and notify when the sale will occur. For competitive sales, we use a system called Parity, which is entirely electronic and allows potential bidders for your bonds to place bids up to the time the sale ends. At that time, we open the bids and choose the lowest overall interest rate. We require the winning firm to submit a good faith deposit to you on the day of the sale (generally about 2% of the par amount of the bonds). We have very little contact with the firm that sells your bonds, but we do believe based on the open bidding process that you received the best interest rate available to you at the exact time of the sale.

In a negotiated sale, a banking firm is hired well ahead of the bond sale to sell your bonds. The firm should be chosen based on their ability to best sell your bonds and provide expertise during the process of preparing documents and pre-marketing your bonds. Unlike in a competitive sale, the banking firm will be involved in document preparation, running bond numbers, and other pre-sale tasks well before the day of sale. The advantage of a negotiated sale is that you have a knowledgeable banker assisting you throughout the process and the banking firm can reach out to potential investors before the interest rates

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are determined. A negotiated sale also lets you some control over who invests in your bonds. For example, we can encourage the banking firm to sell bonds to local Sussex County and other Delaware residents. The disadvantage of a negotiated sale is that there is no way to determine if another banking firm could have gotten you a lower interest rate at the time of the bond sale.

Schedule and Documents

The most time-consuming document associated with a public sale is the Preliminary Official Statement (the "POS"). The POS is used to market your bonds to potential investors for both a competitive and negotiated sale. The POS consists of (a) a legal section describing the security for the bonds, whether the bonds are tax-exempt, the purpose of the bonds, and other details; (b) section describing the County including a description of the form of government, elected officials, services provided, economic and demographic information, a description of County finances, and debt outstanding; and (c) Appendices including the most recently completed audited financial statements, an opinion of bond counsel, a Notice of Sale (if competitively bid), and a continuing disclosure agreement. This document can be developed by your financial advisor (alternatively, some issuers produce it themselves or bond or underwriter's counsel can do it). It generally takes a number of weeks to compile all of the information provided by the issuer, bond counsel, and third party sources. Several drafts must be reviewed and the POS needs to be complete and electronically distributed approximately one week before the sale date.

Additional pre-sale documents may include a bond resolution to be passed by County Council, a notice of the bond sale to be published in a local paper once or twice (depending on County rules) before the sale date, and a bond purchase agreement that sets interest rates and acts as the contract between the County and the underwriter if doing a negotiated sale.

Before the sale, the County will also need to have the bonds rated. Currently, Moody's and Standard & Poor's rate the County. The County would likely have conference calls with each firm a few weeks prior to the bond sale. The calls would discuss County management, finances, debt, and economics. We like to receive ratings about one week before the sale is scheduled.

Closing documents, including a final official statement that includes the interest rates, will be completed after the sale and before the bond closing, which is when the County receives bond proceeds. Closing generally occurs between one and two week after the bond sale.

Cost of Issuance

The cost of issuance is higher for a public bond sale than a loan or private placement since there are more documents, time, and work required to complete the sale. Cost of issuance for a refunding may include the following:

- Bond Counsel
- Financial Advisor

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- Paying/Escrow Agent (the County sends principal and interest payments to the Paying Agent and the Escrow Agent holds the bond proceeds being used to refund bonds)
- Rating Agency fees
- Verification Agent (verifies that Refunding Bonds are sufficient to pay off Refunded Bonds)
- Printer (for official statement)
- Advertising
- Electronic Distribution of POS
- CUSIP numbers

The underwriter will also be compensated, but this varies depending on a competitive or negotiated sale. In a competitive sale, the underwriter's compensation is built into their bid and we calculate the interest cost net of this compensation (known as underwriter's discount). In a negotiated transaction, we will negotiate the underwriter's compensation. This compensation generally takes the form of takedown (which is an amount paid to the underwriter based on the par amount of bonds), a management fee, if any, and expenses. Expenses may include underwriter's counsel if the underwriter chooses to hire an outside counsel which is typical, required trading fees, etc.

**Sussex County, Delaware
Refinancing Analysis
Summary of Debt Service Savings
Jul-20
Current Rates**

Issue Number	Original Dated Date	Final Maturity Date of Outstanding Bonds	Original Bond Size	Purpose	Outstanding Principal	Refinanced Principal	Refunded Bonds Average Interest Rate	Refunding Bonds Issued	Gross Present Value \$ Savings*	Net Present Value \$ Savings *	Net Present Value % Savings *
1	2/14/2012	9/15/2040	\$28,510,000	General Obligation Refunding Bonds, Series 2012A	\$21,980,000	\$18,955,000	4.689%	\$21,340,000	\$3,674,606	\$3,016,088	15.912%
2	2/14/2012	9/15/2048	\$32,865,000	General Obligation Refunding Bonds, Series 2012B	\$16,170,000	\$13,770,000	4.631%	\$15,430,000	\$3,786,120	\$2,919,722	21.204%
3	10/17/1996	10/17/2036	\$463,000	Ocean Way Estates Expansion Sewer Project Loan #92-32	\$286,281	\$286,281	4.500%	\$245,000	\$69,322	\$63,344	22.127%
4	3/19/2010	3/19/2050	\$7,500,000	SCRWF Improvements Loan #92-58	\$6,533,776	\$6,533,776	4.000%	\$5,985,000	\$1,926,918	\$1,460,745	22.357%
5	6/2/2011	6/2/2051	\$500,000	Dagsboro-Frankford Prince George's Acres Expansion Loan #92-72	\$477,605	\$445,884	4.250%	\$410,000	\$153,880	\$119,407	26.780%
6	6/2/2011	6/2/2051	\$2,113,000	Dagsboro-Frankford Piney Neck Land Purchase Project Loan #92-67	\$1,886,179	\$1,878,764	4.125%	\$1,715,000	\$612,764	\$464,821	24.741%
7	3/23/2011	3/28/2051	\$1,725,000	Millers Creek RD Loan #92-48	\$1,537,788	\$1,537,788	4.250%	\$1,415,000	\$544,715	\$411,095	26.733%
8	3/23/2011	3/28/2051	\$1,075,000	Millers Creek RD Loan #92-50	\$958,305	\$958,305	4.250%	\$880,000	\$341,660	\$255,749	26.688%
9	11/30/2011	11/28/2051	\$4,000,000	Millville Area Exp of the BBSSD Project – Rural Utility Service – 2011 Loan #92-68	\$3,564,520	\$3,549,812	3.750%	\$3,240,000	\$895,146	\$671,863	18.927%
10	11/30/2011	11/28/2051	\$1,111,000	Fenwick Island – Route 54 – Rural Utility Service – 2011 Loan #92-34	\$990,009	\$985,923	3.750%	\$900,000	\$247,719	\$185,993	18.865%
11	9/27/2012	9/27/2052	\$4,000,000	Millville Series 2012-RUS Loan #92-70	\$3,649,299	\$3,590,014	3.500%	\$3,310,000	\$727,369	\$539,929	15.040%

Total			\$83,862,000		\$58,033,761	\$52,491,547		\$54,870,000	\$12,980,219	\$10,108,756	19.258%
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* Subject to change, based on current market conditions.

Date: July 22, 2020

Prepared by: Public Advisory Consultants, Inc.

INFORMATION TECHNOLOGY

DWAYNE KILGO
DIRECTOR
(302) 855-7898 T
(302) 853-5898 F



Sussex County
DELAWARE
sussexcountyde.gov

Memorandum

TO: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable I.G. Burton III, Vice President
The Honorable Samuel R. Wilson, Jr.
The Honorable Douglas B. Hudson
The Honorable John L. Rieley

FROM: Dwayne Kilgo, Information Technology Director

RE: Agreement for the Support and Maintenance of the Sussex County Fiber Ring

DATE: July 22, 2020

In January 2020, through the combined efforts of County Administration, the Information Technology department and Pete Aquino, president of Broad Valley Micro Fiber Networks Inc., Sussex County finalized the acquisition of the Georgetown Fiber Ring. As you may recall, in August 2015, Sussex County partnered with Broad Valley for the implementation of 144 strands of fiber to host services such as high-speed broadband Internet and enterprise private network services. In the acquisition agreement, Mr. Aquino requested that Broad Valley Micro Fiber Networks and their sister company, Nuvisions, continue to offer and support broadband services to existing customers using their broadband services.

This agreement allows Nuvisions to continue offering broadband services to existing customers while also monitoring and supporting the entire seven-mile fiber ring. In return, the County allows Nuvisions to utilize six (6) strands of the 144 strands of fiber, while paying rental fees for colocation in the County's data center and revenue sharing of all sales generated for broadband services. This would serve as a potential income stream for the County and would represent another step and public offering in the County's larger broadband expansion initiative.

I will make a presentation before Council on July 28th seeking your approval to execute the draft agreement.

WILLIAM PFAFF
ECONOMIC DEVELOPMENT DIRECTOR
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Sussex County
DELAWARE
sussexcountype.gov

Memorandum

TO: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable Irwin G. Burton III, Vice President
The Honorable Douglas B. Hudson
The Honorable John L. Rieley
The Honorable Samuel R. Wilson Jr.

FROM: William Pfaff
Economic Development

RE: **Delaware Coastal Business Park Lease**

DATE: July 21, 2020

On the agenda Tuesday the following lease will be presented for approval, **EASTERN SHORE NATURAL GAS COMPANY, INC.**, located **21706 Nanticoke Avenue, Georgetown, DE 19947**, containing 1.15 acres in the old section of the Delaware Coastal Business Park. The Leased Premises shall also include the area currently identified as an unused portion of Sussex Avenue, Georgetown, Delaware, from the east of the intersection of Sussex Avenue and Broad Creek Avenue to the fence located west of the intersection of Sussex Avenue and Park Avenue. I am providing you this memorandum as background on the companies.

EASTERN SHORE NATURAL GAS COMPANY, INC.

WHO WE ARE:

Eastern Shore Natural Gas Company is the interstate natural gas pipeline subsidiary of Chesapeake Utilities Corporation. Natural gas is transported through Eastern Shore's pipeline network canvassing the Delmarva Peninsula for distribution to residents and small commercial businesses via local distribution companies, and for direct use by industrial businesses and electric power generators. Eastern Shore has been providing reliable, efficient and economical natural gas to the Delmarva Peninsula since 1959. Locally owned and operated (headquartered in Dover, DE), Eastern Shore Natural Gas is proud to live in the communities they serve.



LEASE AGREEMENT

THIS LEASE AGREEMENT, dated this _____ day of _____ 2020, BY AND BETWEEN:

SUSSEX COUNTY, a political subdivision of the State of Delaware, P.O. Box 589, 2 The Circle, Georgetown, Delaware 19947, hereinafter referred to as "Lessor",

AND

Eastern Shore Natural Gas Company, a Delaware corporation, 500 Energy Lane, Suite 200, Dover, Delaware 19901, hereinafter referred to as "Lessee".

RECITALS:

WHEREAS, Lessor and Lessee hereby agree to enter into a lease pursuant to the terms and conditions outlined herein; and

WHEREAS, Lessor and Lessee agree that the ownership of any Improvements shall revert to Lessor at the termination of this lease.

WITNESSETH:

IN CONSIDERATION of the mutual covenants hereinafter expressed, the parties hereto agree as follows:

1. **PREMISES:** Lessor does hereby lease to Lessee and Lessee does hereby rent from Lessor, the following described premises ("the Leased Premises"):

21706 Nanticoke Avenue, Georgetown, DE 19947, containing 1.15 acres more or less, and more particularly described in Appendix A annexed hereto and made a part hereof. The Leased Premises shall include improvements as hereinafter defined which are located on said property. The Leased Premises shall also include the area currently identified as an unused portion of Sussex Avenue, Georgetown, Delaware, from the east of the intersection of Sussex Avenue and Broad Creek Avenue to the fence located west of the intersection of Sussex Avenue and Park Avenue.

2. **TERM:** The term of this Lease Agreement shall be eight (8) months, commencing at 12:00 a.m. on July 16, 2020, and ending at 11:59 p.m. on the 15th day of March 15, 2021. At the end of the lease term, the parties agree that this Lease Agreement shall terminate. Lessee shall have no right to continue to occupy the Leased Premises after the lease termination date unless a new lease has been entered into between the parties.
3. **RENT:**
 - a. Beginning the upon commencement of this Lease, Lessee covenants and agrees to pay Lessor rent in the amount of One Dollar (\$1.00) for the length of the lease term.
4. **PAYMENT PROVISIONS:** Payment should be made to Sussex County Council, Sussex County Accounting Office, P.O. Box 589, Georgetown, Delaware 19947.
5. **REPAIR AND CARE:** Lessee has examined the Leased Premises and has entered into this lease without any representation on the part of Lessor as to the conditions thereof. Lessee shall take good care of the Leased Premises and any improvements located thereon at Lessee's own cost and expense, and shall maintain the Leased Premises and any improvements located thereon in good condition and state of repair and at the end of the term hereof or any extension thereof, shall deliver the Leased Premises and any improvements located thereon in good order and condition, wear and tear from a reasonable use thereof, and damage by the elements not resulting from the neglect or fault of Lessee, excepted. Lessee shall neither encumber nor obstruct the sidewalks, driveways, yards or entrances, but shall keep and maintain the same in a clean condition, free from debris, trash, refuse, snow and ice. Lessee shall be responsible for all grass cutting and snow removal. Grass shall be mowed regularly so as to prevent grass from growing beyond six (6) inches in height. Snow removal from access road to Lessee's building shall be the sole responsibility of Lessee.
6. **UTILITIES.** Lessee shall pay for all utilities of whatsoever kind which are furnished to the Leased Premises. Lessor shall be responsible to provide any connection to the central sewer system, electricity, and water utilities, and Lessee shall be

responsible for all other utility connections. Lessor shall be responsible for the maintenance of any water meter servicing the Leased Premises. Lessee shall be solely responsible for water charges, and Lessor shall have no obligation for the same. In the event Lessor charges Lessee for water provided to the Leased Premises, Lessee shall pay the same rate for water as paid by other tenants in the Delaware Coastal Business Park.

7. **USE OF PREMISES:**

- a. Lessee shall have the right to utilize the Leased Premises and any improvements to be located thereon for activities such as one or more of the following: Natural gas construction and lay down related business.
- b. The use of the Leased Premises shall at all times comply with all laws, ordinances, orders, regulations and requirements of any governmental authority having jurisdiction.
- c. It is specifically agreed that this Lease Agreement is non-exclusive as it relates to the Delaware Coastal Business Park. Lessor reserves the right to lease other real property at the Delaware Coastal Business Park for identical or similar uses.

8. **NO LIENS OR ENCUMBRANCES:**

- a. The Leased Premises are leased by the Lessor free and clear of all liens, encumbrances and easements and title shall be good and marketable and such as will be insured by a reputable company at regular market rates. Should title not be as described, Lessee shall have the option to declare this Lease null and void, and be repaid its out of pocket expenses, including title company charges, and there shall thereafter be no further liability or obligation on the part of Lessor and Lessee.
- b. Any liens placed on property owned by Lessee which are located on the Leased Premises must first be approved by Lessor.
- c. Lessee has no authority whatsoever to encumber the Leased Premises or any improvements located thereon as of the date of this Lease Agreement.

9. **AIRPORT PROTECTION:**

- a. It shall be a condition of this lease, that Lessor reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the real property hereinafter described, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, and for use of said airspace for landing on, taking off from or operating on the airport.
- b. Lessee expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the hereinafter described real property to such a height so as to comply with Title 14, Code of Federal Regulations, Part 77. A list of the height restrictions applicable to the Leased Premises is attached hereto as Exhibit B.
- c. Lessee expressly agrees for itself, its successors and assigns, to prevent any use of the hereinafter described real property which would interfere with or adversely affect the operation or maintenance of the airport, or otherwise constitute an airport hazard.

10. **TAXES:** Lessee shall pay all ad valorem taxes or any other taxes, including taxes levied by Sussex County, on the improvements erected on the Leased Premises and all equipment installed therein. A list of the property taxes applicable to the Leased Premises, together with the amounts for the most recent calendar year, is attached hereto as Exhibit C.

11. **RIGHT TO CONTEST:** Lessee shall have the right in good faith to contest by legal proceedings or otherwise the assessment upon the Leased Premises by any governmental authority levying or attempting to levy taxes thereon. Lessor shall cooperate with Lessee, but at no expense to Lessor, in any such protest as Lessee shall make. In the event Lessee shall determine to contest such taxes, Lessee shall, within the time herein set forth for the payment of such taxes, post with the proper governmental authorities such sum of money or take such other action

satisfactory to Lessor, as will protect the property from nonpayment during such contest. Further, Lessee shall obtain the participation of the Lessor in any tax appeal, if required.

12. **STATUTORY LIEN**: Lessor hereby claims any and all statutory or other liens which it may have upon the equipment, furniture, fixtures, real and personal property of any Lessee or Sub-Lessee placed upon the improvements, and Lessee agrees that Lessor has such a lien to the extent provided by statute or otherwise. Lessor agrees to subordinate its lien right to the lien of any mortgage, deed of trust, or security instrument given by Lessee for the construction of the improvements and purchase of the equipment, furniture, fixtures and personal property placed upon the Leased Premises. Lessee shall furnish the Lessor copies of all such security instruments.

13. **INSURANCE**:

a. **Property and Business Income Insurance** - Lessee shall secure and maintain, at its own expense, all risk (special form) property insurance that insures against direct physical loss of or damage to Lessee's property including Lessee's improvements, fixtures, equipment and materials located on the Leased Premises, on a replacement cost valuation basis, with limits not less than 100% of the insurable replacement cost of all such property. Lessee shall also secure, at its own expense, all risk (special form) business income and extra expense insurance in amounts satisfactory to protect its interests as a result of direct physical loss of or damage to Lessee's covered property located on the Leased Premises. Lessor shall be an insured on Lessee's property and business income insurance as its interests may appear, in amounts sufficient to protect Lessor's interests.

b. **Waiver of Subrogation** - To the fullest extent permitted by law, Lessee waives any right of recovery from Lessor, and its appointed and elected officials, employees, agents, and volunteers, for any loss, damage or injury to Lessee's property located on the Leased Premises (or resulting loss of income or extra expense), by reason of any peril required to be insured

against under this Lease Agreement. To the fullest extent permitted by law, Lessee's property insurer shall not hold any right of subrogation against Lessor, and its appointed and elected officials, employees, agents, and volunteers. Lessee shall advise its insurer(s) of the foregoing and such waiver shall be permitted under any property and/or business income and extra expense insurance policies maintained by Lessee. Any deductible amount(s) selected by Lessee shall be the sole responsibility of Lessee.

- c. **Commercial General Liability Insurance** - Lessee shall secure and maintain, at its own expense, commercial general liability insurance that insures against bodily injury, property damage, personal and advertising injury claims arising from Lessee's occupancy of the Leased Premises or operations incidental thereto, with the combined single limit of \$1,000,000.00 per occurrence and a general aggregate limit of \$2,000,000.00. This insurance shall name Lessor and its appointed and elected officials, employees, agents and volunteers as insureds on a primary and non-contributory basis, with respect to liability arising out of or in connection with Lessee's occupancy of the Leased Premises or operations incidental thereto under this Lease Agreement. A copy of the additional insured endorsement(s) that evidence the required additional insured status must accompany any certificate of insurance provided to Lessor. To the fullest extent permitted by law, Lessee's commercial general liability insurer shall not hold any right of subrogation against Lessor, and its appointed and elected officials, employees, agents, and volunteers. Lessee shall advise its insurer(s) of the foregoing and such waiver shall be permitted under any commercial general liability insurance policies maintained by Lessee. Lessor shall maintain, at its sole expense, commercial general liability insurance covering the Delaware Coastal Business Park, including all common areas, on a full replacement cost basis, together with such other types of insurance coverage as are customarily maintained by owners of comparable use properties in the area in which the Leased Premises is located and such other insurance coverage as Lessor may elect in its reasonable discretion to carry.

- d. **Workers' Compensation & Employers' Liability** - Lessee shall secure and maintain, at its own expense, workers' compensation insurance and employers' liability insurance. The workers' compensation insurance must satisfy Lessee's workers' compensation obligation to its employees in Delaware under State or Federal law. Employers' liability insurance must be secured with minimum limits of \$100,000.00 for bodily injury by accident, \$100,000.00 each employee for bodily injury by disease, and a \$500,000.00 policy limit for bodily injury disease.

To the fullest extent permitted by law, Lessee's workers' compensation and employers' liability insurer shall not hold any right of subrogation against Lessor, and its appointed and elected officials, employees, agents, and volunteers. Lessee shall advise its insurer(s) of the foregoing and such waiver shall be permitted under any workers' compensation and employers' liability insurance policies maintained by Lessee.

- e. **Business Auto Liability Insurance** - Lessee shall secure and maintain, at its own expense business auto liability insurance with a minimum combined single limit of \$1,000,000 per accident and including coverage for bodily injury and property damage claims arising out of the maintenance, use or operation of any auto and contractual liability protection for bodily injury and property damage claims assumed under this Lease Agreement.
- f. **Umbrella Excess Liability or Excess Liability Insurance** – Lessee shall secure and maintain, at its own expense, umbrella excess liability or excess liability insurance with minimum limits of \$4,000,000 combined single limit - each occurrence and \$4,000,000 combined single limit – aggregates. This insurance shall include the insurance specified in Paragraphs 13.c., 13.d.(Employers' Liability Insurance only) and 13.e. as underlying insurance. This insurance shall follow form with the coverage provisions, including who is an insured, required for underlying insurance.

- g. **Pollution Liability Insurance** – Lessee shall secure and maintain, at its own expense, pollution liability insurance that insures claims for pollution and remediation legal liability arising out of or in connection with the Lessee's occupancy of the Leased Premises. The minimum limits of liability for this insurance are \$1,000,000 each pollution condition and \$1,000,000 annual aggregate. This insurance shall name Lessor, and its appointed and elected officials, employees, agents, and volunteers as additional insureds on a primary and non-contributory basis. The endorsement(s) evidencing the required additional insured status must be submitted in conjunction with certificates of insurance furnished to Lessor. Tenant must continue to maintain such insurance, covering incidents occurring or claims made, for a period of three (3) years after termination of this Agreement.
- h. **Evidence of Insurance / Insurers** - Lessee shall furnish certificates of insurance, acceptable to Lessor, to the Manager, Airport and Business Park Operations, Sussex County, Delaware evidencing all policies required above at execution of this Agreement and prior to each renewal thereafter. Such insurance shall be written with insurers allowed to do business in Delaware, with a Best's Financial Strength Rating of "A-" or better, and a Financial Size Category of "Class VII" or better in the latest evaluation of the A.M. Best Company, unless otherwise approved by the Lessor. All insurance policies required hereunder shall be endorsed to provide that the policy is not subject to cancellation or non-renewal in coverage until sixty (60) days prior written notice has been given to Lessor. Therefore, a copy of the endorsements to the required policies that confirm additional insured status and the insurer is obligated to send notice to Lessor as required herein, must accompany all certificates of insurance. Liability policies required herein (other than pollution liability) may not be written on a "claims made" basis without the prior written approval of Lessor. If Lessee shall fail, refuse or neglect to secure and maintain any insurance required of Lessee or to furnish satisfactory evidence of insurance, premiums paid by Lessor shall be recoverable by Lessor from Lessee, together with interest thereon, as additional rent promptly upon being billed therefore.

14. **RIGHTS AND OBLIGATIONS OF LESSEE:**

- a. Lessee shall have the right to ingress and egress to the Leased Premises.
- b. Lessee may install signage on the Leased Premises, but signage is subject to Lessor's prior written approval.
- c. Lessee shall comply with all federal, state, and county laws, rules, regulations pertaining to the Leased Premises including but not limited to rules and regulations of Delaware Coastal Airport which may be altered from time-to-time.

15. **RIGHTS AND OBLIGATIONS OF LESSOR:**

- a. Lessor or its authorized representative may enter the Leased Premises at any time without the consent of Lessee in case of emergency, and Lessor or its authorized representative may enter the Leased Premises upon the giving of reasonable notice to Lessee for inspections or to make repairs, additions or alterations as may be necessary for the safety, improvement or preservation of the Leased Premises. Reasonable notice shall mean no less than 48 hours prior to the entry, unless Lessor is entering to make repairs specifically requested by Lessee. Lessee shall not unreasonably withhold consent to Lessor or its authorized representative to enter into the Leased Premises to inspect it or make necessary or agreed upon repairs or improvements.
- b. Lessor shall provide access to the Leased Premises and shall keep all roads thereto clear of snow and other debris.

16. **SUBLETTING AND ASSIGNING:** Lessee shall not have the right to assign this Lease Agreement or sublet the Leased Premises.

17. **NOTICE**: All notices required to be given under this Lease Agreement either by Lessor to Lessee or by Lessee to Lessor shall be in writing. The same shall be deemed given in the case of Lessor when it shall have deposited such notice by certified mail in the post office addressed to Lessee at Lessee's last known address or to such other address as Lessee shall from time to time furnish Lessor. Personal service of any such notice shall be deemed as a substitute for the mail notice.
18. **CONDEMNATION**: If at any time during the term hereof the whole of the demised premises shall be taken for any public or quasi-public use under any statute or by right of eminent domain, then and in such event, when possession shall have been taken of the Leased Premises by the condemning authority, the Lease Agreement hereby granted and all rights of Lessee hereunder shall immediately cease and terminate and the rent shall be apportioned and paid to the time of such termination. If pursuant to the provisions of this article, this Lease Agreement shall have been terminated and if prior to such termination, Lessee shall have made any improvements upon the Leased Premises, Lessor shall be entitled to all of the condemnation proceeds which may be granted with respect to the land herein described as such land is distinguished from the improvements; and Lessee shall be entitled to the proceeds of any condemnation awarded on account of the value of any improvements made by Lessee.
19. **PARTIAL CONDEMNATION**: If after commencement of this Lease Agreement only a part of the demised premises shall be taken or condemned, Lessor shall be entitled to any award made with respect to the land herein described as same is distinguished from any improvements made by Lessee; and Lessee shall be entitled to any award made for any improvements condemned. In the event such condemnation shall leave a portion of the demised premises which in Lessee's sole judgment is usable by Lessee, the Lease Agreement shall remain in full force and effect, but the rents herein reserved to Lessor shall be adjusted so that Lessee shall be entitled to a reduction in rent in the proportion that the value of land taken bears to the value of the entire Leased Premises. If a portion of the Leased Premises is taken or condemned prior to commencement of construction hereunder, the proceeds shall belong solely to Lessor and the rental hereunder

shall not be abated. Provided however, that Lessee shall have the right to terminate this Lease Agreement if in its sole judgment the premises have been rendered unsuitable for its purpose.

20. **DEFAULT:**

a. **Events of Default Defined.** The following shall be "events of default" under this Lease Agreement and the terms "event of default" or "default" shall mean, whenever they are used in this Lease Agreement any one or more of the following events:

- i. Failure by Lessee to pay the rents required to be paid at the times specified herein and continuing for a period of thirty (30) days after notice by mail is given to Lessee that the rental payment referred to in such notice has not been received;
- ii. Failure by Lessee to observe and perform any covenant, condition or agreement of this Lease Agreement on its part to be observed or performed, other than as referred to in subsection (1) of this Section, for a period of sixty (60) days after written notice, specifying such failure and requesting that it be remedied, given to Lessee by Lessor, unless the Lessor shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if it is possible to correct such failure and corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected; or
- iii. The dissolution or liquidation of Lessee or the filing by Lessee of a voluntary petition in bankruptcy, or failure by Lessee promptly to lift or bond (if legally permissible) any execution, garnishment or attachment of such consequences as will impair its ability to carry on its operation, or the commission by Lessee of any act of bankruptcy,

or adjudication of Lessee as bankrupt or assignment by Lessee for the benefit of its creditors, or the entry by Lessee into an agreement of composition with its creditors, or the approval by a Court of competent jurisdiction of a petition applicable to Lessee in any proceedings for its reorganization instituted under the provisions of the Federal Bankruptcy Statutes, as amended, or under any similar act which may hereafter be enacted. The term "dissolution or liquidation of the Lessee", as used in this subsection, shall not be construed to include the cessation of the corporate existence of Lessee resulting from a merger or consolidation of Lessee into or with another corporation or of a dissolution or liquidation of Lessee following a transfer of all or substantially all its assets as an entirety; or

- iv. Failure by Lessee to abide by any laws, statutes, rules, or regulations relating to the Leased Premises or Delaware Coastal Airport and continuing for a period of thirty (30) days after notice by mail is given to Lessee that the violation referred to in such notice has not been corrected.

b. Remedies of Default. Whenever any event of default referred to in subsection (a)(i)-(a)(iv) above shall have happened and be subsisting, Lessor may take any one or more of the following remedial steps:

- i. Apply any money or property of Lessee's in Lessor's possession to discharge in whole or in part any obligation or covenant to be observed or performed by Lessee hereunder.
- ii. Perform any obligation or covenant to be performed by Lessee hereunder and charge Lessee therefore.
- iii. Terminate the Lease Agreement.

- iv. Enter the Leased Premises and take possession of the same and hold Lessee liable for the rent thereafter accruing and due until such time as Lessor can obtain another suitable Lessee of the Leased Premises under the same terms hereof.
 - c. No remedy herein conferred upon or reserved to Lessor or Lessee shall exclude any other remedy herein or by law provided, but each shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.
- 21. **NON WAIVER OF SUBSEQUENT BREACH:** Lessee agrees that any waiver by Lessor of the performance of any one of the conditions of this Lease Agreement shall not be deemed to constitute a waiver of the right of Lessor to proceed against Lessee upon any subsequent breach of the same or other conditions of this Lease Agreement.
- 22. **SEVERABILITY:** If any provisions of this Lease Agreement shall be held invalid or unenforceable by any Court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.
- 23. **SHORT FORM LEASE:** Upon the request of either of them, the parties shall execute and exchange copies of a short form lease outlining the pertinent terms herein contained, which short form lease may be recorded in lieu of recording this instrument, but the terms of this instrument shall control in all aspects in regard to matters omitted from such short form lease or in respect to conflicts therewith.
- 24. **COMPLIANCE WITH LAWS:** Lessee shall promptly comply with all laws, ordinances, rules, regulations, requirements and directives of the Federal, State and County Government and Public Authorities and of all their departments, bureaus and subdivisions, applicable to and affecting the said premises, their use and occupancy, for the correction, prevention and abatement of nuisances, violations or other grievances in, upon or connected with the said premises, during

the term hereof; and shall promptly comply will all orders, regulations and directives of the State Fire Marshal or similar authority and of any insurance companies which have issued or are about to issue policies of insurance covering the said premises and its contents, for the prevention of fire or other casualty, damage or injury, at the Lessee's own cost and expense.

25. **PROPERTY RIGHTS RESERVED:** This Lease and all provisions hereof are subject and subordinate to the terms and conditions of the instruments and documents under which Lessor received airport improvement funding from the United States of America and shall be given only such effect as will not conflict or be inconsistent with the terms and conditions contained in the Lease of said lands from Lessor, and any existing or subsequent amendments thereto, and are subject to any ordinances, rules or regulations which have been, or may hereafter be adopted by Lessor pertaining to Delaware Coastal Airport.

26. **LESSOR NOT LIABLE FOR DEBTS, ACTS OR OMISSIONS OF LESSEE:** Lessee shall not be the agent or partner of Lessor; and Lessee shall have no authority to make any contract or do any act so as to bind Lessor or as to render Lessor or Lessor's interest in the Leased Premises liable therefore. Lessee will save Lessor and the Leased Premises harmless from any penalty, damages, neglect, or negligence of Lessee, property damage, illegal act or otherwise. The improvements to be placed on said Leased Premises shall be constructed at the sole expense of Lessee, and Lessor and its appointed and elected officials, employees, agents, and volunteers shall not be liable in any way for any amount of money arising out of said construction. Before starting construction, Lessee shall have recorded on the public records of Sussex County, Delaware, such legal notice as may be necessary wherein the public is advised that Lessor and its appointed and elected officials, employees, agents, and volunteers are not in any way liable for any claims or obligations for labor and materials on said job, and that the laborers, material men and subcontractors shall look solely to Lessee for payment and shall not be entitled to place a lien against Lessor's interests in the Leased Premises. If any mechanic's or materialmen's lien is filed or any claim made on account of labor or other material furnished, alleged to have been

furnished or to be furnished to Lessee at the Leased Premises or against Lessor as the owner thereof, Lessee shall within ninety (90) days after written notice from Lessor thereof, either pay or bond the same or procure the discharge thereof in such manner as may be provided by law. Lessee will indemnify Lessor and its appointed and elected officials, employees, agents, and volunteers for its costs, legal fees and expenses in defending any action, suit or proceedings which may be brought thereon or for the enforcement of such lien, or liens and Lessee shall pay any damages and any judgment entered thereon and save harmless and indemnify Lessor and its appointed and elected officials, employees, agents, and volunteers from any claims of damages resulting there from. Failure to do so shall entitle Lessor to resort to remedies as are provided herein in the case of any default of this Lease Agreement, in addition to such as are permitted by law.

27. **SUCCESSORS AND ASSIGNS:** All of the terms, covenants, conditions and agreements herein contained shall in every case be binding upon the successors and assigns of the parties hereto.

28. **NON-PERFORMANCE BY LESSOR:** This Lease Agreement and the obligation of Lessee to pay the rent hereunder and to comply with the covenants and conditions hereof, shall not be affected, curtailed, impaired or excused because of Lessor's inability to supply any service or material called for herein, by reason of any rule, order, regulation or preemption by any governmental entity, authority, department, agency or subdivision or for any delay which may arise by reason of negotiations for the adjustment of any fire or other casualty loss or because of strikes or other labor trouble or for any cause beyond the control of Lessor. Notwithstanding the foregoing, if through no fault of the Lessee, Lessee is prevented from occupying the Leased Premises, the rent otherwise due hereunder shall be equitably adjusted.

29. **DAMAGE AND CASUALTY:** If more than fifty percent (50%) of Lessee improvements located on the Leased Premises are damaged by fire or other casualty, Lessee may terminate this Lease Agreement, provided Lessee first removes all structures on the land at its expense and restores the surface of the

land to its condition at the date of the initial term of this Lease Agreement. The rent is to be paid to the date of termination. Lessor shall be an insured on Lessee's property and business income insurance in an amount sufficient to protect its interest therein.

30. **QUIET ENJOYMENT:** Lessor covenants and represents that Lessor is the owner of the premises herein leased and has the right and authority to enter into, execute and deliver this Lease Agreement; and does further covenant that the Lessee, on paying the rent and performing the conditions and covenants herein contained, shall and may peaceably and quietly have, hold and enjoy the Leased Premises for the term aforementioned.
31. **ENTIRE CONTRACT:** This Lease Agreement contains the entire contract between the parties. No representative, agent or employee of Lessor has been authorized to make any representation or promises with reference to the within letting or to vary, alter or modify the terms hereof. No additions, changes or modifications, renewals or extensions hereof, shall be binding unless reduced to writing and signed by Lessor and Lessee.
32. **IMPROVEMENTS:** Lessee shall be responsible for all maintenance and repair to any improvements located on the Leased Premises. Such improvements shall be at Lessee's sole cost and expense, including all necessary fees and permits. Construction of any and all improvements on the Leased Premises shall be subject to approval by the County Engineer and shall be in compliance with all governmental requirements. The construction and use of the Leased Premises and improvements to be constructed thereon shall at all times comply with all laws, orders, ordinances, regulations, and requirements of any governmental authority having jurisdiction. At the termination of this lease, the improvements erected on the Leased Premises and any fixtures which are a part thereof, shall remain a part to the Leased Premises and shall be the property of the Lessor. Any trade fixtures which were installed on the Leased Premises by Lessee and which are removable without substantial damage to the improvements shall remain the property of the Lessee, provided that Lessee shall promptly repair any damage to the

improvements on the Leased Premises caused by their removal and that Lessee is not in default of any covenant or agreement contained in this Lease Agreement; otherwise such trade fixtures shall not be removed and Lessor shall have a lien thereon to secure itself on account of its claims.

33. **NON-DISCRIMINATION:**

a. Lessee for its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree that (1) no person on the grounds of race, color, creed, sexual orientation, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination, (3) that Lessee shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

b. That in the event of breach of any of the above nondiscrimination covenants, Lessor shall have the right to terminate the Lease and to re-enter and as if said lease had never been made or issued. The provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed, including exercise or expiration of appeal rights.

34. **COSTS AND EXPENSES:** Lessee shall pay upon demand all of Lessor's costs, charges, attorney's fees and expenses, incurred in enforcing Lessee's obligations hereunder or incurred by Lessor in any litigation in which Lessor, without Lessor's fault, becomes involved or concerned by reason of the existence of the Lease

Agreement or the relationship hereunder of Lessor and Lessee. Lessor shall pay upon demand all of Lessee's costs, charges, attorney's fees and expenses, incurred in enforcing Lessor's obligations hereunder or incurred by Lessee in any litigation in which Lessee, without Lessee's fault, becomes involved or concerned by reason of the existence of the Lease Agreement or the relationship hereunder of Lessor and Lessee.

35. **MISCELLANEOUS**: In all references herein to any parties, persons, entities or corporations the use of any particular gender or the plural or singular number is intended to include the appropriate gender or number as the text of the within instrument may require. All the terms, covenants and conditions herein contained shall be for and shall inure to the benefit of and shall bind the respective parties hereto and their heirs, executors, administrators, personal or legal representatives, successors and assigns.
36. **INDEMNIFICATION**: To the extent permitted by law, Lessee shall indemnify, defend and hold Lessor and its appointed and elected officials, employees, agents, and volunteers harmless from any and all claims arising from Lessee's use of the Leased Premises, the conduct of its business, or from any activity, work or things which may be permitted or suffered by Lessee in or about the Leased Premises, and shall further indemnify, defend and hold Lessor and its appointed and elected officials, employees, agents, and volunteers harmless from and against any and all claims arising from any breach or default in the performance of any obligation on Lessee's part to be performed under the provisions of this Lease Agreement or arising from any negligence of Lessee or any of its agents, contractors, employees or invitees and from any and all costs, attorney's fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon. Lessee hereby assumes all risk of damage to property or injury to persons in or about the Leased Premises from any cause other than the negligence or willful misconduct of Lessor, Lessor's employees or Lessor's agents, and Lessee hereby waives all claims in respect thereof against Lessor and its appointed and elected officials, employees, agents, and volunteers, except as prohibited by law. Lessee hereby agrees that, except as prohibited by law, Lessor

and its appointed and elected officials, employees, agents, and volunteers shall not be liable for injury to Lessee's business or any loss of income there from or for damage to the equipment, wares, merchandise, or other property of Lessee, Lessee's employees, invitees, customers, or any other person in or about the Leased Premises; nor shall Lessor and its appointed and elected officials, employees, agents, and volunteers be liable for injury to the person of Lessee, Lessee's employees, agents or contractors and invitees, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water, rain or other elements, or from the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, or from any other cause, whether the said damage or injury results from conditions arising upon the Leased Premises.

To the extent permitted by law, Lessor shall indemnify, defend and hold Lessee harmless from and against any and all claims arising from any breach or default in the performance of any obligation on Lessor's part to be performed under the provisions of this Lease Agreement or arising from any negligence of Lessor or any of its agents, contractors, employees or invitees and from any and all costs, attorney's fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon.

37. **GOVERNING LAW AND WAIVER OF JURY TRIAL.** This Lease Agreement shall be governed by and construed according to the law of the state of Delaware. TO THE EXTENT PERMITTED BY LAW, IT IS MUTUALLY AGREED BY AND BETWEEN LESSOR AND LESSEE THAT THE RESPECTIVE PARTIES HERETO SHALL, AND THEY DO HEREBY, WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BETWEEN THE PARTIES HERETO OR THEIR SUCCESSORS OR ASSIGNS ON ANY MATTERS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE AGREEMENT, THE RELATIONSHIP OF LESSOR AND LESSEE, AND/OR LESSEE'S USE OF, OR OCCUPANCY OF, THE LEASED PREMISES.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals, or caused these presents to be signed by their proper corporate officers and their proper corporate seals to be affixed, the day and year first above written. The written resolution of any applicable Board of Directors being attended hereto as evidence of the authority of the undersigned corporate officers to execute the Lease Agreement.

**SUSSEX COUNTY
LESSOR**

DATED: _____

By: _____

Michael Vincent
President of the Sussex County Council

Attest: _____

APPROVED AS TO FORM:

By: _____

County Attorney

**Eastern Shore Natural Gas Company
LESSEE**

DATED: _____

By: _____

President

Attest: _____



SUSSEX COUNTY EMERGENCY MEDICAL SERVICES

22215 Dupont Blvd. • P.O. Box 589 • Georgetown, DE 19947 • 302-854-5050 • FAX 302-855-7780

Robert A. Stuart
Director

TO: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable Irwin G. Burton III, Vice President
The Honorable Douglas B. Hudson
The Honorable John L. Rieley
The Honorable Samuel R. Wilson, Jr.

FROM: Robbie Murray, Deputy Director of Administration 

RE: Mobile Integrated Healthcare Pilot Program - Extension

DATE: July 28, 2020

In August 2019 we presented our Mobile Integrated Healthcare (MIH) Pilot Program. This collaboration between Beebe Healthcare, the State of Delaware and Sussex County was approved beginning September 1, 2019 and the Memorandum of Understanding (MOU) was signed allowing it to continue for one year. Our primary goal was to enlist 50 COPD patients and through home visits with paramedics reduce hospital readmissions.

We have been successful. Over the last 11 months we have graduated 14 patients from our three-month program and currently have 12 patients enrolled. Not only is 12 the most we have had enrolled at once, it also represents our maximum capacity.

Some comments from our graduates include

- *"This is the best program. They helped me so much. When I called them with a problem, they would help me right away. I don't know what I would have done if MIH was not here for me. I am so glad I got the chance to be in this program. I can't say enough great things about the program. Thank you. They saved my life."*
- *"What an astounding program! Everyone I came in contact with was phenomenal!! I felt as if they truly cared and were interested in my health – Many thanks to a great team!"*
- *"Wish it could have been longer. MIH coming to the house lets you know you have support, and someone is there if you need them. Thank you for everything. I had a great team!!!"*

Caring People,
Quality Service



Todd F. Lawson
Administrator



The funding is managed by the Beebe Medical Foundation. The grant is funded by both the Jesse Ball DuPont Fund (\$31,500) and Discover Bank (\$61,500). Adequate funding remains in place to see us through this requested MOU extension.

We feel there are two main reason for needing this extension. The first, we were slower getting started than anticipated due to personnel changes at Beebe and second, once we had gained momentum, COVID began. COVID resulted in a significant reduction in hospitalization as there was wide-spread reluctance to go to the hospital. This resulted in a drop in our enrollment.

Approving this MOU extension will allow us to continue utilizing grant funding to see this pilot through. This continues to be the only MIH program in the state and lessons learned in this pilot will play a role in future programs.

Enclosure

- Proposed - MOU-131 Amendment 1
- Original MOU 20-131 approved

Motion - Mobile Integrated Healthcare – Extension of MOU

Be it moved that Sussex County through the EMS department extend the Mobile Integrated Healthcare pilot program in collaboration with Beebe Healthcare and the State of Delaware for a period of up to one year.

AMENDMENT # 1
TO DPH MOU # 20-131
BETWEEN
THE DIVISION OF PUBLIC HEALTH,
DELAWARE DEPARTMENT OF HEALTH AND SOCIAL SERVICES
STATE OF DELAWARE
AND SUSSEX
COUNTY AND
SUSSEX COUNTY EMERGENCY MEDICAL SERVICES (SCEMS)
AND
BEEBE HEALTHCARE
TO
PARTICIPATE IN THE MOBILE INTEGRATED HEALTHCARE PARAMEDIC PILOT PROGRAM

THIS MOU is between the State of Delaware, Delaware Department of Health and Social Services (the Department), Division of Public Health (the Division), and Sussex County, a political subdivision of the State of Delaware, and Sussex County Emergency Medical Services (alternatively "Sussex County" or "SCEMS") and Beebe Healthcare (the Vendor), WITNESS THAT:

WHEREAS, the parties to Division of Public Health MOU # 20-131 desire to amend it,

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. This MOU is hereby amended by deleting the end date "August 31, 2020" wherever it appears and substituting in lieu thereof a new date "August 31, 2021."
2. This MOU is being amended to extend the end date to allow for continuous participation in the Mobile Healthcare Paramedic Pilot Program for another year.
3. The total amount of this amendment is \$0.00. The total amount of this MOU shall not exceed \$0.00.
4. All other terms and conditions of the contract shall remain in full force and effect.
5. This amendment becomes effective upon signature of all parties or upon the effective date of September 1, 2020, whichever is later.

Remainder of page intentionally left blank.

Signatures follow.

Certification:

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

**Kara Odom Walker, MD, MPH, MSHS
Cabinet Secretary
Department of Health & Social Services**

Date

CM & P Approval: _____

DIVISION OF PUBLIC HEALTH

**Karyl T. Rattay, MD, MS
Director
Division of Public Health**

Date

Division Approval: _____

OFFICE OF EMERGENCY MEDICAL SERVICES

**Britany Huss
Deputy Director
Office of Emergency Medical Services**

Date

IRM Approval: N/A

Training Approval: N/A

BEEBE HEALTHCARE, a corporation of the State of Delaware

David Tam, MD, MBA, FACHE
President and CEO

Date

SUSSEX COUNTY, a political subdivision of the State of Delaware

By: _____
Michael H. Vincent, President
Sussex County Council

Attest: _____
Robin Griffith, Clerk of the
Sussex County Council

Date

SUSSEX COUNTY EMERGENCY MEDICAL SERVICES, a department of Sussex County

Robert A. Stuart
Director

Date

Approved as to Form:

J. Everett Moore, Jr., Esquire
Sussex County Attorney

Date



**DELAWARE HEALTH
AND SOCIAL SERVICES**

**MEMORANDUM OF UNDERSTANDING # 20-131
BETWEEN
THE DIVISION OF PUBLIC HEALTH,
DELAWARE DEPARTMENT OF HEALTH & SOCIAL SERVICES,
STATE OF DELAWARE
AND SUSSEX
COUNTY AND
SUSSEX COUNTY EMERGENCY MEDICAL SERVICES (SCEMS)
AND
BEEBE HEALTHCARE
TO
PARTICIPATE IN THE MOBILE INTEGRATED HEALTHCARE PARAMEDIC PILOT PROGRAM**

A. Introduction and Purpose:

1. This Agreement is entered into between Delaware Department of Health and Social Services (the "Department"), Division of Public Health (the "Division"), and Sussex County, a political subdivision of the State of Delaware, and Sussex County Emergency Medical Services (alternatively "Sussex County" or "SCEMS") and Beebe Healthcare.
2. The purpose of this Agreement is to allow trained Sussex County Paramedics the opportunity to pilot a program to function as a transitional care provider team serving a targeted chronic obstructive pulmonary disease (COPD) population with a common history of frequent Emergency Department (ED) admissions. The goal of this program is to produce better health outcomes and reduce the number of ambulance transports, visits to the emergency department, and hospital re-admissions for the targeted COPD population. Beebe Healthcare will provide medical oversight of the program. A detailed Scope of Work is attached in **Appendix A**.
3. The Agreement shall commence on **September 1, 2019** and continue in effect **August 31, 2020** unless modified by mutual agreement of the parties or may be terminated as referenced in Section B. 3. of this Agreement.

B. Administrative Requirements.

1. **SCEMS and Beebe Healthcare** agree to comply with all State and Federal licensing standards and all other applicable standards as required to provide services under this Agreement and to assure the quality of services provided under this Agreement. **SCEMS and Beebe Healthcare** shall immediately notify the Department in writing of any change in the status of any accreditations, licenses or certifications in any jurisdiction in which they provide services or conduct business. If this change in status is based on the fact that its accreditation, licensure, or

certification is suspended, revoked, or otherwise impaired in any jurisdiction, **SCEMS and Beebe Healthcare** understand that such action may be grounds for termination of the Agreement.

2. **SCEMS and Beebe Healthcare** agree to provide to the Divisional Contract Manager, on an annual basis, if requested, information regarding its client population by race, color, national origin or disability. This information shall be general demographic information and shall not include identification of any specific individual who has received care under the terms of this Agreement.
3. This Agreement may be terminated in whole or part upon thirty (30) calendar days' written notice, with or without cause, by the Department, Division, Sussex County, **SCEMS or Beebe Healthcare**, to the other parties. **SCEMS** shall be permitted to terminate this Agreement at any time upon loss of grant funding through the Jessie Ball DuPont Fund.
4. In the event of amendments to current Federal or State laws which nullify any term(s) or provision(s) of this Agreement, the remainder of the Agreement will remain unaffected.
5. This Agreement shall not be altered, changed, modified or amended except by written consent of all parties to the Agreement.
6. **SCEMS and Beebe Healthcare** agree that no information obtained pursuant to this Agreement may be released in any form except in compliance with applicable laws and policies on the confidentiality of information and except as necessary for the proper discharge of the **SCEMS and Beebe Healthcare's** obligations under this Agreement.
7. A party's waiver of any default or breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent default or breach of any provision of this Agreement, nor shall it be construed to be a modification of the terms of the Agreement unless stated to be such in writing, signed by the parties, including an authorized representative of the Department, and attached to the original Agreement.
8. The relationship between **Beebe Healthcare and SCEMS** is that of independent contractors.
9. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, with venue lying in Sussex County. In the event of a dispute between the parties, each party shall be entitled to pursue any action at law or in equity in a court of competent jurisdiction in the State of Delaware.
10. This Agreement shall be binding upon and inure to the benefit of the parties, their respective heirs, successors and assigns.
11. All pronouns and any variations thereof used in this Agreement shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the context may require.
12. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Electronic signatures and photocopies or facsimile copies of signatures shall be deemed to have the same force and effect as originals.

C. SCEMS and Beebe Healthcare and the Division mutually agree that:

1. No person shall, on the basis of race, color, creed, sex, national origin, age or disability, be subjected to any discrimination prohibited by the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act, as amended, American with Disabilities Act, Section 504 of the Rehabilitation Act of 1973, Title IX of the Educational Amendments of 1972, and other applicable laws, regulations and Executive Orders.
2. No compensation is expected pursuant to this Agreement. However, this Agreement does not preclude other contractual agreements concerning the program within this Agreement.
3. Nothing in this Agreement shall be deemed a waiver of the doctrine of sovereign immunity on the part of the State of Delaware.
4. Nothing contained herein is intended to waive, alter, or otherwise amend Sussex County's immunity under the Delaware Code or otherwise, including but not limited to the County and Municipal Tort Claims Act. Additionally, nothing contained herein is intended to violate any constitutional principles of the State of Delaware or United States. To the extent that any obligations contained in this Agreement are determined by court or other judicial action to waive, alter, or otherwise amend such immunity or to be constitutionally prohibited or otherwise not in accordance with the laws in effect at the time of any such claim, liability, cost or expense, the offending language shall be stricken from this Agreement by such authority and considered invalid and unenforceable to the extent necessary to allow the application of such immunity to any claims, losses, damages, or suits asserted against either party or to the extent necessary to correct such violation of the law. The parties agree that any claims, liabilities, damages, costs and expenses shall be subject to the provisions of the County and Municipal Tort Claims Act, including the limitations on damages.

D. SCEMS and Beebe Healthcare agrees to:

1. Have on file the proof of state registration, current licensure, certification, and/or appropriate credentials of any participants requiring those licenses, certifications, or credentials.
2. **SCEMS and Beebe Healthcare** shall separately contract for and be solely responsible for any wages and/or stipends, if any, paid to **SCEMS and Beebe Healthcare** staff participating under the terms of this Agreement.
3. **SCEMS and Beebe Healthcare** shall be solely responsible for ensuring that participating staff are covered by appropriate health and liability insurance, Workers Compensation, and any other appropriate insurance. More specifically, during the term of this MOU and any extension thereof, **Sussex County and Beebe Healthcare** shall each secure and maintain, at their own expense, the following types and amounts of insurance coverages as set forth herein; each policy of insurance required shall be written by insurers with a Best's Financial Strength Rating of "A-" or better, and a Financial Size Category of "Class VII" or better in the latest evaluation of the A.M. Best Company, unless otherwise approved by the other party and allowed to do business in the State of Delaware: Commercial General Liability Insurance, written on an ISO "occurrence form" or an equivalent form including coverage for

bodily injury and property damage claims assumed in a contract with limits of \$1,000,000 combined single limit each occurrence, \$2,000,000 combined single limit general aggregate, \$1,000,000 combined single limit products/completed operations aggregate and \$1,000,000 personal and advertising injury any one person or organization; Workers' Compensation Insurance in compliance with the statutory requirements of the State of Delaware and Employers' Liability Insurance with limits of \$500,000 each Accident and Disease per Employee/Policy Limit; Business Auto Liability Insurance covering all owned, hired and non-owned vehicles for which each party may be responsible with limits of \$1,000,000 combined single limit per accident; Excess/Umbrella liability insurance with follow form coverage of underlying insurance including Commercial General Liability (including products and completed operations), Business Auto Liability, and Employers' Liability, in an amount of not less than \$9,000,000 per each occurrence and aggregates; Professional liability insurance including errors and omissions, property damage, and personal injury coverage, affording protection of not less than \$1,000,000 combined single limit and \$3,000,000 in the aggregate; Insurance coverage for third party liability arising out of breach of privacy, inclusive of confidential and proprietary business information, HIPAA violations, and other breaches of Personally Identifiable Information and/or Protected Health Information, that may arise from the performance of duties under this MOU with minimum limits of \$1,000,000.00 per claim and \$1,000,000.00 aggregate; Privacy Breach Notification and Credit Monitoring with minimum limits of \$500,000.00 each claim. Prior to the commencement of services hereunder, **Sussex County** will submit to the **Beebe Healthcare**, and **Beebe Healthcare** will submit to **Sussex County**, a certificate of insurance evidencing their respective insurance. Each Party shall notify the other at least thirty (30) days in advance prior to cancellation of coverage.

4. **SCEMS and Beebe Healthcare** agrees to save and hold harmless the Division from any liability which may arise as a result of **SCEMS and Beebe Healthcare's** negligent performance, or and/or the negligent performance of **SCEMS and Beebe Healthcare's** staff, under this agreement.
5. Assure both faculty and staff adherence to the Division's policies regarding client confidentiality.

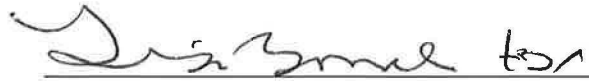
E. The Division of Public Health shall:

1. Allow Mobile Integrated Healthcare (MIH) pilot program paramedics to perform functions that expand the role of EMS practitioners, with appropriate training and medical oversight, but does not change the paramedic scope of practice.
2. Provide staff assistance and support throughout the Mobile Integrated Healthcare pilot program.

Remainder of this page intentionally left blank

Certification:

DEPARTMENT OF HEALTH AND SOCIAL SERVICES



Kara Odom Walker, MD, MPH, MSHS
Cabinet Secretary
Department of Health & Social Services

8/28/19

Date

DIVISION OF PUBLIC HEALTH



Karyl T. Rattay, MD, MS
Director
Division of Public Health

8/20/19

Date

OFFICE OF EMERGENCY MEDICAL SERVICES



Britany Huss
Deputy Director
Office of Emergency Medical Services

8/16/19

Date

BEEBE HEALTHCARE, a corporation of the State of Delaware

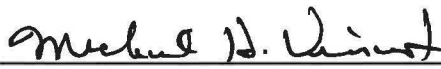


Rick Schaffner
Interim President and CEO

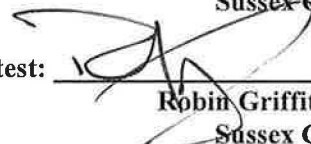
8/13/19

Date

SUSSEX COUNTY, a political subdivision of the State of Delaware

By: 

Michael H. Vincent, President
Sussex County Council

Attest: 

Robin Griffith, Clerk of the
Sussex County Council

8/13/19

Date

**SUSSEX COUNTY EMERGENCY MEDICAL SERVICES, a department of Sussex
County**




Robert A. Stuart
Director

8/13/19

Date

Approved as to Form:



J. Everett Moore, Jr., Esquire
Sussex County Attorney

8/13/19

Date

APPENDIX A DETAILED

SCOPE OF WORK

- *SCEMS and Beebe Healthcare agree to train a minimum of three current SCEMS paramedics as Mobile Integrated Healthcare (MIH) paramedics. Two paramedics will serve as primary MIH personnel and the third will serve as an alternate.*
- *Beebe Healthcare agrees to provide a clinical rotation for a mutually agreed upon number of community paramedics, in the areas of transitional care management, care coordination, in-hospital pulmonary navigation and rehabilitation, in addition to outpatient pulmonary observation, based on clinical rotation and observational guidelines. Activities will include training then evaluating the community paramedic's ability to correctly perform each assessment and provide appropriate resources. Beebe Healthcare and/or SCEMS may provide additional training hours if both parties agree that it would be mutually beneficial to the program.*
- *Beebe Healthcare agrees to provide the medical oversight for the MIH program. SCEMS agrees that an EMS Medical Director shall be appointed liaison to work with the Beebe Healthcare MIH program medical director. The Beebe Healthcare MIH program medical director agrees to create and oversee patient care protocols and quality care provided by the MIH paramedics.*
- *SCEMS will ensure staffing of the MIH paramedic unit two days a week. MIH paramedics will continue to work their regularly scheduled shifts when not assigned to the MIH unit.*
- *Should the MIH paramedics encounter a patient deemed ill enough to require emergency care or transportation to an Emergency Department the MIH paramedic will activate the 911 response through the county EOC, start a 911 incident, render appropriate care under the State of Delaware Paramedic Standing Orders and complete a State of Delaware ALS Patient Care report in the statewide reporting system.*
- *SCEMS agrees to provide the vehicles and currently utilized equipment needed for the MIH unit.*
- *Beebe Healthcare agrees to provide any additional supplies needed for the MIH program.*
- *SCEMS agrees to establish the MIH paramedic role as providing follow-up, in-home outreach and patient education following discharge from the emergency department.*
- *This MIH pilot program will serve the identified area, encompassing the Beebe catchment area to include Millsboro, Long Neck, Lewes, Rehoboth and the eastern*

portion of southern Sussex County.

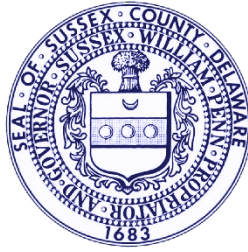
- *Participants agree to share patient records as is necessary to provide care and will follow corresponding confidentiality policies. The patient record created by the MIH paramedic will be entered into Beebe Healthcare's Athena patient care reporting system.*
- *Participants agree to run data requests on certain measurable outcomes for use by both parties. Data will be presented in aggregate without patient identifiers. Beebe Healthcare will share program evaluation results with SCEMS.*
- *At the completion of the pilot program, SCEMS and Beebe Healthcare shall complete and submit to the Office of EMS an outcome summary report regarding quality of life, medication reconciliation, home safety inspections, utilization of 911 and emergency department services, cost of the program, cost of reduction to the healthcare system, and both primary care and pulmonologist satisfaction.*
- *Beebe Healthcare shall formally offer program to eligible patients and obtain enrollment consent to request a home visit by the MIH paramedic, based on services that are within the scope and expertise of the paramedic. A MIH paramedic will act on the order between 8:00 am and 5:00 pm within 24 –48 hours of receipt, and based on urgency and availability, unless otherwise agreed upon by the issuing provider. Beebe Healthcare physicians and medical providers shall provide medical oversight and have ultimate responsibility regarding their patients in the program.*
- *SCEMS and Beebe Healthcare shall participate in case reviews when appropriate, in order to improve the quality of the program and document specific outcomes for evaluation purposes.*
- *Beebe Healthcare shall administer and provide the medical oversight for the MIH program through its Medical Directors, Delaware-licensed physicians. All Medical Directors shall be physician's board certified in pulmonary medicine or MIH related alternative ("Program Medical Director").*
- *SCEMS EMS Medical Directors shall work in conjunction with the MIH Program Medical Director.*
- *Beebe Healthcare shall provide proof of a certificate of liability insurance for Medical Malpractice listing all physicians participating in the program.*
- *The program Medical Director shall possess thorough knowledge of skills assigned by standing orders to the Paramedics.*
- *The program Medical Director shall possess thorough knowledge of the laws and administrative rules of the State of Delaware pertaining to Paramedics.*
- *The Program Medical Director shall oversee issuance, review and*

maintenance of standing orders within the scope of practice not to exceed the certification level of the Paramedics.

- *The program Medical Director shall explain the standing orders to the Paramedics, making sure they are understood and not exceeded.*
- *The program Medical Director shall establish that the Paramedics are currently certified and in good standing with the Board of Medical Licensure and Discipline.*
- *The program Medical Director shall provide regular review of the Paramedics' practice by conducting one or more of the following at least 2 times per year;*
 - *Direct observation of prehospital care performance by riding with the transitional care provider team;*
 - *Indirect observation using one or more of the following:*
 - *MIH patient care form;*
 - *Prehospital communications tapes review;*
 - *Immediate critiques following presentation of reports;*
 - *Demonstration of technical skills;*
 - *Post-care patient or receiving physician interviews using questionnaire or direct interview techniques;*
 - *Provide or coordinate formal care reviews*
- *SCEMS agrees to fully fund this program with grant funding secured through the Jessie Ball DuPont Fund and Beebe Healthcare, including additional future funding opportunities secured by Beebe Medical Foundation. Funds are anticipated to cover a one-month training program and up to one year of home visits, conducted two days per week.*
- *SCEMS agrees to ensure internal controls are in place that remove all expenses associated with the pilot program from the request for State Paramedic Grant in Aid reimbursement.*

ENGINEERING DEPARTMENT

ADMINISTRATION (302) 855-7718
AIRPORT & INDUSTRIAL PARK (302) 855-7774
ENVIRONMENTAL SERVICES (302) 855-7730
PUBLIC WORKS (302) 855-7703
RECORDS MANAGEMENT (302) 854-5033
UTILITY ENGINEERING (302) 855-7717
UTILITY PERMITS (302) 855-7719
UTILITY PLANNING (302) 855-1299
FAX (302) 855-7799



Sussex County

DELAWARE
sussexcountyde.gov

HANS M. MEDLARZ, P.E.
COUNTY ENGINEER

Memorandum

TO: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable I.G. Burton, III, Vice President
The Honorable Douglas B. Hudson
The Honorable John L. Rieley
The Honorable Samuel R. Wilson, Jr.

FROM: Hans Medlarz, P.E., County Engineer

RE: *South Coastal WRF Treatment Process Upgrade No.3 & Rehoboth Beach WTP Capital Improvement Program, Phase 2*
A. General Construction, Project C19-11, Change Order Nos.3 & 4
B. Electrical Construction, Project C19-17, Change Order No.5
C. City of Rehoboth 2nd Supplemental Financing Agreement Approval

DATE: July 28, 2020

Intergovernmental Background:

On August 8, 2017, the County Council approved a comprehensive wastewater agreement with the City of Rehoboth Beach. Treatment capacity allocation and associated debt service was based on a percentage of the facility's year-round permitted design capacity. The County's initial debt service allocation was set at the historical 42% mark. However, it allows an increase up to 50% after the first year of full operation of the upgraded wastewater plant. Operational, maintenance and administrative costs are independent from debt and split along actual flow percentages.

The Agreement is set up as a partnership allowing the City and the County to jointly develop alternatives for the next phases of the City's treatment plant upgrade project. On July 20, 2018, the City Commissioners agreed to accept the County's offer to assume the design and construction of Phase 2, consisting of mainly electrical work, under a \$6.0 million, 10-year, 0% interest alternative financing agreement which County Council approved on July 31, 2018.

In the spring of 2019, a failure of the influent screen forced the acceleration of the headworks component, previously included in Phase 3. The City requested the integration of this work into Phase 2 triggering a modification to the alternative financing agreement and a GHD design amendment. On June 4, 2019, Council approved a supplemental alternative financing



agreement up to 3.0 million in additional funds using the initial 42%/58% cost split and charging 2% interest, the same as an SRF financing arrangement.

While the City is still determining on how to complete the remaining phases 3 & 4 of the City's upgrade project, including the aeration system improvements, recent failures of the oxidation ditch systems forced an emergency equipment purchase by the City and the request to have Michael F. Ronca, Inc. install the equipment under the current contract. Therefore, the City requested, as per the attached letter dated July 15, 2020, the integration of this work into Phase 2 triggering a 2nd modification to the alternative financing agreement. This repair is essential for the County's system integration project because it preserves the full treatment capacity. The Finance and Engineering Departments recommend acceptance financing a total amount of up to \$1,673,000 with the City's 58% share not to exceed \$870,000 using the initial 42%/58% cost split and charging 2% interest, the same as an SRF financing arrangement.

Professional Services Background:

No changes since County Council approved GHD, Inc's Amendment No. 20 on February 4, 2020.

Overall South Coastal Project Summary:

In summary, the South Coastal WRF Treatment Process Upgrade No.3 encompasses the following components and statuses:

- a. Effluent Forcemain Relocation/Replacement; Completed in 2019.
- b. Influent Forcemain Consolidation; Completed in May of 2020.
- c. Drainage Network Rerouting;
The design completed but construction was not included in the base bid. After cost comparison between the General Labor & Equipment Contract versus a change order under Ronca's general construction contract; Council awarded Change Order Request 554-001 to Ronca & Sons, Inc. in the amount of \$104,592.96 on March 10, 2020. The construction was completed in July of 2020.
- d. General Construction Project C19-11; awarded on December 17, 2019 to M.F. Ronca & Sons, Inc. On March 10, 2020 Council awarded Change Order No.1 covering request 554-002 for deletion of the record drawing requirement and request 554-003 for the modification of the RBWTF influent forcemains in the net amount of \$97,294.31. On May 12, 2020 Council authorized credit Change Order No. 2 in the amount of \$12,705.00 eliminating an explosion proof motor requirement.

At two other ongoing County Capital projects surplus material could be made available to Project C19-11 for a \$9,764.30 credit. The Engineering Department recommends acceptance of credit Change Order No. 3 to M. F. Ronca & Sons, Inc. in the combined amount (\$9,764.30).

The City of Rehoboth wastewater treatment plant has two redundant oxidation ditches providing the core treatment system. Both ditches contain redundant aeration draft tube style equipment. All equipment was slated to be replaced under the City's Phase 3 of the plant upgrades. However, recent partial failures of the oxidation ditch systems forced an emergency equipment purchase by the City and the request to have M. F. Ronca, Inc. install the equipment under the current County contract. GHD designed the installation documentation and issued RFP-018 for pricing. GHD as well as the City and County Teams reviewed Ronca's response and request Council's approval of Change Order No. 4 in the amount of \$871,000.00.

- e. Electrical Construction Project C19-17; awarded on December 17, 2019 to BW Electric, Inc. On February 4, 2020 Council awarded Change Order No.1 to the Electrical Construction, Project C19-17 by BW Electric, Inc. in the credit amount of \$759,374.80. A second credit change order was approved on March 10, 2020 in the amount of \$6,800.00.

DP&L's requested a change to the utility power service entrance location at the RBWTP. This triggered a design for the associated conduit run by GHD which was further valued engineered by all parties. Council approved Change Order No.3 in the not to exceed amount of \$235,637.33 on April 7, 2020. The associated work has been completed under budget and on time.

The South Coastal project includes the reconstruction of the original electrical equipment in the sludge handling building electrical room. The associated RFP-016 relates to changes required to accommodate the longer motor control center. On May 12, 2020 Council authorized the associated Change Order No.4 in the amount of \$11,350.00.

Change Order No.5 covers request RFP-020 in an amount of \$59,150.00 for the removal of an existing electrical handhole and the associated duct bank and its reconstruction in a different location removing a previously unknown conflict with the proposed effluent filter No.3. and request RFP-020 for the modification of the duct bank between the DP&L utility switching pedestal and the transformer in the credit amount of (\$21,320.00). The Engineering Department requests Council's approval of Change Order No.5 in the combined amount of \$37,830.00.

- f. Mobile Belt Filter Press; awarded on January 7, 2020 Council to Kershner Environmental Technologies. The unit is currently deployed at the Inland Bays WRF reducing legacy lagoon solids accumulation.
- g. DP&L expenses; on February 4, 2020 Council approved contract.
- h. The Rehoboth Beach WTP was built on a municipal landfill. Therefore, all construction including concrete ductbanks are supported on piles. The encounter of landfill debris was anticipated, and the bid contained a contingency unit price bid item. The actual amount trash encountered exceeded

expectations and triggered evaluation of alternate solutions. On July 14, 2020 Council approved a more cost-effective stand-alone purchase order to Melvin L. Joseph Construction Company, Inc. in the not to exceed amount of \$33,000.00 hauling & screening and an allocation to pay the associated DSWA tipping fee in the not to exceed amount of \$33,000.00.

The updated expenses associated with the South Coastal WRF Treatment Process Upgrade No.3 & Rehoboth Beach WTP Capital Improvement Program, Phase 2 are summarized in the attached spreadsheet.



**SUSSEX COUNTY
CHANGE ORDER REQUEST**

A. ADMINISTRATIVE:

1. Project Name: **SCRWF Treatment Process Upgrade No. 3 & RBWTP Capital Improvement Program, Phase 2 – General Construction**
2. Sussex County Project No. C19-11
3. Change Order No. 3
4. Date Change Order Initiated - 7/21/20
5.
 - a. Original Contract Sum \$39,526,400.00
 - b. Net Change by Previous Change Orders \$183,932.27
 - c. Contract Sum Prior to Change Order \$39,710,332.27
 - d. Requested Change (\$9,764.30)
 - e. Net Change (No. of days) 0
 - f. New Contract Amount \$39,700,567.97
6. Contact Person: Hans Medlarz, P.E.
Telephone No. (302) 855-7718

B. REASON FOR CHANGE ORDER (CHECK ONE)

1. Differing Site Conditions
2. Errors and Omissions in Construction Drawings and Specifications
3. Changes Instituted by Regulatory Requirements
4. Design Change
5. Overrun/Underrun in Quantity

6. Factors Affecting Time of Completion

 7. Other (explain below):

C. BRIEF DESCRIPTION OF CHANGE ORDER:

Credit for cost savings associated with procurement of materials for the project.

D. JUSTIFICATION FOR CHANGE ORDER INCLUDED?

Yes X No

E. APPROVALS

1. M.F. Ronca & Sons, Inc., Contractor

Signature Date

Representative's Name in Block Letters

2. Sussex County Engineer

Signature Date

3. Sussex County Council President

Signature Date

Kaycee Widen

From: Hans Medlarz
Sent: Tuesday, May 26, 2020 9:56 AM
To: Scott Wachinski
Cc: Steven Clark (Steven.Clark@ghd.com); Patrick Brown; Travis Neubert; Kaycee Widen
Subject: RE: SCRWF pipelines

Greetings Scott:

There are two takeaways here.

Firstly, we need to order from your supplier, secondly I appreciate and accept the offer. We have communicated with Dominique and set the material aside. Hopefully the MJ pipe proves useful in negotiating some complex twists. We will not issue a standalone CO but rather include the \$3,914.30 credit amount in the next CO as it arises.

Regards, Hans

Hans M. Medlarz, P.E.
Sussex County Engineer
2 The Circle | PO Box 589
Georgetown, DE 19947
hans.medlarz@sussexcountyde.gov
(302) 855-7728

From: Scott Wachinski <SWachinski@mfronca.com>
Sent: Tuesday, May 26, 2020 9:25 AM
To: Hans Medlarz <hans.medlarz@sussexcountyde.gov>
Cc: Steven Clark (Steven.Clark@ghd.com) <Steven.Clark@ghd.com>; Patrick Brown <patrick.brown@sussexcountyde.gov>; Travis Neubert <TNeubert@mfronca.com>
Subject: RE: SCRWF pipelines

Hans,

We were finally able to review use of your extra materials per email below. We can use the Sleeve, Retainer Glands and the 18" MJ pipe however our costs for these materials are considerably less than the values you have listed. The 401 Lined MJ pipe would be used to replace Cement Lined Flex Ring RJ Pipe, which is majority of cost difference. Also we would need to add 3 EA additional Retainer Glands to restrain the MJ Pipe. Our cost for the materials that would be replaced are as follows including deduct for the additional 3 glands:

- 1 EA 18" MJ MJ SLEEVE C153 SOLID, OA 1'3", 350 PSI ASP-ASP \$394.80
- 2 EA JG 18 MLUG RTNR GLD CTG 2 . \$190.74 EA - \$381.48 Total
- 59.3 LF 18" FR FRE PIPE CL-250 0.31" 19'9" DCL-ASP \$62.62/LF - \$3,710.24 Total
- 3 EA Additional Retainer Glands for MJ Pipe Restraint (-\$572.22)
- Total Credit Offering - **\$3,914.30**

We could offer credit at our purchase value and get you some recapture but unfortunately not close to your cost.

Let us know how you would like to proceed?

Thanks,

Scott Wachinski

Project Manager



179 Mikron Road
Bethlehem, PA 18020
Phone: 610-759-5100
Fax: 610-746-0974
Mobile: 610-972-1355

From: Scott Wachinski

Sent: Wednesday, May 13, 2020 1:12 PM

To: Hans Medlarz <hans.medlarz@sussexcountyde.gov>

Cc: Steven Clark (<Steven.Clark@ghd.com>) <Steven.Clark@ghd.com>; Patrick Brown <patrick.brown@sussexcountyde.gov>

Subject: RE: SCRWF pipelines

Hans,

We will review and confirm we can find a home for the material. Regarding the 18" Pipe you note MJ (Mechanical Joint), can you confirm this is in fact Mechanical Joint and not Restrained Joint? Don't see a whole lot of Mechanical Joint (Same Mechanical Bell Configuration as MJ Fittings) these days and buried pipe we are using for Project is Restrained Joint. If it is Restrained Joint can you let us know manufacturer as RJ types are proprietary to manufacture, ie not compatible between manufacturers.

Thanks,

Scott Wachinski

Project Manager



179 Mikron Road
Bethlehem, PA 18020
Phone: 610-759-5100
Fax: 610-746-0974
Mobile: 610-972-1355

From: Hans Medlarz <hans.medlarz@sussexcountyde.gov>

Sent: Wednesday, May 13, 2020 8:22 AM

To: Scott Wachinski <SWachinski@mfronca.com>

Cc: Steven Clark (<Steven.Clark@ghd.com>) <Steven.Clark@ghd.com>; Patrick Brown

<patrick.brown@sussexcountyde.gov>

Subject: SCRWF pipelines

Greetings Scott:

Our forcemain consolidation project ran into a compromised 18-inch pipe issue. We had to abandon the external transition on that pipe and GHD will request a change order from Ronca for the inside piping of the headworks as originally designed.

Due to these circumstances we have left over 18-inch material all of which Ronca could use in your contract. Our supply contract specified return requirements for "BENDS and/or RETAINER GLANDS items at a restocking fee of 25% of unit pricing. We want to pass this on as detailed below. Please let me know we can work this out as a LS material credit towards the interior headworks piping modification?

Thanks, Hans

18" DI MJ 11° BEND	2	EA	\$1,330.00	\$2,660.00
18" DE MJ SLEEVE	1	EA	\$1,225.00	\$1,225.00
18" RESTRAINED RETAINER GLANDS	2	EA	\$205.00	\$410.00
18" MJ x PE DI PIPE (P401)	60	LF	\$135.81	\$8,148.60
18" DI MJ 22° BEND	1	EA	\$1,342.95	\$1,342.95
				\$13,786.55
				\$3,446.00
				\$10,339.55

Kaycee Widen

From: Hans Medlarz
Sent: Thursday, July 9, 2020 3:04 PM
To: Scott Wachinski
Cc: Steven Clark (Steven.Clark@ghd.com); Edwin Tennefoss; Kaycee Widen
Subject: RE: 10-inch plug valves

Thank you Scott:

We will coordinate with Dominique before we deliver to South Coastal. Just like with the previous credit offer, we will not issue a standalone CO but rather include the \$5,850 credit amount in the next CO as it arises. Steven is about to issue the RFP for headworks modifications that would be a good home for the credits since it all pertains to South Coastal.

Regards, Hans

Hans M. Medlarz, P.E.
Sussex County Engineer
2 The Circle | PO Box 589
Georgetown, DE 19947
hans.medlarz@sussexcountyde.gov
(302) 855-7728

From: Scott Wachinski <SWachinski@mfronca.com>
Sent: Thursday, July 9, 2020 2:53 PM
To: Hans Medlarz <hans.medlarz@sussexcountyde.gov>
Cc: Steven Clark (Steven.Clark@ghd.com) <Steven.Clark@ghd.com>
Subject: RE: 10-inch plug valves

Hans,

Our cost for these valves is \$1,950 EA, so \$5,850 for the three of them. Let me know how you would like to handle cost, I can issue credit change order to the contract? Valves can be delivered to South Coastal, just coordinate delivery with Dominic 610-972-2012.

Let me know.

Thanks,

Scott Wachinski
Project Manager



179 Mikron Road

Bethlehem, PA 18020
Phone: 610-759-5100
Fax: 610-746-0974
Mobile: 610-972-1355

From: Hans Medlarz <hans.medlarz@sussexcountyde.gov>
Sent: Thursday, July 9, 2020 2:43 PM
To: Scott Wachinski <SWachinski@mfronca.com>
Cc: Steven Clark (Steven.Clark@ghd.com) <Steven.Clark@ghd.com>
Subject: 10-inch plug valves

Scott,

We will accept your offer and transfer three 10" plug valves to your inventory. Please confirm cost and where you want them delivered.

Thanks, Hans

P.S. The submittal says 8" but they are actually 10" valves.

Hans M. Medlarz, P.E.
Sussex County Engineer
2 The Circle | PO Box 589
Georgetown, DE 19947
hans.medlarz@sussexcountyde.gov
(302) 855-7728



**SUSSEX COUNTY
CHANGE ORDER REQUEST**

A. ADMINISTRATIVE:

1. Project Name: **SCRWF Treatment Process Upgrade No. 3 & RBWTP Capital Improvement Program, Phase 2 – General Construction**
2. Sussex County Project No. C19-11
3. Change Order No. 4
4. Date Change Order Initiated - 7/21/20
5.
 - a. Original Contract Sum \$39,526,400.00
 - b. Net Change by Previous Change Orders \$174,167.97
 - c. Contract Sum Prior to Change Order \$39,700,567.97
 - d. Requested Change \$871,000.00
 - e. Net Change (No. of days) 0
 - f. New Contract Amount \$40,571,567.97
6. Contact Person: Hans Medlarz, P.E.
Telephone No. (302) 855-7718

B. REASON FOR CHANGE ORDER (CHECK ONE)

1. Differing Site Conditions
2. Errors and Omissions in Construction Drawings and Specifications
3. Changes Instituted by Regulatory Requirements
4. Design Change
5. Overrun/Underrun in Quantity

6. Factors Affecting Time of Completion

 7. Other (explain below):

C. BRIEF DESCRIPTION OF CHANGE ORDER:

Installation of oxidation tank equipment due to partial failures of the original system.

D. JUSTIFICATION FOR CHANGE ORDER INCLUDED?

Yes X No

E. APPROVALS

1. M.F. Ronca & Sons, Inc., Contractor

Signature Date

Representative's Name in Block Letters

2. Sussex County Engineer

Signature Date

3. Sussex County Council President

Signature Date



Request for Proposal

Project Title	SCRWF Upgrade No. 3 & RBWWTP CIP Upgrade Phase 2		
Owner	Sussex County, Delaware		
Contract No.	C19-11: General Construction	GHD Project No.	11121182
Contractor is requested to provide a Change Proposal for the following proposed modifications to the Work. This request alone neither directs nor approves any change to the Work nor any adjustments to the Contract Price or Contract Times. Contractor's proposal shall be submitted to Engineer for review and shall adhere to all requirements of the Contract Documents. If found acceptable to Owner and Engineer, Contractor's Change Proposal will be incorporated into the Work via Change Order.			
RFP No.	018		
RFP Subject	RBWWTP CIP Upgrade Phase 3A – General Construction		
Issued By	S. Clark	Issue Date	Jun. 18, 2020

Description of proposed changes:

The City of Rehoboth Beach is procuring Oxidation Ditch Equipment Goods and Special Services under City of Rehoboth Beach Contract No. RB-WWTP-2020-01. Sussex County and the City of Rehoboth Beach request a proposal to complete the Work described herein or shown on the attached Drawings as a Change to Sussex County Contract C19-11. This includes:

1. Receive, unload, and store at RBWWTP the equipment being furnished by the Oxidation Ditch Equipment Manufacturer (PMSL).
2. Demolition of the existing oxidation ditch equipment and air piping in the RBWWTP Oxidation Ditches T-2A/B, as shown on Drawings M001 and M002.
3. Installation of the new oxidation ditch equipment and air piping in the RBWWTP Oxidation Ditches T-2A/B, as shown on Drawings M003 and M004
4. Testing and startup of the new oxidation ditch equipment in accordance with the requirements of Sections 01600, 01640 and 01660. The equipment manufacturer will be paid directly by the City of Rehoboth Beach for attending site to assist the Contractor during testing and startup. Contractor should not be required to make any payment to the equipment manufacturer for any assistance or services.
5. Rehabilitation of the oxidation ditch access systems as shown on Drawing S001. Contractor shall submit itemized pricing for each item listed below:

- a. Center Platform:

- i. Replacement of select members of the framing system, as shown in Figure 1. The replacement scope will include the following members at each mixing unit:

1. Quantity 2, of W16x36, approx. length 7'-0"
2. Quantity 1, of W8x10, approx. length 3'-0"

Adjacent members may require temporary support or temporary removal while the member replacements are completed.

- ii. Preparation and recoating of the existing framing and pipe supports. Preparation and coating shall be in accordance with Section 09900, with the specific preparation and coating system as described in the attached letter from Atlantic Coating Consultants (dated 5/12/2020).



- iii. Demolition of the existing guardrail and replacement with new aluminum guardrail (Contingent Unit Price Bid Item F-22).
 - iv. Demolition of the existing grating and replacement with new aluminum grating (Contingent Unit Price Bid Item F-23).
 - v. Demolition of the existing stair treads and replacement with new aluminum stair treads.
- b. North Platform:
- i. Preparation and recoating of the existing framing. Preparation and coating shall be in accordance with Section 09900, with the specific preparation and coating system as described in the attached letter from Atlantic Coating Consultants (dated 5/12/2020).
 - ii. Demolition of the existing guardrail and replacement with new aluminum guardrail (Contingent Unit Price Bid Item F-22).
 - iii. Demolition of the existing grating and replacement with new aluminum grating (Contingent Unit Price Bid Item F-23).
 - iv. Demolition of the existing stair tread and replacement with a new aluminum stair tread.
- c. North Walkway:
- i. Demolition of the existing guardrail and replacement with new aluminum guardrail (Contingent Unit Price Bid Item F-22).
- d. South Walkway:
- i. Demolition of the existing guardrail and replacement with new aluminum guardrail (Contingent Unit Price Bid Item F-22).
 - ii. New swing gates.

Unless otherwise noted, the requirements of the Contract Documents for Sussex County Contract C19-11 shall apply. This includes, but is not limited to, General Requirements (Division 1), Metals (Division 5), Equipment (Division 11), Mechanical (Division 15), and the standard architectural, structural, and mechanical details included with the Drawings. In addition, Contractor shall comply the requirements included in the General Notes on Drawing G002.

Note that one Oxidation Ditch shall remain in service at all times, and that the work cannot commence prior to the City draining the first Oxidation Ditch (November 1, 2020), and must be completed prior to April 1, 2021. Work in the second ditch cannot commence until the 2-week Startup period has been completed for the first ditch (refer to Section 01660). The procurement contract requires the delivery of equipment by November 24, 2020.

(CONTINUED)

ATLANTIC COATING CONSULTANTS

Independent Representative of Tnemec Company, Inc.

167 Bridge Street Phoenixville, PA 19460 TEL: 855-855-0100 www.tnemec.com/acc



To: George Conners
From: Wally Bates
Date: 5/12/20
Subject: Rehoboth Beach STP _ Oxidation Ditch _ Steel Bridge Coating

Mr. Conners,

Please see surface preparation and coating recommendation below for use on the oxidation ditch steel walkway bridge at the subject project.

Surface Preparation: SSPC-SP6 Commercial Blast Cleaning
Prime: Series V69 Hi-Build Epoxoline II, DFT 4.0 – 6.0 mils
Intermediate: Series V69 Hi-Build Epoxoline II, DFT 4.0 – 6.0 mils
Finish: Series V290 CRU, DFT 2.0 – 3.0 mils

Product and safety data is copied below. Please feel free to contact me directly with any questions.

Kind Regards,



Wally Bates, NACE 1, CSI

Principal | Atlantic Coating Consultants

Independent Representative of Tnemec Company Inc.

Tel: 610-551-3713 | wbates@tnemec.com



TELEPHONE 610/759-5100
FACSIMILE 610/746-0974

CONTRACTORS

179 Mikron Road, Bethlehem, PA 18020

July 9, 2020

Mr. Steven Clark, P.E.
GHD
16701 Melford Boulevard, Suite 330
Bowie, MD 20715

Re: Sussex County
RBWWTP CIP Phase 3A RFP No. 018
Oxidation Ditch Equipment Installation

Dear Mr. Clark:

Pursuant to your Request for Proposal No. 018, Michael F. Ronca & Sons, Inc. hereby proposes to furnish all labor and equipment required to install the Owner Supplied Oxidation Tank Equipment, for the Lump Sum Price of Eight Hundred Seventy One Thousand Dollars.....\$871,000.00.

Please note, this proposal is based on the following "Scope of Work", "Listing of Qualifications/Exclusions" and "Itemized Pricing".

Scope of Work:

- Draft Tube Mixer Removal and Installation:
 - Receive, unload, and store Equipment at the RBWWTP.
 - Demolition of the existing oxidation ditch equipment and air piping in the RBWWTP Oxidation Ditches.
 - Installation of the new oxidation ditch equipment and air piping.
 - Testing and startup assistance of the new oxidation ditch equipment.
- Rehabilitation of the Oxidation Ditch Access Systems as shown on Drawing S001:
 - Center Platform:
 - Replacement of Four (4) W16 x 36 X approx. 7'-0" members of the framing system, as shown in Figure 1.
 - Replacement of Two (2) W8 x 10 X approx. 3'-0" members of the framing system, as shown in Figure 1.
 - Preparation and recoating of the existing framing and pipe supports.
 - Demolition of the existing guardrail and replacement with new aluminum guardrail (Contingent Unit Price Bid Item F-22).
 - Demolition of the existing grating and replacement with new aluminum grating (Contingent Unit Price Bid Item F-23).
 - Demolition of the existing stair treads and replacement with new aluminum stair treads.

- North Platform:
 - Preparation and recoating of the existing framing.
 - Demolition of the existing guardrail and replacement with new aluminum guardrail (Contingent Unit Price Bid Item F-22).
 - Demolition of the existing grating and replacement with new aluminum grating (Contingent Unit Price Bid Item F-23).
 - Demolition of the existing stair tread and replacement with a new aluminum stair tread.
- North Walkway:
 - Demolition of the existing guardrail and replacement with new aluminum guardrail (Contingent Unit Price Bid Item F-22).
- South Walkway:
 - Demolition of the existing guardrail and replacement with new aluminum guardrail (Contingent Unit Price Bid Item F-22).
 - Two (2) New swing gates.

Listing of Qualifications/Exclusions:

- Bonds, special Insurances, warranties, etc. are excluded.
- All Ditch Equipment Installation incidental materials to be Provided by others. Anchor Bolts, grease, oil, shims etc.
- Existing Toe-Board to remain in place.
- Work to be completed between November 1, 2020 and April 1, 2021.
- Itemized pricing is provided for convenience only and not subject to selection on an individual basis. Project is bid as a Lump Sum Amount.

Itemized Pricing:

RFP #	Description	Qty	UOM	Unit Price	Bid Total
1, 2, 3, 4	Unload, Install, Startup Oxidation Ditch Equipment	1	LS	\$384,000.00	\$384,000.00
5.a.i.1	Center Platform - W16 X 36 - 7' LONG	4	EA	\$2,800.00	\$11,200.00
5.a.i.2	Center Platform - W8 X 10 - 3' LONG	2	EA	\$1,500.00	\$3,000.00
5.a.ii	Center Platform - Painting	1	LS	\$119,600.00	\$119,600.00
5.a.iii	Center Platform - R/R Handrail (Contingent F-22)	500	LF	\$120.00	\$60,000.00
5.a.iv	Center Platform - R/R Grating (Contingent F-23)	1,952	SF	\$85.00	\$165,920.00
5.a.v	Center Platform - R/R Stair Treads	56	EA	\$150.00	\$8,400.00
5.b.i	North Platform - Painting	1	LS	\$26,090.00	\$26,090.00
5.b.ii	North Platform - R/R Handrail (Contingent F-22)	122	LF	\$120.00	\$14,640.00
5.b.iii	North Platform - R/R Grating (Contingent F-23)	336	SF	\$85.00	\$28,560.00
5.b.iv	North Platform - R/R Stair Treads	1	EA	\$150.00	\$150.00
5.c.i	North Walkway - R/R Handrail (Contingent F-22)	112	LF	\$120.00	\$13,440.00
5.d.i	South Walkway - R/R Handrail (Contingent F-22)	275	LF	\$120.00	\$33,000.00
5.d.ii	South Walkway - New Swing Gates	2	EA	\$1,500.00	\$3,000.00

July 9, 2020
Mr. Steven Clark, PE
Page Three

Thank you for the opportunity to provide this proposal, and should you have any questions concerning the same, or require additional information, please do not hesitate to contact me.

Regards,

Scott Wachinski
Project Manager

cc: D. Ronca, Gen. Mngr.
HO file



**SUSSEX COUNTY
CHANGE ORDER REQUEST**

A. ADMINISTRATIVE:

1. Project Name: **SCRWF Treatment Process Upgrade No. 3 & RBWTP Capital Improvement Program, Phase 2 – Electrical Construction**
2. Sussex County Project No. C19-17
3. Change Order No. 5
4. Date Change Order Initiated - 7/28/20
5.
 - a. Original Contract Sum \$22,178,674.00
 - b. Net Change by Previous Change Orders (\$754,824.80)
 - c. Contract Sum Prior to Change Order \$21,423,849.20
 - d. Requested Change \$37,830.00
 - e. Net Change (No. of days) 0
 - f. New Contract Amount \$21,461,679.20
6. Contact Person: Hans Medlarz, P.E.
Telephone No. (302) 855-7718

B. REASON FOR CHANGE ORDER (CHECK ONE)

1. Differing Site Conditions
2. Errors and Omissions in Construction Drawings and Specifications
3. Changes Instituted by Regulatory Requirements
4. Design Change
5. Overrun/Underrun in Quantity

6. Factors Affecting Time of Completion

 7. Other (explain below):

C. BRIEF DESCRIPTION OF CHANGE ORDER:

Removal of an existing electrical handhole and duct bank due to unforeseen conditions and modification of the duct bank between DP&L utility switching pedestal and transformer.

D. JUSTIFICATION FOR CHANGE ORDER INCLUDED?

Yes X No

E. APPROVALS

1. B.W. Electric, Inc., Contractor

Signature Date

Representative's Name in Block Letters

2. Sussex County Engineer

Signature Date

3. Sussex County Council President

Signature Date



Request for Proposal

Project Title	SCRWF Upgrade No. 3 & RBWWTP CIP Upgrade Phase 2		
Owner	Sussex County, Delaware		
Contract No.	C19-17: Electrical Construction	GHD Project No.	11121182
Contractor is requested to provide a Change Proposal for the following proposed modifications to the Work. This request alone neither directs nor approves any change to the Work nor any adjustments to the Contract Price or Contract Times. Contractor's proposal shall be submitted to Engineer for review and shall adhere to all requirements of the Contract Documents. If found acceptable to Owner and Engineer, Contractor's Change Proposal will be incorporated into the Work via Change Order.			
RFP No.	020		
RFP Subject	SCRWF - Hand Hole HH15 Elimination		
Issued By	D. Murray	Issue Date	June 18, 2020

Description of proposed changes:

Provide cost proposal to perform the following work to eliminate existing Hand Hole HH15 at SCRWF. HH15 is located near the southwest corner of the site for Effluent Filter No.3. Refer to Drawing E0010 for enlarged plan showing the hand hole (not labeled).

Items written in italics are already included in the Contract or being done by others. They are included here to give a more complete description of work required to eliminate Hand Hole HH15.

1. Install temporary above-grade feeder from Load Area 5 Main Switchboard to Return Sludge Building No.1 (RSB1). Provide physical protection for cables at roadway crossings, walkway crossings, and any other traffic areas.
2. *Install temporary power feeder from Electrical Building to Effluent Filter No.2 Pump Station (PS #41).*
3. *County installation of temporary 3-way radio link between RSB1, Blower Building No.1 (BB1), and Effluent Filter No.2 Pump Station (PS #41).*
4. *Install new, permanent fiber connection between Sludge Building (SLB) and RSB1.*
5. *General Contractor to demolish HH15, and partially demolish duct banks DB-5I and DB-5L.*
6. Complete demolition of DB-5I and DB-5L back to the next hand hole in each direction (HH14 and HH16). Seal any openings in HH14 and HH15 that will not be reused for new duct bank. Coordinate with General Contractor prior to submitting proposal to confirm extents of demolition that will be completed by GC. Note extents in proposal.
7. *Demolish Duct Banks DB-FS1, DB-FS2, and DB-FS3.*
8. Construct new concrete encased duct bank DB-5I between HH14 and HH16 with four 4" PVC conduits.
9. Install a new, permanent feeder from Load Area 5 Main Switchboard to RSB1 via existing duct banks and new DB-5I. Remove temporary feeder.
10. *Install new, permanent fiber connection between EB and SLB (the fiber will now be through existing duct banks and the new DB-5I).*

New fiber connections are to be single mode fiber. For each fiber connection included in the work described above, provide corresponding single mode fiber modules in Ethernet switches, as well as single mode fiber connections at existing FOPPs as required.



For permanent fiber connections noted above, the patch cables from the existing FOPPs to the existing PCS cabinets will need to be temporary because FOPPs are being replaced. Provide sufficient slack in inter-building cables to allow connection to new FOPP when installed. Provide pull boxes so the fiber cable can be disconnected and conduit connection moved to the new FOPP.

Provide a credit for the temporary fiber link between BB1 and PS41 (refer to Section 01010.1.21.B.2.a-b).



15342 S. DuPont Hwy
Harrington DE 19952

Office: 302.566.6248
Fax: 302.566.6251

Bryon Warren
President
302-270-5719

Email(s):
office@bwelectricinc.com
estimates@bwelectricinc.com

July 13, 2020

Subject: SCRWF Upgrade No. 3 & RBWWTP CIP Upgrade Phase 2 RFP No. 20 REVISED

Dear Hans Medlarz,

Our price to perform the electrical work associated with the above project is based on RFP No. 20. Our price does not include the use of Prevailing Wages. Our price is **\$59,150.00** and includes the following:

Items written in italics are already included in the Contract or being done by others. They are included here to give a more complete description of work required to eliminate Hand Hole HH15.

1. Install temporary above-grade feeder from Load Area 5 Main Switchboard to Return Sludge Building No.1(RSB1). Provide physical protection for cables at roadway crossings, walkway crossings, and any other traffic areas.
2. *Install temporary power feeder from Electrical Building to Effluent Filter No.2 Pump Station (PS #41).*
3. *County installation of temporary 3-way radio link between RSB1, Blower Building No.1 (BB1), and Effluent Filter No.2 Pump Station (PS #41).*
4. *Install new, permanent fiber connection between Sludge Building (SLB) and RSB1.*
5. *General Contractor to demolish HH15, and partially demolish duct banks DB-5I and DB-5L.*
6. Complete demolition of DB-5I and DB-5L back to the next hand hole in each direction (HH14 and HH16).Seal any openings in HH14 and HH15 that will not be reused for new

duct bank. Coordinate with General Contractor prior to submitting proposal to confirm extents of demolition that will be completed by GC. Note extents in proposal.

7. *Demolish Duct Banks DB-FS1, DB-FS2, and DB-FS3.*
8. Construct new concrete encased duct bank DB-5I between HH14 and HH16 with four 4" PVC conduits.(approximately 125')
9. Install a new, permanent feeder from Load Area 5 Main Switchboard to RSB1 via existing duct banks and new DB-5I. Remove the temporary feeder.
10. *Install new, permanent fiber connection between EB and SLB (the fiber will now be through existing duct banks and the new DB-5I).*
11. Provide a credit for the temporary fiber link between BB1 and PS41 (refer to Section 01010.1.21.B.2.a-b).

12. Please note that we are requesting 25 days to be added to our contract if accepted, we do not intend to bring in extra manpower. We are utilizing the primary crew onsite.

Exclusions

1. No permit fees.
2. No cutting.
3. No patching or painting.
4. No liquidated damages.

This price is good for thirty (30) days only.

Sincerely,

Jason R. Walters
B. W. Electric, Inc.
Superintendent



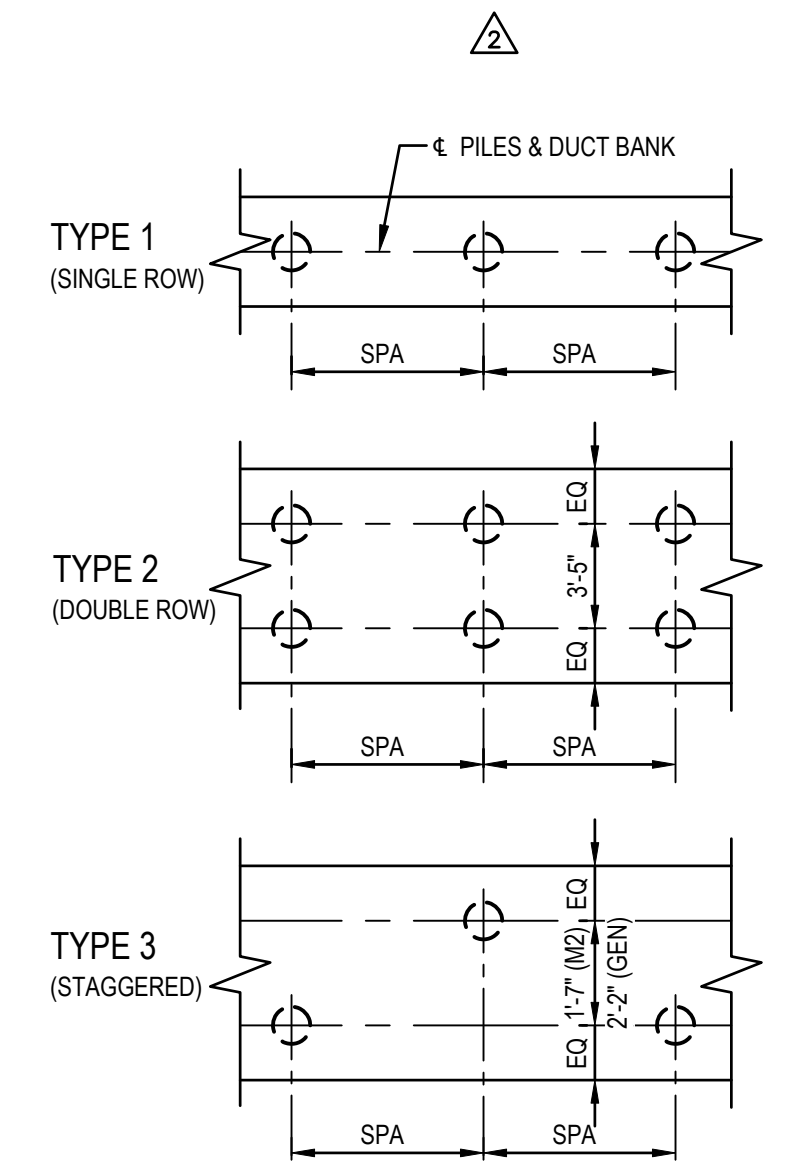
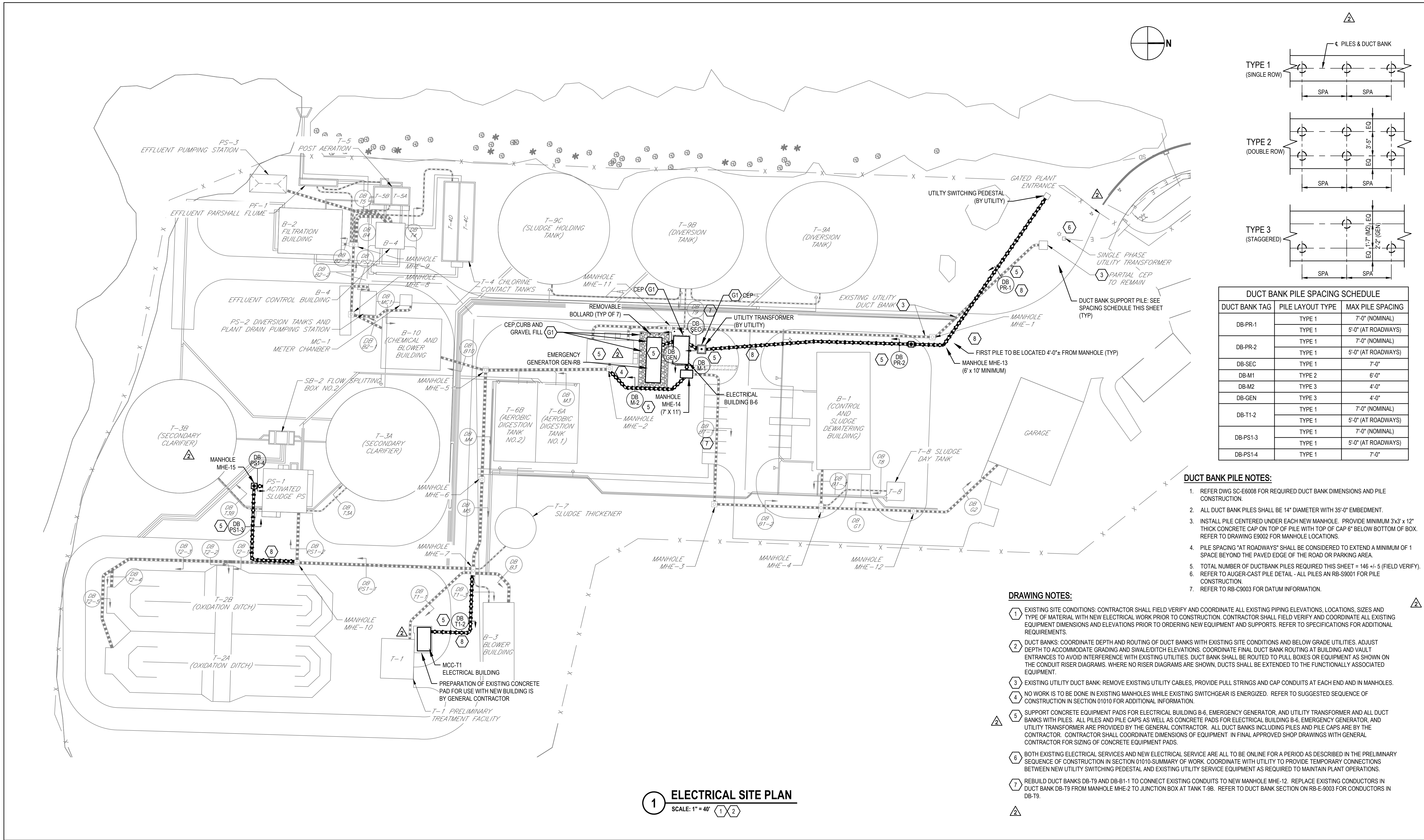
Request for Proposal

Project Title	SCRWF Upgrade No. 3 & RBWWTP CIP Upgrade Phase 2		
Owner	Sussex County, Delaware		
Contract No.	C19-17: Electrical Construction	GHD Project No.	11121182
Contractor is requested to provide a Change Proposal for the following proposed modifications to the Work. This request alone neither directs nor approves any change to the Work nor any adjustments to the Contract Price or Contract Times. Contractor's proposal shall be submitted to Engineer for review and shall adhere to all requirements of the Contract Documents. If found acceptable to Owner and Engineer, Contractor's Change Proposal will be incorporated into the Work via Change Order.			
RFP No.	021		
RFP Subject	RBWWTP Generator and B-6 Layout		
Issued By	D. Murray & S. Clark	Issue Date	July 2, 2020

Description of proposed changes:

Test pitting has identified differences between actual duct bank locations and those shown on the Drawings. In addition the submitted and approved generator has a smaller footprint than that provided for in design. Submit a credit proposal for the simplified layout of structures, equipment and duct banks shown on the attached revisions of RB-E9001 and RB-E9002, noting:

1. Existing manhole MHE-11 and the existing utility duct bank must remain in service during construction and shall not be disturbed.
2. Existing duct bank DB-T9 is not required. Demolish as required for construction. The section underneath the road shall be abandoned in place.
3. Existing duct bank DB-B1-1 can be demolished provided that temporary power is being provided to existing MCC-B1 in Building B-1. Confirm proposed approach or options for temporary power in the proposal. The controls wires in the duct bank are no longer utilized.
4. New manhole MHE-14 shall be located to tie into the existing duct bank DB-B1-1.
5. Provide at least 8'-0" clear between the utility transformer pad and the Electrical Building B-6 pad.
6. Provide at least 8'-0" clear between the Electrical Building B-6 pad and the generator pad.
7. Provide at least 6'-0" clear between the generator pad and the stairs to the existing switchgear pad.
8. Generator shall have stone area and curb as follows:
 - a. 6' between north side of pad and outside edge of curb
 - b. 6' between south side of pad and outside edge of curb
 - c. 4' between east side of pad and outside edge of curb
 - d. 4' between west side of pad and outside edge of curb
9. General Contractor shall provide sidewalk from the roads to the doors of Electrical Building B-6.
10. No change to conductors, pile layout types, or pile spacing listed in the Contract Documents.
11. No change to delineation of scope between General and Electrical Construction Contracts as specified in the Contract Documents.



DUCT BANK PILE SPACING SCHEDULE		
DUCT BANK TAG	PILE LAYOUT TYPE	MAX PILE SPACING
DB-PR-1	TYPE 1	7'-0" (NOMINAL)
	TYPE 1	5'-0" (AT ROADWAYS)
DB-PR-2	TYPE 1	7'-0" (NOMINAL)
	TYPE 1	5'-0" (AT ROADWAYS)
DB-SEC	TYPE 1	7'-0"
DB-M1	TYPE 2	6'-0"
DB-M2	TYPE 3	4'-0"
DB-GEN	TYPE 3	4'-0"
DB-T1-2	TYPE 1	7'-0" (NOMINAL)
	TYPE 1	5'-0" (AT ROADWAYS)
DB-PS1-3	TYPE 1	7'-0" (NOMINAL)
	TYPE 1	5'-0" (AT ROADWAYS)
DB-PS1-4	TYPE 1	7'-0"

- DUCT BANK PILE NOTES:**
- REFER DWG SC-E6008 FOR REQUIRED DUCT BANK DIMENSIONS AND PILE CONSTRUCTION.
 - ALL DUCT BANK PILES SHALL BE 14" DIAMETER WITH 35'-0" EMBEDMENT.
 - INSTALL PILE CENTERED UNDER EACH NEW MANHOLE. PROVIDE MINIMUM 3'x3' x 12" THICK CONCRETE CAP ON TOP OF PILE WITH TOP OF CAP 6" BELOW BOTTOM OF BOX. REFER TO DRAWING E9002 FOR MANHOLE LOCATIONS.
 - PILE SPACING "AT ROADWAYS" SHALL BE CONSIDERED TO EXTEND A MINIMUM OF 1 SPACE BEYOND THE PAVED EDGE OF THE ROAD OR PARKING AREA.
 - TOTAL NUMBER OF DUCT BANK PILES REQUIRED THIS SHEET = 146 +/- 5 (FIELD VERIFY).
 - REFER TO AUGER-CAST PILE DETAIL - ALL PILES AN RB-S9001 FOR PILE CONSTRUCTION.
 - REFER TO RB-C9003 FOR DATUM INFORMATION.

- DRAWING NOTES:**
- EXISTING SITE CONDITIONS: CONTRACTOR SHALL FIELD VERIFY AND COORDINATE ALL EXISTING PIPING ELEVATIONS, LOCATIONS, SIZES AND TYPE OF MATERIAL WITH NEW ELECTRICAL WORK PRIOR TO CONSTRUCTION. CONTRACTOR SHALL FIELD VERIFY AND COORDINATE ALL EXISTING EQUIPMENT DIMENSIONS AND ELEVATIONS PRIOR TO ORDERING NEW EQUIPMENT AND SUPPORTS. REFER TO SPECIFICATIONS FOR ADDITIONAL REQUIREMENTS.
 - DUCT BANKS: COORDINATE DEPTH AND ROUTING OF DUCT BANKS WITH EXISTING SITE CONDITIONS AND BELOW GRADE UTILITIES. ADJUST DEPTH TO ACCOMMODATE GRADING AND SWALE/DITCH ELEVATIONS. COORDINATE FINAL DUCT BANK ROUTING AT BUILDING AND VAULT ENTRANCES TO AVOID INTERFERENCE WITH EXISTING UTILITIES. DUCT BANK SHALL BE ROUTED TO PULL BOXES OR EQUIPMENT AS SHOWN ON THE CONDUIT RISER DIAGRAMS. WHERE NO RISER DIAGRAMS ARE SHOWN, DUCTS SHALL BE EXTENDED TO THE FUNCTIONALLY ASSOCIATED EQUIPMENT.
 - EXISTING UTILITY DUCT BANK: REMOVE EXISTING UTILITY CABLES, PROVIDE PULL STRINGS AND CAP CONDUITS AT EACH END AND IN MANHOLES.
 - NO WORK IS TO BE DONE IN EXISTING MANHOLES WHILE EXISTING SWITCHGEAR IS ENERGIZED. REFER TO SUGGESTED SEQUENCE OF CONSTRUCTION IN SECTION 01010 FOR ADDITIONAL INFORMATION.
 - SUPPORT CONCRETE EQUIPMENT PADS FOR ELECTRICAL BUILDING B-6, EMERGENCY GENERATOR, AND UTILITY TRANSFORMER AND ALL DUCT BANKS WITH PILES. ALL PILES AND PILE CAPS AS WELL AS CONCRETE PADS FOR ELECTRICAL BUILDING B-6, EMERGENCY GENERATOR, AND UTILITY TRANSFORMER ARE PROVIDED BY THE GENERAL CONTRACTOR. ALL DUCT BANKS INCLUDING PILES AND PILE CAPS ARE BY THE CONTRACTOR. CONTRACTOR SHALL COORDINATE DIMENSIONS OF EQUIPMENT IN FINAL APPROVED SHOP DRAWINGS WITH GENERAL CONTRACTOR FOR SIZING OF CONCRETE EQUIPMENT PADS.
 - BOTH EXISTING ELECTRICAL SERVICES AND NEW ELECTRICAL SERVICE ARE ALL TO BE ONLINE FOR A PERIOD AS DESCRIBED IN THE PRELIMINARY SEQUENCE OF CONSTRUCTION IN SECTION 01010-SUMMARY OF WORK. COORDINATE WITH UTILITY TO PROVIDE TEMPORARY CONNECTIONS BETWEEN NEW UTILITY SWITCHING PEDESTAL AND EXISTING UTILITY SERVICE EQUIPMENT AS REQUIRED TO MAINTAIN PLANT OPERATIONS.
 - REBUILD DUCT BANKS DB-T9 AND DB-B1-1 TO CONNECT EXISTING CONDUITS TO NEW MANHOLE MHE-12. REPLACE EXISTING CONDUCTORS IN DUCT BANK DB-T9 FROM MANHOLE MHE-2 TO JUNCTION BOX AT TANK T-9B. REFER TO DUCT BANK SECTION ON RB-E-9003 FOR CONDUCTORS IN DB-T9.

1 ELECTRICAL SITE PLAN
SCALE: 1" = 40'

B	ISSUED FOR RFP-021	LB	TAY	06/2020
A	CONFORMED PER ADDENDA NOS. 1-5	LB	TAY	11/2019
0	FOR BID	DMM	TAY	08/2019
No.	Issue	Drawn	Approved	Date

Bar is one inch on original size sheet
0 1"

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16701 Melford Boulevard, Suite 330
Bowie MD 20715 USA
T 1 240 206 6810 F 1 240 206 6811 W www.ghd.com

Drawn	D.MURRAY	Designer	D.MURRAY
Drafting Check	J.MERINO	Design Check	B.CARDINAL
Project Manager	T. YOUNG	Date	03/20
This document shall not be used for construction unless signed and sealed for construction.		Scale	1"=40'-0"

Client	SUSSEX COUNTY, DELAWARE		
Project	SCRWF NO. 3 AND RBWWTP CIP PHASE 2 UPGRADES		
Title	ELECTRICAL SITE PLAN		
Project No.	11121182		
Original Size	ANSI D	Sheet No.	RB-E9002
			Sheet 407 of 442



15342 S. DuPont Hwy
Harrington DE 19952

Office: 302.566.6248
Fax: 302.566.6251

Bryon Warren
President
302-270-5719

Email(s):
office@bwelectricinc.com
estimates@bwelectricinc.com

July 17, 2020

Subject: SCRWF Upgrade No. 3 & RBWWTP CIP Upgrade Phase 2 RFP No. 21

Dear Mr. Medlarz,

Our price to perform the electrical work associated with the above project is based on RFP No. 21. Our price does not include the use of Prevailing Wages. Our price is a **credit of \$21,320.00** and includes the following:

Items written in italics are already included in the Contract or being done by others. They are included here to provide a more complete description of work required to eliminate Hand Hole HH15.

1. Existing manhole MHE-11 and the existing utility duct bank must remain in service during construction and shall not be disturbed.
2. Existing duct bank DB-T9 is not required. Demolish as required for construction. The section underneath the road shall be abandoned in place.
3. Existing duct bank DB-B1-1 can be demolished provided that temporary power is being provided to existing MCC-B1 in Building B-1. Confirm proposed approach or options for temporary power in the proposal. The controls wires in the duct bank are no longer utilized.
4. New manhole MHE-14 shall be located to tie into the existing duct bank DB-B1-1.
5. Provide at least 8'-0" clear between the utility transformer pad and the Electrical Building B-6 pad.
6. Provide at least 8'-0" clear between the Electrical Building B-6 pad and the generator pad.

7. Provide at least 6'-0" clear between the generator pad and the stairs to the existing switchgear pad.
8. Generator shall have stone area and curb as follows:
 - a. 6' between north side of pad and outside edge of curb
 - b. 6' between south side of pad and outside edge of curb
 - c. 4' between east side of pad and outside edge of curb
 - d. 4' between west side of pad and outside edge of curb
9. General Contractor shall provide sidewalk from the roads to the doors of Electrical Building B-6.
10. No change to conductors, pile layout types, or pile spacing listed in the Contract Documents.
11. No change to delineation of scope between General and Electrical Construction Contracts as specified in the Contract Documents.

Exclusions

1. No permit fees.
2. No cutting.
3. No patching or painting.
4. No liquidated damages.

This price is good for thirty (30) days only.

Sincerely,

Jason R. Walters
B. W. Electric, Inc.
Superintendent

City of Rehoboth Beach

Paul Kuhns
Mayor

pkuhns@cityofrehoboth.com



City Hall
P.O. Box 1163
229 Rehoboth Avenue
Rehoboth Beach, Delaware 19971
302.227.4641
www.cityofrehoboth.com

July 15, 2020

Sussex County Administrative Office
Todd F. Lawson, Sussex County Administrator
2 The Circle
P.O. Box 589
Georgetown, DE 19947

Dear Mr. Lawson

Thank you very much for your continued support of our program to improve the capabilities of our wastewater treatment plant. The County has truly been a valued partner with us in this important effort.

As you are aware, there are some very serious operational and safety issues at our plant which are currently scheduled to be addressed during the Phase 3 upgrade of the plant which is scheduled to be constructed in 2022. I believe that these issues are too critical in nature to delay addressing until 2022 and the Board of Commissioners and I would like to request your consideration to include these items into the Phase 2 upgrade which is currently under construction by the County.

The items we would like to have included in the Phase 2 contract include: installation of three new mixer assemblies and structural repairs to the steel platform supporting the mixers.

Thank you for your time while considering this request. Please contact me if you have any questions.

Sincerely,

Paul Kuhns
Mayor

c: Mayor and Commissioners
Ms. Sharon Lynn
Mr. Kevin Williams
Mr. William Woods
Glenn Mandalas, Esq.

**RESOLUTION OF THE MAYOR AND COMMISSIONERS
OF THE CITY OF REHOBOTH BEACH TO PROCEED WITH THE ISSUANCE OF
DEBT OBLIGATIONS OF UP TO \$870,000
OF THE PREVIOUSLY AUTHORIZED UP TO \$52,500,000
TO FINANCE WASTEWATER TREATMENT PLANT
RELIABILITY AND PROCESS IMPROVEMENTS**

WHEREAS, pursuant to Section 40(d) of Chapter 197, Volume 54 of the Laws of Delaware, as amended (the “City Charter”), the Commissioners (the “Commissioners”) of the City of Rehoboth Beach (the “City”) adopted a Resolution on April 27, 2015 which (i) proposed the issuance of up to \$52,500,000 of general obligation bonds to finance the Ocean Outfall Project (as described therein) and (ii) ordered a public hearing to be held on May 15, 2015 at 7:00 p.m. with respect to such proposed issuance of bonds;

WHEREAS, the public hearing was held on May 15, 2015 after proper notice, and the Commissioners thereafter adopted a second Resolution ordering a Special Election to be held on June 27, 2015;

WHEREAS, on June 27, 2015, the Special Election was held for the purpose of voting for or against the proposed issuance by the City of its general obligation bonds in the aggregate, principal amount not to exceed \$52,500,000 (the “Bonds”) on the terms and for the purpose set forth in the April 27, 2015 Resolution;

WHEREAS, the purpose set forth in the April 27, 2015 Resolution included an outfall, a pipeline from the wastewater treatment plant to the outfall, a pumping station, and wastewater treatment plant reliability and process improvements, including an enhanced method to process and dry sludge;

WHEREAS, at the Special Election voters passed the proposed borrowing to finance the Ocean Outfall Project by a vote of 637 (aye) to 606 (nay);

WHEREAS, pursuant to the borrowing duly authorized at the June 27, 2015 Special Election, the Commissioners proceeded to finance the Ocean Outfall Project and Plant Improvements and issued debt obligations in the amount of \$41,523,943.10 (as of April 15, 2019) of the duly authorized up to \$52,500,000;

WHEREAS, pursuant to the borrowing duly authorized at the June 27, 2015 Special Election, the Commissioners proceeded to finance Phase 2 Plant Improvements by issuing debt obligations in an amount up to \$3,000,000 of the duly authorized up to \$52,500,000, and therefore, of the authorized up to \$52,500,000, if the City were to use the entire \$3,000,000 authorized, the total amount obligated would be \$44,523,943.10;

WHEREAS, Phase 3 of the Plant Improvements, scheduled for 2022, includes, among others, structural repairs to the flooring system, replacement of the influent pipes, and replacement of the mechanical screening systems in the headworks building, along with

desperately needed structural repairs to the existing oxidation ditches and associated effluent piping;

WHEREAS, the City's Public Works Director advised that the above-referenced portion of the Phase 3 Plant Improvements are too critical in nature to delay addressing until 2022;

WHEREAS, pursuant to the borrowing duly authorized at the June 27, 2015 Special Election, the Commissioners voted on May 6, 2019 to finance the aforementioned portion of the Phase 3 Plant Improvements contemporaneously with the Phase 2 Plant Improvements by issuing debt obligations in an amount up to \$1,500,000 of the duly authorized up to \$52,500,000, and therefore, of the authorized up to \$52,500,000, if the City were to use the entire \$3,000,000 previously authorized, and the entire \$1,500,000 authorized on May 6, 2019, the total amount obligated would be \$46,023,943.10;

WHEREAS, Phase 3 of the Plant Improvements, scheduled for 2022, also includes, among others, structural repairs to the headworks building and various concrete repairs to the oxidation ditches;

WHEREAS, the City's Public Works Director has advised that the above-referenced additional portion of the Phase 3 Plant Improvements are too critical in nature to delay addressing until 2022;

WHEREAS, pursuant to the borrowing duly authorized at the June 27, 2015 Special Election, the Commissioners voted on June 21, 2019 to finance the aforementioned additional portion of the Phase 3 Plant Improvements contemporaneously with the Phase 2 Plant Improvements by issuing debt obligations in an amount up to \$1,740,000 of the duly authorized up to \$52,500,000, and therefore, of the authorized up to \$52,500,000, if the City were to use the entire \$3,000,000 previously authorized, the entire \$1,500,000 authorized on May 6 2019, and the entire \$1,740,000 authorized on June 21, 2019, the total amount obligated would be \$47,763,943.10;

WHEREAS, Phase 3 of the Plant Improvements, scheduled for 2022, also includes, among others, the installation of three new mixer assemblies and structural repairs to the steel platform where they are installed ("additional portion of the Phase 3 Plant Improvements");

WHEREAS, the City's Public Works Director has advised that the above-referenced additional portion of the Phase 3 Plant Improvements are too critical in nature to delay addressing until 2022;

WHEREAS, the Commissioners desire to include such additional portion of the Phase 3 Plant Improvement items with the Phase 2 upgrade which is currently under construction

WHEREAS, such additional portion of the Phase 3 Plant Improvements are estimated to cost approximately \$1,500,000, with Sussex County being obligated for 42% (\$630,000) of the cost of the improvements, and the City being obligated for 58% (\$870,000) of the cost of the improvements;

WHEREAS, pursuant to the borrowing duly authorized at the June 27, 2015 Special Election, the Commissioners desire to finance the additional portion of the Phase 3 Plant Improvements contemporaneously with the Phase 2 Plant Improvements by issuing debt obligations in an amount up to \$870,000 of the duly authorized up to \$52,500,000, and therefore, of the authorized up to \$52,500,000, if the City were to use the entire amounts previously authorized, and the entire \$870,000 contemplated by this Resolution, the total amount obligated would be \$48,633,943.10;

WHEREAS, the Commissioners desire to authorize the Mayor of the City of Rehoboth Beach to execute any and all instruments necessary or desired to secure financing for the additional portion of the Phase 3 Plant Improvements.


NOW THEREFORE, BE IT RESOLVED by the Commissioners of the City of Rehoboth Beach, in session met, this 17th day of July, 2020, as follows:

1. The Mayor of the City of Rehoboth Beach shall be and is hereby authorized and directed to take any and all actions to determine the final terms, and to execute any and all documents necessary or desired to secure financing of up to \$870,000 to proceed with the additional portion of the Phase 3 Plant Improvements, including the installation of three new mixer assemblies and structural repairs to the steel platform where they are installed.

2. This Resolution shall be effective immediately upon its adoption by the Commissioners.

Adopted by the Commissioners
of the City of Rehoboth Beach

July 17, 2020


Assistant Secretary of the Commissioners
Of the City of Rehoboth Beach

SYNOPSIS: This Resolution authorizes the Mayor of the City of Rehoboth Beach to execute debt obligation instruments to secure financing for an additional portion of the Phase 3 Plant Improvements of up to \$870,000.

2nd SUPPLEMENTAL ALTERNATIVE FINANCING AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____ 2020, by and between the CITY OF REHOBOTH BEACH, a municipal corporation of the State of Delaware, party of the first part, hereinafter referred to as “CITY,”

-AND-

SUSSEX COUNTY, a political subdivision of the State of Delaware, party of the second part, hereinafter referred to as “COUNTY.”

WITNESSETH:

WHEREAS, The CITY and COUNTY desire to engage in a 2nd supplemental alternative financing agreement for the implementation and contract administration of an expanded Phase 2 of the Wastewater Treatment Plant Capital Improvement Plant including the installation of three new mixer assemblies and structural repairs to the aeration system support platform; hereinafter referred to as the “Aeration System Improvements”.

WHEREAS, the COUNTY has offered, and the CITY has agreed, to allow this cooperation to proceed where the CITY would reimburse the COUNTY for the prorated costs incurred by the COUNTY over a 10-year period at 2% interest.

WHEREAS, the CITY provides wastewater treatment and disposal services for the COUNTY in accordance with the Agreement for Wastewater & Biosolids Services dated August 8, 2017. Said services are billed on a quarterly basis and are hereinafter referred to as the “Services”.

NOW, THEREFORE, the parties hereto agree that the COUNTY shall engage the engineering firm GHD, Inc. for the contract administration and Michael F. Ronca & Sons, Inc. for the implementation of the Aeration System Improvements in conjunction with the

COUNTY's ongoing services by the same two firms for its South Coastal Wastewater Treatment Facility.

BE IT FURTHER AGREED that the CITY shall reimburse the COUNTY for engineering and construction related expenses associated with the Aeration System Improvements based on an initial cost split of 42% County to 58% City in accordance with the Agreement for Wastewater & Biosolids Services dated August 8, 2017, beginning after the City's beneficial occupancy of the Improvements. The CITY shall deduct from its quarterly invoice for Services an amount equal to 1/40 of the total incurred cost-plus interest associated with the Improvements.

BE IT FURTHER AGREED that the CITY grants full authority to the County for the implementation of the Aeration System Improvements on the grounds of tax parcel 334-19.00-171.01 owned by the CITY while the COUNTY and/or GHD, Inc. shall maintain as built information up to the time of completion of the Improvements, as well as, assist in the timely transfer of said as built information to the CITY's GIS data base.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their proper corporate officers and their respective corporate seals to be hereto affixed, the day and year first above written.

CITY OF REHOBOTH BEACH

By: _____
Paul Kuhns, Mayor

Attest: _____
CITY Secretary

SUSSEX COUNTY

By: _____
Michael H. Vincent, President

Attest: _____
Clerk, Sussex County Council

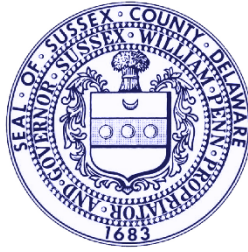
South Coastal RWF & Rehoboth Beach WTF Upgrade

7/14/2020

Vendor/Contract	Description	Contract Value
Michael F. Ronca & Sons, Inc.	SCRWF/RBWWTP General Construction	40,571,567.97
BW Electric Inc.	SCRWF/RBWWTP Electrical Construction	21,461,679.20
	DP&L Service Entrance Modification	235,637.33
GHD	Amd 11 - SCRWF Expansion to 10mgd - Planning & Concept	241,938.68
	Amd 12 - SCRWF Expansion Construction Docs	2,240,280.73
	Amd 13 - Value Engineering	95,080.15
	Amd 14 - Rehoboth WTP Capital Improvement Program Upgrade Phase 2/Joint Project with SCRWF Expansion	398,410.63
	Amd 16 - Ocean Outfall Discharge Modeling & Wetlands Delineation for SCRWF and Add'l Design Services for Rehoboth WTP Capital Improvement Program	181,089.72
	Amd 18 - RBWTP CIP Upgrade Phase 2 - Add'l Design	172,153.01
	Amd 19 - SCRWF Upgrade 3 Add'l Design	108,073.71
	Amd 20 - SCRWF Upgrade 3/RBWTP Upgrade Phase 2 Construction Engineering	6,589,558.49
Core & Main	Influent FM Consolidation Materials	339,944.59
Core & Main	Effluent FM Pipeline Materials	227,603.39
Delmarva Power	Improve service entrances for both projects	175,000.00
G&L	FM Consolidation & Influent Consolidation Phase II	973,229.04
G&L Work- Effluent Relocation		316,635.20
Kershner Environmental Technologies	Belt Press	295,000.00
Melvin Joseph	Material Screening	33,000.00
DSWA	Loading, Hauling & Disposal of Debris	33,000.00
Totals		74,688,881.84

ENGINEERING DEPARTMENT

ADMINISTRATION (302) 855-7718
AIRPORT & INDUSTRIAL PARK (302) 855-7774
ENVIRONMENTAL SERVICES (302) 855-7730
PUBLIC WORKS (302) 855-7703
RECORDS MANAGEMENT (302) 854-5033
UTILITY ENGINEERING (302) 855-7717
UTILITY PERMITS (302) 855-7719
UTILITY PLANNING (302) 855-1299
FAX (302) 855-7799



Sussex County

DELAWARE
sussexcountyde.gov

HANS M. MEDLARZ, P.E.
COUNTY ENGINEER

Memorandum

TO: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable Irwin G. Burton III, Vice President
The Honorable Douglas B. Hudson
The Honorable John L. Rieley
The Honorable Samuel R. Wilson, Jr.

FROM: Hans Medlarz, P.E., County Engineer

RE: *Western Sussex Transmission Facilities:*
A. Contract 4: Pump Stations, Project S19-28 - Change Order No. 2

DATE: July 28, 2020

In February 2017, the municipal councils of Bridgeville and Greenwood requested investigation of an alternate County Sewer District based scenario. Upon review of the findings both municipal Councils requested formation of a County sewer district pursuant to Title 9 Del. Code § 6501, and on August 22, 2017, County Council adopted a resolution establishing the Western Sussex Area of the Unified Sewer District. However, for the time being Bridgeville still owns and operates the system serving the Bridgeville/Greenwood area.

The County submitted the project to DNREC for funding consideration under the Clean Water State Revolving Fund and on August 14, 2018, the State issued a binding commitment offer in the overall amount of \$16,634,748 to be repaid within 30-years with 2.5% interest. On November 27, 2018, Council accepted the offer and approved the associated borrowing ordinance. After project completion, \$3,200,000 will be applied in principle forgiveness reducing the overall borrowing. On May 15, 2020 the County filed a supplemental CWSRF funding request in the amount of \$850,000 to cover the unanticipated change orders described in the memorandum. The County's funding request was approved by the Water Infrastructure Advisory Council during their July 21, 2020 in the form of "Loan Forgiveness".

The project has three (3) components; transmission, treatment plant demolition / maintenance garage construction and the Bridgeville Branch restoration. Contract No. 5 covering the Western Sussex maintenance garage is currently advertised with a bid date of June 4th.

The construction of the transmission project was further broken down in the following four (4) individual contracts based on DelDOT's schedule requirements:



Western Sussex Transmission Facilities:

A. *Contract 4: Pump Stations, Project S19-28 - Change Order No.2*

7/28/20

- Contract No.1 to A-Del Construction Co, Inc. in the amount of \$3,224,820.00, for the force main work in the RT-13 rights-of-way. Awarded by Council on May 14, 2019.
- Contract No.2 to Pact One LLC in the amount of \$2,063,255.00, for the gravity sewer upgrades. Awarded by Council on May 14, 2019.
- Contract No.3 to A-Del Construction Co, Inc. in the amount of \$2,980,602.00, for the force main work in the RT-13 Alternate and Herring Road rights-of-way. Awarded by Council on January 7, 2020.
- Contract No.4 to Zack's Excavating, Inc. in the amount of \$3,236,939.00., for gravity sewer equalization chambers and two (2) pump stations. Awarded by Council on November 12, 2019.

During the construction of Contract No.1 awarded to A-Del Construction Co, Inc., DelDOT did not allow the reuse of most of the excavated trench material and required Type C Borrow instead. In addition, a wider concrete base course was encountered under the Cannon Road crossing. Rather than using hot-mix for restoration, DelDOT required reinstallation of the concrete base course. On February 4, 2020, Council approved the associated Change Order No.1 in the amount of \$254,188.92. After the production portion of the project DelDOT required additional matting and utility adjustments resulting in a balancing Change Order No. 2 in the amount of \$26,486.65 which was approved by County Council on June 28, 2020 together with granting of final project completion for Contract No. 1.

The award of Contract No.2 to Pact One, LLC included the base bid and two alternate bid items. For cost reasons Alternate Bid Item D5 was not awarded. In subsequent discussions, Pact One LLC realized a scope misinterpretation and submitted an alternate proposal at approximately 16% of the original bid. On September 10, 2019 Council awarded Change Order No. 1 in the amount of \$96,840.00 to cover item D5. The project is complete, and no major issues were encountered resulting in a final balancing Change Order No. 2 in a credit amount of (\$128,708.70). which was approved by County Council on June 28, 2020 together with granting of final project completion for Contract No. 2. However, DelDOT objected to the "rideability" of the intersection of Virginia Avenue and Market Street which resulted in a warranty correction with a minor County/City participation.

The award of Contract No. 4 to Zack's Excavating, Inc. consisted of two (2) complete pump stations and two (2) equalization chambers. Construction of the southern station was substantially complete by the middle of July 2020. The construction of the northern components however encountered a groundwater contamination problem which, if remediated, would cost in excess of \$250k. In addition, the Department discovered a construction sequencing issue involving the completion of the southern forcemain. Without its completion the Heritage Shores work, as well as the majority of the Bridgeville pump station work cannot be accomplished. In response to these challenges, the Engineering Department developed a value engineering approach, containing a couple of small allowances as detailed in Change Order No.1 in the not to exceed amount of \$40,045.00.

Western Sussex Transmission Facilities:

A. Contract 4: Pump Stations, Project S19-28 - Change Order No.2

7/28/20

In addition, Change Order No. 1 required a no cost time extension as well as a contract suspension period. On June 2, 2020, Council approved Change Order No.1 in the not to exceed amount of \$40,045.00 as well as the suggested no cost changes to the contract schedule including time suspension.

During the Bridgeville pump station construction period there are time segments which could be utilized for demolition. The Finance and Engineering Departments have obtained Clean Water State Revolving Fund staff concurrence and are pursuing this approach for later consideration by Council.

Zack's Excavating, Inc.'s Contract No. 4 included entrance improvements at the newly constructed pump station on RT-13. A more substantial reconstruction was required when unforeseen site conditions such as the lack of an existing base course as well as a compromised subbase was encountered. The reconstruction impacted design grades triggering inlet modifications for improved storm water management around the pump station. The solution was to mill & recycle the existing pavement, install an appropriate subbase as well as a bituminous base course and utility height adjustment and associated regrading.

The Engineering Department requests Council's approval of Change Order No. 2 in the amount of \$22,642.78.

Date of Issuance: 7/28/20	Effective Date: 7/28/20
Owner: Sussex County	Owner's Contract No.: S19-28
Contractor: Zack's Excavating, Inc.	Contractor's Project No.:
Engineer: George, Miles & Buhr	Engineer's Project No.: R170219
Project: Western Sussex Transmission	Contract Name:
Facilities: Contract 4: Pumping Stations	

The Contract is modified as follows upon execution of this Change Order:

Attachments:

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES <i>[note changes in Milestones if applicable]</i>
Original Contract Price: \$ <u>3,236,939.00</u>	Original Contract Times: Substantial Completion: <u>9/17/20</u> Ready for Final Payment: _____ 270 calendar days
Increase from previously approved Change Orders No. <u>1</u> to No. <u>1</u> : \$ <u>40,045.00</u>	Increase from previously approved Change Orders No. <u>1</u> to No. <u>1</u> : 130 calendar days Substantial Completion: <u>4/15/21</u> Ready for Final Payment: _____ 400 calendar days
Contract Price prior to this Change Order: \$ <u>3,276,984.00</u>	Contract Times prior to this Change Order: Substantial Completion: <u>4/15/21</u> Ready for Final Payment: _____ 400 calendar days
Increase of this Change Order: \$ <u>22,642.78</u>	[Increase] [Decrease] of this Change Order: 0 days Substantial Completion: <u>4/15/21</u> Ready for Final Payment: _____ 400 calendar days
Contract Price incorporating this Change Order: \$ <u>3,299,626.78</u>	Contract Times with all approved Change Orders: Substantial Completion: <u>4/15/21</u> Ready for Final Payment: _____ 400 calendar days

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: _____ Engineer (if required)	By: _____ Owner (Authorized Signature)	By: _____ Contractor (Authorized Signature)
Title: _____	Title _____	Title _____
Date: _____	Date _____	Date _____

Approved by Funding Agency (if applicable)

By: _____ Date: _____
Title: _____

Zack Excavating, Inc.

2935 South Dupont Blvd
Smyrna, DE 19977



Office: (302) 223-6223

Fax: (302) 223-6531

July 21,2020

Hans Medlarz
#2 The Circle
Georgetown DE 19947

RE: Extra work requested by the County to reconstruct Dolby driveway and to adjust DI for drainage

Hans,

As requested by the County, Zack Excavating reconstructed Dolby driveway and to adjust DI for drainage

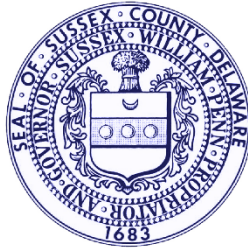
Description	Quantity	Measurement	Unit Price	Total Price
Excavation to 10" below Existing grade	141.13	CY	\$30.00	\$4,233.90
GABC	56.11	CY	\$42.00	\$2,356.62
Base Hotmix	67	Tons	\$125.00	\$8,375.00
Handling and rehandling existing millings	1	LS	\$3,250.00	\$3,250.00
Butt joints @ parking area	1	EA	\$1,000.00	\$1,000.00
Utility Adjustment		T & M		\$3,427.26
			Total	\$22,642.78

Back up for the T & M is attached

Respectfully,
Aaron Fibelkorn
Project Manager
Zack Excavating, Inc.
302-223-6223 (office)
302-387-901 (cell)

ENGINEERING DEPARTMENT

ADMINISTRATION	(302) 855-7718
AIRPORT & INDUSTRIAL PARK	(302) 855-7774
ENVIRONMENTAL SERVICES	(302) 855-7730
PUBLIC WORKS	(302) 855-7703
RECORDS MANAGEMENT	(302) 854-5033
UTILITY ENGINEERING	(302) 855-7717
UTILITY PERMITS	(302) 855-7719
UTILITY PLANNING	(302) 855-1299
FAX	(302) 855-7799



Sussex County

DELAWARE
sussexcountype.gov

HANS M. MEDLARZ, P.E.
COUNTY ENGINEER

Memorandum

TO: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable Irwin G. Burton III, Vice President
The Honorable Douglas B. Hudson
The Honorable John L. Rieley
The Honorable Samuel R. Wilson, Jr.

FROM: Hans Medlarz, P.E., County Engineer

RE: ***IBRWF –BIOSOLIDS & SEPTAGE FACILITIES, PROJECT 18-19***
A. APPROVAL, CHANGE ORDER NO. 6

DATE: July 28, 2020

On June 2, 2015, County Council initially considered a comprehensive biosolids approach at the Inland Bays Regional Wastewater Facility (IBRWF) by approving Whitman, Requardt & Associates' (WRA) Amendment No. 5 to the base contract for the evaluation of Class A sludge drying options. During the May 2, 2016 FY17 budget workshop, the Engineering Department presented drying alternatives and a list of potential municipal partners.

On August 30, 2016, County Council approved WRA's Amendment 7 for design of the IBRWF's Phase 2 Regional Biosolids Upgrades and on April 24, 2018 Council approved Amendment 7A for the drying system design changes associated with competitive bidding two optional systems side by side. On June 26, 2018 Council approved Amendment No. 7B for construction administration and inspection services associated with the biosolids and septage upgrades and Amendment No. 7C for control system coordination. The completed biosolids and septage upgrade package was publicly advertised and awarded on June 26, 2018 to Bearing Construction, Inc. in the amount of \$13,668,346.00.

Sussex County's treatment capacity expansion plans for the Inland Bays Spray Irrigation Facility Phase 3 have been submitted mid-2019 to DNREC but are on hold awaiting further input from the County with regards to alternative disposal options and their respective timelines. DNREC, Division of Water has expressed support for alternative disposal methodologies in lieu of requiring the additional storage lagoon no. 3. The Department furthermore signaled permitting of capacity increases would be in stages with the first stage not to exceed 3.0 million gallons per day. The County's modified design plans reflect this approach keeping the location for a potential storage lagoon unencumbered by permanent structures while at the same time moving forward with developing all alternative outlets.

The elimination of the storage lagoon allowed a modification in the plant's gravity discharge piping, netting a credit of \$73,697.95. However, during the submittal process all parties realized



that larger sludge handling pumps and associated wet well would be beneficial to the long-term operation and maintenance, resulting in a cost increase of \$73,376.48. The resulting Change Order No. 1, in the net deduct amount of (\$321.47) was approved by Council on October 1, 2019.

As previously discussed, this is one of the sites where the County is pursuing regional stormwater quality improvements. However, the banking program was at that time and still is under DNREC review and the associated enhancements are not yet built and hence, not available for use. Tying the project into County owned stormwater quality credits would be preferable since IBRWF is a challenging site to meet individual stormwater requirements. The biosolids and septage facilities construction documents as bid, envisioned an innovative low-cost solution which ultimately was rejected by DNREC. The regulatory compliant approach later approved by the Sussex Conservation District, was more involved but less expensive than paying the State's "fee in lieu". Therefore, the permitted solution was pursued under a time & material approach. The Engineering Department concluded the review of the contractor time and material submittals associated with Change Order No. 2 in the amount of \$258,451.63. This amount included \$71,425.58 related to beneficial regrading of spray fields which was accomplished using material excavated from the stormwater facility rather than trucking it off site.

The time required by WRA and the Department to work through the modification associated with the stormwater improvement triggered a compensatory 81 calendar day contract time extension. The costs of carrying the general conditions associated with each day are known and the parties tracked the working days contractor's staff was on-site to a total of 45 days in that period. The Engineering Department concurred with Change Order No. 3 in amount of \$61,878.66 to compensate for costs incurred by the contractor during the 81-day time extension.

In a value engineering attempt, the Department identified an option which would eliminate process by-pass pumping during construction without negatively impacting either the project integrity or schedule. The value was determined as a combination of the equipment rental as well as the labor cost to set-up and operate the system. Credit Change Order No. 4 was developed in the deduct amount of \$77,000.00, eliminating the by-pass pumping requirement. The resulting Change Order Nos. 2, 3 & 4 were approved by Council on January 14, 2020.

After the bidding process, the County's IT department requested a scope modification from multi-mode fiber to single mode fiber for improved communication capability. This work resulted in higher material costs and some limited fiber re-terminations in the motor control cabinets. In addition, the Environmental Services Division requested a communication extension to the future filtration building to be constructed under Phase 3 requiring an additional pull box and a modification of an existing one. The associated cost for this RFI No. 11 is \$16,954.95.

The elimination of the storage lagoon allowed a modification in the plant's gravity discharge piping resulting in a contract credit covered under Change Order No.1. Additional cost savings were identified by no longer routing the effluent forcemain as well as the electrical ductbank around the lagoon effectively shortening the distance to the North Field center pivot significantly. The requirement to encase the section of 12" FM-2 force main underneath the proposed lagoon was also eliminated. The contractor provided a proposed credit of \$92,258.68 in response to the attached RFI No. 4. On April 28, 2020 County Council approved Change Order No. 5 covering both RFI items in the net deduct amount of (\$75,303.73).

As part of the originally bid storm drainage network Bearing Construction Inc. purchased 18-inch concrete pipe. However, in an effort to regrade the entrance section of the facility, the Department

was able to partially eliminate the pipe run of SD-12 & SD-13 and requested PCO-007. The material credit in addition to the reduced utilization of labor and equipment utilization resulted in an overall credit of (\$23,011.34).

The Department further reviewed the overall site grading for deficiencies as well as value engineering opportunities. Unfortunately, a large area south of the sludge cake building was holding water and could not be drained by gravity in any direction requiring the installation of an infiltration swale on a time & material basis. The Engineering Department concluded the review of the contractor time and material submittals associated with the PCO-016 in the amount of \$92,361.50. This amount includes again, a percentage associated with beneficial regrading of spray fields using material excavated from the stormwater facility rather than trucking it off site. The value engineering opportunity summarized in PCO-015 was tied to a reduction in impervious surface area and the addition of level spreaders with infiltration wells. It also addressed the utility adjustments of all existing electrical manholes for a credit in the amount of (\$13,902.92).

The other item to be addressed was the sludge cake piping. Change Order No. 1 had addressed the increase in pump sizing however, the associated piping issue was left unresolved. The Engineering Department, in direct cooperation with the equipment manufacturer Komline-Sanderson developed an alternate piping plan for the sludge cake building. The topic had been discussed between WRA and manufacturer during the design phase but was never fully incorporated in the construction documents. The associated cost for PCO-017 is \$17,151.26.

In summary, the Department requests issuance of Change Order No. 6 encompassing PCOs 007 & 015 -017 in the combined amount of \$72,598.50. The project start-up is scheduled for this fall which is considerably behind schedule. The necessary time extension change order and its associated contractor costs will have to be weighed against the County's incurred expenses. This evaluation effort is still evolving.

Date of Issuance: April 22, 2020	Effective Date: July 28, 2020
Owner: Sussex County	Owner's Contract No.: 18-19
Contractor: Bearing Construction, Inc.	Contractor's Project No.:
Engineer:	Engineer's Project No.:
Project: Inland Bays Regional Wastewater Facility	Contract Name: Regional Biosolids & Septage Facilities

The Contract is modified as follows upon execution of this Change Order:

Description: Modification to the entrance of the facility, swale installation, reduction of pavement work and an alternate piping plan for the sludge cake building

Attachments: PCO 007 & 015-017

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES <i>[note changes in Milestones if applicable]</i>
Original Contract Price: \$ <u>13,668,346.00</u>	Original Contract Times: 474 Calendar Days Substantial Completion: <u>474 Calendar Days</u> Ready for Final Payment: _____ days or dates
Increase from previously approved Change Orders No. <u>1</u> to No. <u>5</u> : \$ <u>167,705.09</u>	Increase from previously approved Change Orders No. <u>1</u> to No. <u>5</u> : 81 days Substantial Completion: <u>555 Calendar Days</u> Ready for Final Payment: _____ days
Contract Price prior to this Change Order: \$ <u>13,836,051.09</u>	Contract Times prior to this Change Order: Substantial Completion: <u>555 Calendar Days</u> Ready for Final Payment: _____ days or dates
Increase of this Change Order: \$ <u>72,598.50</u>	[Increase] [Decrease] of this Change Order: 0 days Substantial Completion: <u>555 Calendar Days</u> Ready for Final Payment: _____ days or dates
Contract Price incorporating this Change Order: \$ <u>13,908,649.59</u>	Contract Times with all approved Change Orders: Substantial Completion: <u>555 Calendar Days</u> Ready for Final Payment: _____ days or dates

RECOMMENDED:	ACCEPTED:	ACCEPTED:
By: _____ Engineer (if required)	By: _____ Owner (Authorized Signature)	By: _____ Contractor (Authorized Signature)
Title: _____	Title _____	Title _____
Date: _____	Date _____	Date _____

Approved by Funding Agency (if applicable)

By: _____ Date: _____
Title: _____



805 Shine Smith Road
Sudlersville, MD 21668
P: 410.556.6100 ● F: 410.556.6574

**INLAND BAYS REGIONAL WASTEWATER TREATMENT FACILITY
REGIONAL BIOSOLIDS AND SEPTAGE FACILITIES
Sussex County Project : 18-19**

PROPOSED CHANGE ORDER

PCO #18117-007 18" RCP Storm Drain (SD-12 & SD-13) Partial Elimination
12 August 2019

Background: Bearing Construction was instructed to eliminate a portion of the 18" diameter rolled concrete pipe storm drain (SD-12 & SD-13) and its installation.

Scope Narrative: Bearing Construction purchased and had delivered to the project site all 18" diameter RCP as originally required in the Contract Documents. Upon notification of partial elimination of SD-12 & SD-13, Bearing was able to return for partial credit the pipe originally delivered to the project. Bearing is able to provide credit for stone bedding not required, labor for excavation & installation, as well as a credit for equipment not required during the installation of the eliminated SD-12 & SD-13.

Proposal: Bearing proposes to provide a <credit> to the original contract reflecting all costs associated with reduction of SD-12 & SD-13, 18" diameter storm drain line.

This proposal may be withdrawn if not accepted within fourteen (14) calendar days.

This total proposed change order <CREDIT> including labor, materials, equipment, overhead, profit and bond costs is: **(\$ 23,011.34)**.

Respectfully submitted,

A handwritten signature in blue ink, appearing to be "Eric Grubb", is written over a light blue circular scribble.

Eric Grubb
Project Manager
Bearing Construction, Inc.



805 Shine Smith Road
Sudlersville, MD 21668
P: 410.556.6100 • F: 410.556.6574

PROPOSED CHANGE ORDER

Date: 12-Aug-19

Proposed Change Order Number: 18117-007

Inland Bays Regional Wastewater Facility Upgrades

Scope of Work

Eliminate 18" Dia. Concrete Pipe for Stormwater, (SD-12 & SD-13)

Materials & Labor

	<u>Material</u>	<u>Labor</u>
Excavation & Backfill	\$ (969.00)	\$ (1,418.00)
Stone Base	\$ (2,124.00)	\$ (637.00)
Ferguson Waterworks Credit	\$ (4,945.68)	\$ (7,445.00)
	\$ -	\$ -
	\$ -	\$ -
	\$ -	\$ -
Materials Subtotal:	\$ (8,038.68)	
	Labor Total:	\$ (9,500.00)
	10% Overhead:	\$ (950.00)
Labor & Materials Costs with Taxes & Overhead:		\$ (19,292.55)

Subcontract

CPM Equipment Leasing	\$ (3,217.83)	
	\$ -	
	Subcontract Subtotal:	\$ (3,217.83)
	5% Overhead on Subcontract Work:	\$ (160.89)
Subcontract Costs with Overhead:		\$ (3,378.72)

Total of Labor & Materials:	\$ (19,292.55)	
Total of Subcontract:	\$ (3,378.72)	
Subtotal of Materials & Subcontract:	\$ (22,671.27)	
Cost of Bond:	\$ (340.07)	
Total Proposed Change Order:	\$ (23,011.34)	



FEL WATERWORKS #1883
 28596 NAYLOR MILL RD
 SALISBURY, MD 21801-0000

Phone: 410-677-6793
 Fax: 410-543-9646

Deliver To: From: Bob Johns Comments:
--

14:52:45 JUL 23 2019

Page 1 of 1

FERGUSON WATERWORKS #920
 Price Quotation
 Phone: 410-677-6793
 Fax: 410-543-9646

Bid No: B343376
Bid Date: 05/15/19
Quoted By: RWJ

Cust Phone: 410-556-6064
Terms: NET 10TH PROX

Customer: BEARING CONSTRUCTION INC
 IBRWF REGIONAL BIOSOLIDS
 805 SHINE SMITH ROAD
 SUDLERSVILLE, MD 21668

Ship To: BEARING CONSTRUCTION INC
 IBRWF REGIONAL BIOSOLIDS
 805 SHINE SMITH ROAD
 SUDLERSVILLE, MD 21668

Cust PO#:

Job Name: CREDIT CONC PIPE

Item	Description	Quantity	Net Price	UM	Total
RRCP18C4	18X8 CL IV RCP PIPE GSKTD	408	19.710	FT	8041.68
FDG	DELIVERY CHG	3	-1032.000	EA	-3096.00
	TO BE BILLED AS EXPENSE FOR RETURN				
	8 PIECES DEEEMED NON				
	CREDITABLE TRASHED				

Net Total: \$4945.68
Tax: \$0.00
Freight: \$0.00
Total: \$4945.68

Quoted prices are based upon receipt of the total quantity for immediate shipment (48 hours). SHIPMENTS BEYOND 48 HOURS SHALL BE AT THE PRICE IN EFFECT AT TIME OF SHIPMENT UNLESS NOTED OTHERWISE. QUOTES FOR PRODUCTS SHIPPED FOR RESALE ARE NOT FIRM UNLESS NOTED OTHERWISE.

CONTACT YOUR SALES REPRESENTATIVE IMMEDIATELY FOR ASSISTANCE WITH DBE/MBE/WBE/SMALL BUSINESS REQUIREMENTS.

Seller not responsible for delays, lack of product or increase of pricing due to causes beyond our control, and/or based upon Local, State and Federal laws governing type of products that can be sold or put into commerce. This Quote is offered contingent upon the Buyer's acceptance of Seller's terms and conditions, which are incorporated by reference and found either following this document, or on the web at <https://www.ferguson.com/content/website-info/terms-of-sale>
 Govt Buyers: All items are open market unless noted otherwise.

LEAD LAW WARNING: It is illegal to install products that are not "lead free" in accordance with US Federal or other applicable law in potable water systems anticipated for human consumption. Products with *NP in the description are NOT lead free and can only be installed in non-potable applications. Buyer is solely responsible for product selection.



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<https://survey.medallia.com/?bidsorder&fc=1883&on=22753>



Credit Memo

CREDIT TO

Bearing Construction, Inc
805 Shine Smith Rd
Sudlersville, MD 21668
United States

CREDIT # 19119-19-07c2

DATE 07/17/2019

ACTIVITY	QTY	RATE	AMOUNT
Credit Equipment Rental Credit	1	3,155.00	3,155.00
<hr/>			
18117 - Inland Bays		SUBTOTAL	3,155.00
		TAX (1.9914%)	62.83
		TOTAL CREDIT	\$3,217.83



805 Shine Smith Road
Sudlersville, MD 21668
P: 410.556.6100 ● F: 410.556.6574

**INLAND BAYS REGIONAL WASTEWATER TREATMENT FACILITY
REGIONAL BIOSOLIDS AND SEPTAGE FACILITIES
Sussex County Project: 18-19**

PROPOSED CHANGE ORDER

PCO #18117-015 Paving Work T&M
7/17/2020

Background: Sussex County requested additional Paving Work to be performed and for other items related to the paving to be deleted.

Scope Narrative: Bearing Construction and its subcontractors propose changes in paving which includes elements requested by Sussex County which includes the addition of level spreaders, infiltration wells, curbs, bollards, replacing of manways in roads, and fire lane marking/stripping.

This proposal may be withdrawn if not accepted within fourteen (14) calendar days.

This total proposed change order <credit> including labor, materials, equipment, overhead, profit and bond costs is: **(\$13,902.92)**.

Respectfully submitted,

Robert L. Saia, Jr.

Robert Saia
Project Manager
Bearing Construction, Inc.



805 Shine Smith Road
Sudlersville, MD 21668
P: 410.556.6100 © F: 410.556.6574

PROPOSED CHANGE ORDER

Date: 13-Jul-20

Proposed Change Order Number: 18117-015

Inland Bays Regional Wastewater Facility Upgrades

Scope of Work

Paving and related items

Materials & Labor

	<u>Material</u>	<u>Labor</u>
Supervision 16 hours	\$ -	\$ -
Project Management 16 hours	\$ -	\$ -
Add Three (3) 40 LF level Spreaders	\$ 1,847.00	\$ 506.00
Add 120 LF of level Spreader with 6" perforated PVC Drain	\$ 2,083.00	\$ 570.00
Add three (3) vertical infiltration wells	\$ 2,321.00	\$ 1,824.00
Add 124 LF of 5.5 feet wide valley gutter	\$ 6,029.00	\$ 2,467.00
Add 80 LF of vertical curb around existing pump station	\$ 1,000.00	\$ 1,500.00
Remove and dispose of two (2) concrete aprons	\$ -	\$ 200.00
Add five electrical manhole adjustments with concrete collars	\$ 2,250.00	\$ 1,250.00
Add 2" drain pipe to level spreader from hatches	\$ 100.00	\$ 150.00
Add two (9) bollards for gas meter	\$ 3,300.00	\$ 1,575.00
Materials Subtotal:	\$ 18,930.00	
Labor Total:		\$ 10,042.00
Equipment Subtotal		
10% Overhead:	\$ 1,893.00	\$ 1,004.20
Labor, Materials, Equipment Costs with Taxes & Overhead:		\$ 36,081.10

Subcontract

Straightline Striping	\$ 600.00
Fire Lane Striping	\$ -
Deduct 3,520 Sf Paving and GABC	\$ (25,500.00)
Deduct 3,400 SF of paving only	\$ (15,840.00)
Deduct labor for going from 2 top course to one	\$ (6,864.00)
Subcontract Subtotal:	\$ (47,604.00)
5% Overhead on Subcontract Work:	\$ (2,380.02)
Subcontract Costs with Overhead:	\$ (49,984.02)

Total of Labor & Materials:	\$ 36,081.10
Total of Subcontract:	\$ (49,984.02)
Subtotal of Materials & Subcontract:	\$ (13,902.92)
Cost of Bond:	\$ -
Total Proposed Change Order:	\$ (13,902.92)



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**INLAND BAYS REGIONAL WASTEWATER TREATMENT FACILITY
REGIONAL BIOSOLIDS AND SEPTAGE FACILITIES
Sussex County Project: 18-19**

PROPOSED CHANGE ORDER

PCO #18117-016 T&M (swale)
7/17/2020

Background: Sussex County requested Time and Material work to be performed to create a swale

Scope Narrative: Bearing Construction and its subcontractor will install a swale per Sussex County's request on a T&M basis. This work will add additional time to the project scope that is in a separate change order.

This proposal may be withdrawn if not accepted within fourteen (14) calendar days.

This total proposed change order <adder> including labor, materials, equipment, overhead, profit and bond costs is:
\$92,361.50

Respectfully submitted,

Robert L. Saia, Jr.

Robert Saia
Project Manager
Bearing Construction, Inc.

Bearing Construction
Inland Bays Biosolids Facilities Contract 18-19
Time & Material Cost

Team Member	Rate	Cost	Hours Worked	Subtotal	Mark Up 10%	Total
Admin	Daily	\$ 95.00	0	\$ -	\$ -	\$ -
Superintendent	Daily	\$ 135.00	0	\$ -	\$ -	\$ -
Foreman	Daily	\$ 115.00	84	\$ 9,660.00	\$ 966.00	\$ 10,626.00
Field Technician	Daily	\$ 105.00	0	\$ -	\$ -	\$ -
Carpenter	Daily	\$ 95.00	0	\$ -	\$ -	\$ -
Operator	Daily	\$ 95.00	276	\$ 26,220.00	\$ 2,622.00	\$ 28,842.00
Truck Driver	Daily	\$ 65.00	0	\$ -	\$ -	\$ -
Pipe Layer	Daily	\$ 65.00	0	\$ -	\$ -	\$ -
Labor	Daily	\$ 50.00	144	\$ 7,200.00	\$ 720.00	\$ 7,920.00
TOTAL LABOR						\$ 47,388.00
EQUIPMENT	Rate	Cost	Days	Subtotal	Mark Up 10%	Total
Trucks						
Low Boy Tractor Trailer	Daily	\$ 1,000.00	0.0	\$ -	\$ -	\$ -
Flat Bed Truck	Daily	\$ 750.00	0.0	\$ -	\$ -	\$ -
Off Road Truck	Daily	\$ 1,000.00	6.5	\$ 6,500.00	\$ 650.00	\$ 7,150.00
Track Truck	Daily	\$ 1,200.00	0.0	\$ -	\$ -	\$ -
6-Wheeler Dump Truck	Daily	\$ 500.00	0.0	\$ -	\$ -	\$ -
Tri-axle Dump Truck	Daily	\$ 640.00	0.0	\$ -	\$ -	\$ -
Bulldozers						
450 John Deere	Daily	\$ 650.00	0.0	\$ -	\$ -	\$ -
650 John Deere	Daily	\$ 750.00	0.0	\$ -	\$ -	\$ -
D-3 Cat	Daily	\$ 640.00	0.0	\$ -	\$ -	\$ -

D-3 Cat With GPS	Daily	\$ 940.00	0.0	\$ -	\$ -	\$ -
700J John Deere	Daily	\$ 840.00	0.0	\$ -	\$ -	\$ -
700J John Deere Auto Grader	Daily	\$ 1,100.00	0.0	\$ -	\$ -	\$ -
850 John Deere	Daily	\$ 1,200.00	3.5	\$ 4,200.00	\$ 420.00	\$ 4,620.00
850 John Deere GPS	Daily	\$ 1,300.00	0.0	\$ -	\$ -	\$ -
Excavators						
Hitachi 85 Zero Turn	Daily	\$ 810.00	1.0	\$ 810.00	\$ 81.00	\$ 891.00
Hitachi 230	Daily	\$ 840.00	0.0	\$ -	\$ -	\$ -
John Deere 250 Long Reach	Daily	\$ 1,800.00	0.0	\$ -	\$ -	\$ -
Hitachi 330	Daily	\$ 1,250.00	4.0	\$ 5,000.00	\$ 500.00	\$ 5,500.00
Hitachi 330 GPS	Daily	\$ 1,500.00	0.0	\$ -	\$ -	\$ -
Hitachi 330 Long Reach	Daily	\$ 2,000.00	0.0	\$ -	\$ -	\$ -
Hitachi 350	Daily	\$ 1,400.00	0.0	\$ -	\$ -	\$ -
Hitachi 350 GPS	Daily	\$ 1,600.00	7.0	\$ 11,200.00	\$ 1,120.00	\$ 12,320.00
Hitachi 450-470	Daily	\$ 2,000.00	0.0	\$ -	\$ -	\$ -
Hitachi 450-470 GPS	Daily	\$ 2,400.00	0.0	\$ -	\$ -	\$ -
CAT 235 w/attachment	Daily	\$ 2,000.00	0.0	\$ -	\$ -	\$ -
Loaders						
Rubber Tire 3.5 CY	Daily	\$ 900.00	7.0	\$ 6,300.00	\$ 630.00	\$ 6,930.00
Rubber Tire 4.5 CY	Daily	\$ 1,000.00	0.0	\$ -	\$ -	\$ -
Skid Steer	Daily	\$ 650.00	3.0	\$ 1,950.00	\$ 195.00	\$ 2,145.00
Backhoe	Daily	\$ 650.00	0.0	\$ -	\$ -	\$ -
Attachments						
Hammer	Daily	\$ 750.00	0.0	\$ -	\$ -	\$ -
Grapple	Daily	\$ 250.00	0.0	\$ -	\$ -	\$ -
Brushcutter	Daily	\$ 830.00	0.0	\$ -	\$ -	\$ -
GPS Base Station	Daily	\$ 100.00	0.0	\$ -	\$ -	\$ -
Concrete Pulverizer	Daily	\$ 880.00	0.0	\$ -	\$ -	\$ -

Miscellaneous						
Roller 84"	Daily	\$ 760.00	0.0	\$ -	\$ -	\$ -
Case Quad Track+Pan	Daily	\$ 1,500.00	0.0	\$ -	\$ -	\$ -
Kubota Tractor 4WD	Daily	\$ 550.00	3.5	\$ 1,925.00	\$ 192.50	\$ 2,117.50
John Deere 650 4-wheeler	Daily	\$ 450.00	0.0	\$ -	\$ -	\$ -
Generator	Daily	\$ 300.00	0.0	\$ -	\$ -	\$ -
4" Pump	Daily	\$ 300.00	0.0	\$ -	\$ -	\$ -
TOTAL EQUIPMENT						\$ 41,673.50
Materials				Amount	Mark Up 10%	Total
mapping equipment				\$ 3,000.00	\$ 300.00	\$ 3,300.00
				\$ -	\$ -	\$ -
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				\$ -	\$ -	\$ -
Total Materials						\$ 3,300.00

Total Invoice Amount

\$ 92,361.50



805 Shine Smith Road
Sudlersville, MD 21668
P: 410.556.6100 ● F: 410.556.6574

**INLAND BAYS REGIONAL WASTEWATER TREATMENT FACILITY
REGIONAL BIOSOLIDS AND SEPTAGE FACILITIES
Sussex County Project: 18-19**

PROPOSED CHANGE ORDER

PCO #18117-017 Sludge Cake Receiving Configuration
7/17/2020

Background: The piping in the Sludge Cake Receiving Building need to be re-configured per the Biosolids Dryer manufacturer (Komline-Sanderson). This was discussed between WRA and manufacturer in the design phase of the project but was never changed in bid drawings or subsequent revisions.

Scope Narrative: Bearing Construction and it's subcontractors will procure and install additional piping and fittings necessary to install process piping to manufacturer's recommendations.

This proposal may be withdrawn if not accepted within fourteen (14) calendar days.

This total proposed change order <adder> including labor, materials, equipment, overhead, profit and bond costs is: **\$17,151.26.**

Respectfully submitted,

Robert L. Saia, Jr.

Robert Saia
Project Manager
Bearing Construction, Inc.



805 Shine Smith Road
 Suddlersville, MD 21668
 P: 410.556.6100 F: 410.556.6574

PROPOSED CHANGE ORDER

Date: 17-Jul-20

Proposed Change Order Number: 18117-017

Inland Bays Regional Wastewater Facility Upgrades

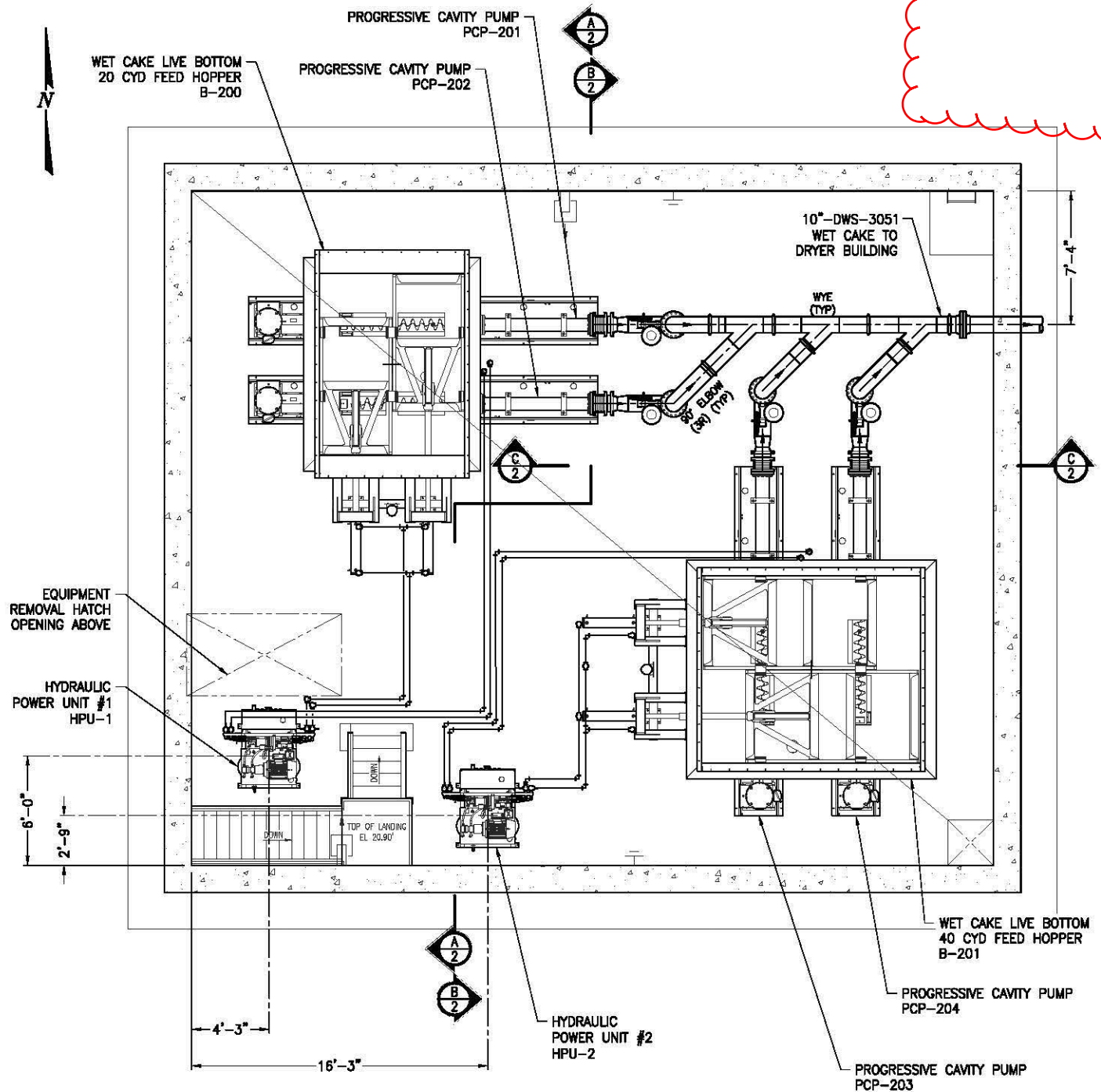
Scope of Work

Sludge Cake Receiving Piping Re-configuration

Materials & Labor

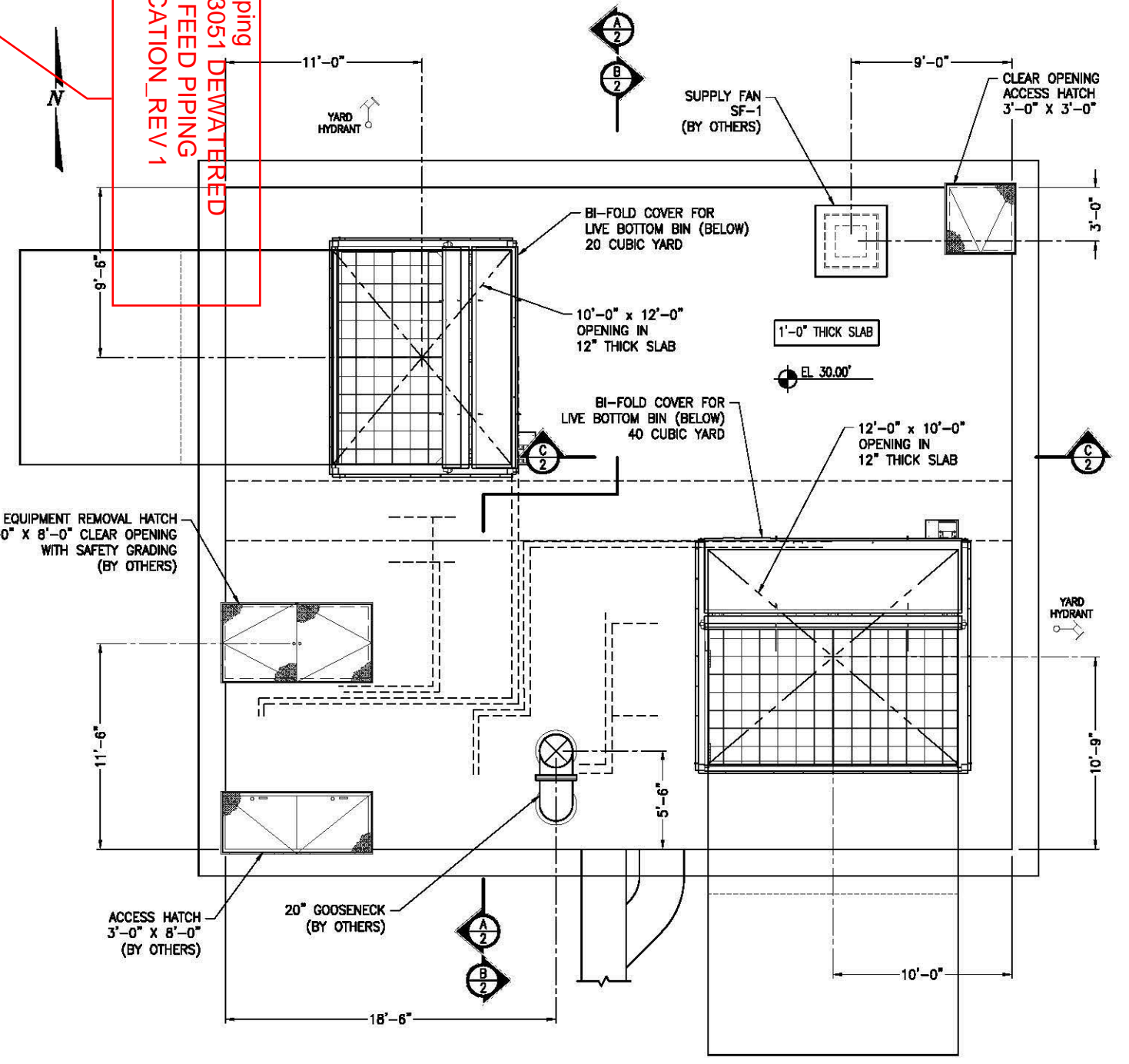
	Material	Labor																								
Material (piping, fittings)	\$ 15,592.05	\$ -																								
	\$ -	\$ -																								
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"></td> <td style="text-align: right;">Materials Subtotal: \$</td> <td style="text-align: right;">15,592.05</td> </tr> <tr> <td></td> <td style="text-align: right;">Labor Total:</td> <td style="text-align: right;">\$ -</td> </tr> <tr> <td></td> <td style="text-align: right;">Equipment Subtotal</td> <td style="text-align: right;">-</td> </tr> <tr> <td></td> <td style="text-align: right;">10% Overhead: \$</td> <td style="text-align: right;">1,559.21</td> </tr> <tr> <td></td> <td style="text-align: right;">Labor, Materials, Equipment Costs with Taxes & Overhead:</td> <td style="text-align: right;">\$ 17,151.26</td> </tr> </table>				Materials Subtotal: \$	15,592.05		Labor Total:	\$ -		Equipment Subtotal	-		10% Overhead: \$	1,559.21		Labor, Materials, Equipment Costs with Taxes & Overhead:	\$ 17,151.26									
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<u>Subcontract</u>	\$ -																									
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	Subcontract Subtotal: \$	-																								
	5% Overhead on Subcontract Work: \$	-																								
	Subcontract Costs with Overhead:	\$ -																								
Total of Labor & Materials: \$	17,151.26																									
Total of Subcontract: \$	-																									
Subtotal of Materials & Subcontract: \$	17,151.26																									
Cost of Bond: \$	-																									
Total Proposed Change Order: \$	17,151.26																									

Sludge Piping
ENSTD3051 DEWATERED
SLUDGE FEED PIPING
SPECIFICATION_REV 1



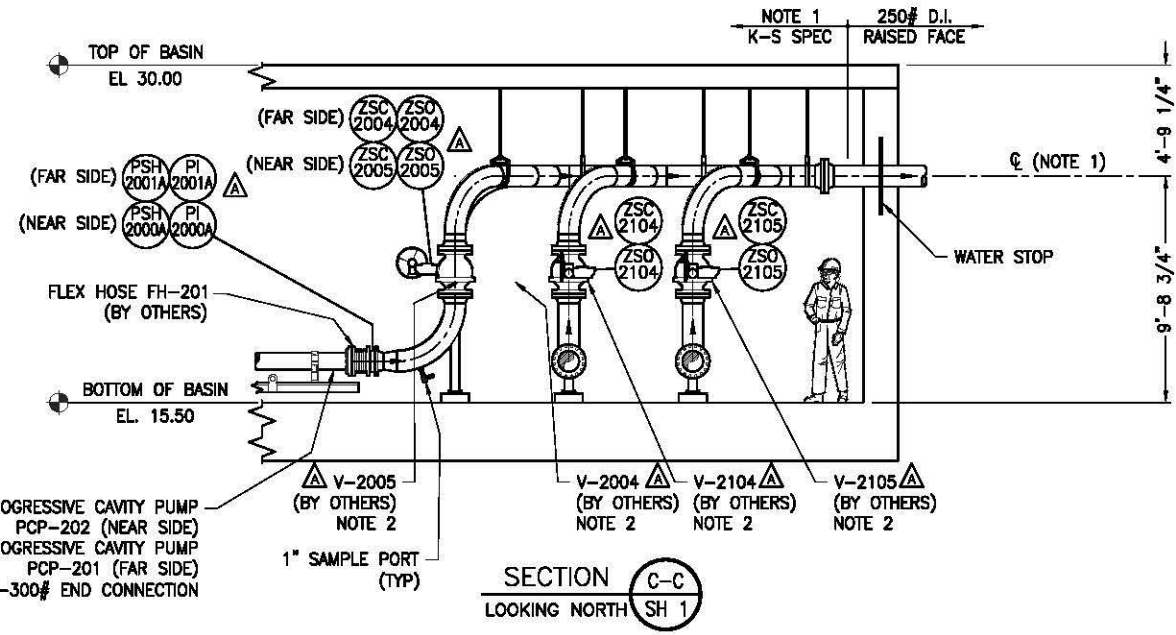
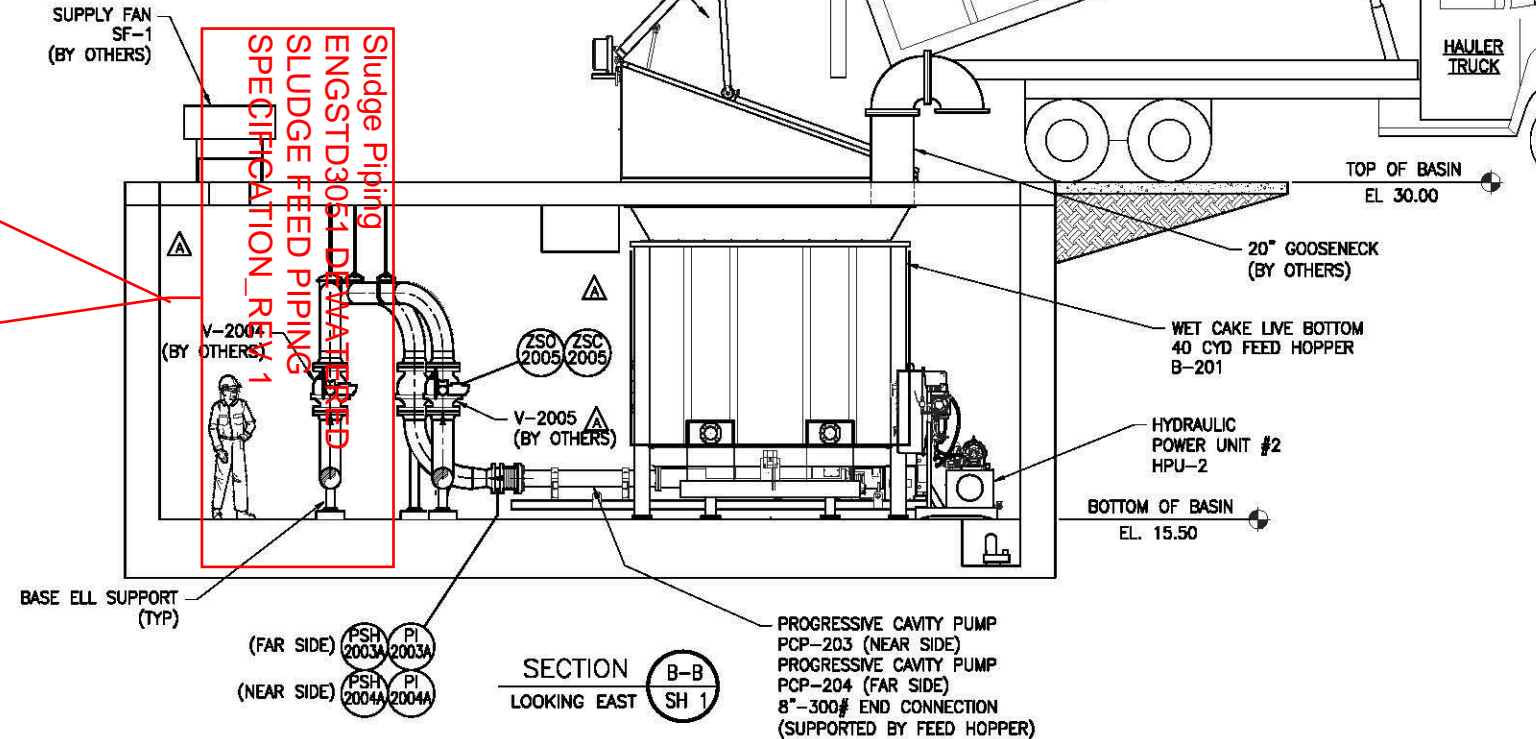
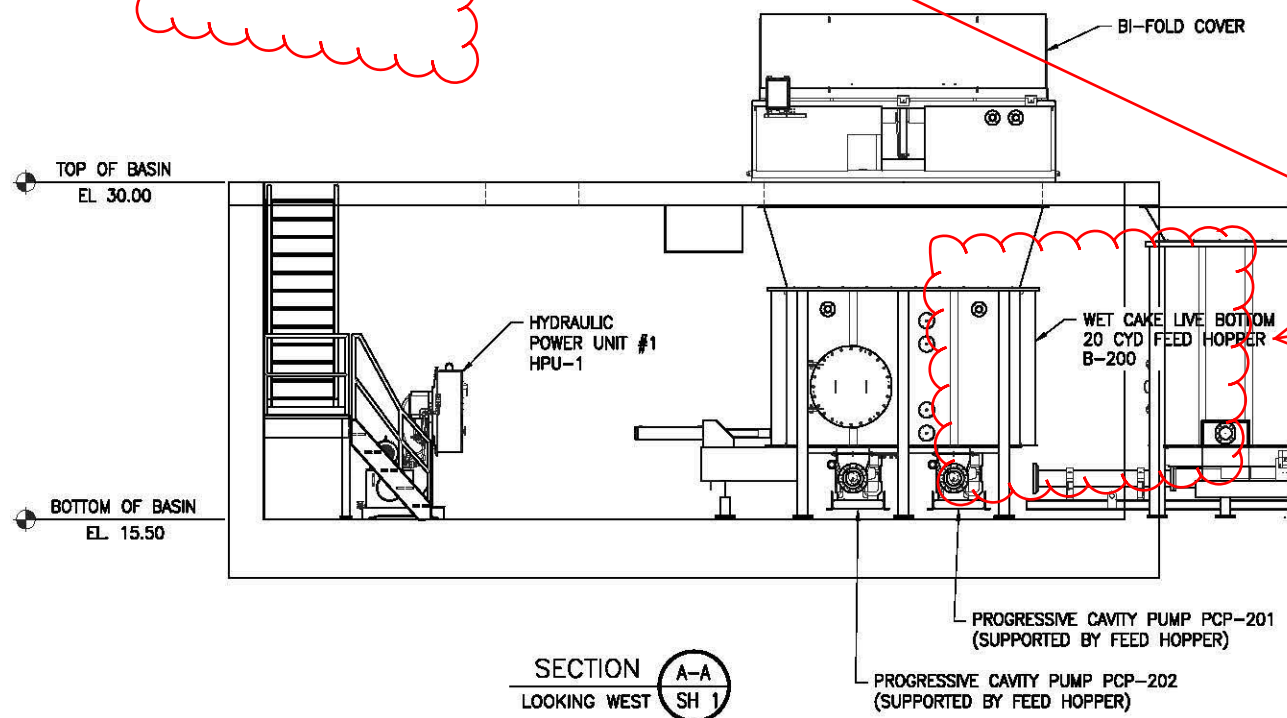
PLAN
LOWER LEVEL

12'-0" x 14'-0"



PLAN
GRADE LEVEL

REV	DATE	BY	CHKD	DESCRIPTION							
E	TOP CPD 2019-08-01	CPD		UPDATED LAYOUT TO ACCOMMODATE CLIENT'S WIDER (4') AND LONGER (4') RECEIVING STATION.							
A	TOP CPD 2019-05-10	CPD		UPDATED VALVE TAGGING TO MATCH P&ID D0597-00020D & D0597-00021D REV A.							
<small>THIS DRAWING IS THE PROPRIETARY PROPERTY OF KOMLINE-SANDERSON CORPORATION. IT IS LOANED IN CONFIDENCE AND MUST BE RETURNED OR DESTROYED UPON REQUEST. ANY USE DETRIMENTAL TO THE INTERESTS OF KOMLINE-SANDERSON CORPORATION IS PROHIBITED. IT MUST NOT BE LOANED, COPIED OR REPRODUCED WITHOUT PERMISSION.</small>											
BIOSOLIDS DRYING SYSTEM K-S MODEL 13W-2000 SLUDGE CAKE RECEIVING STATION			D0597 WRA, LLP INLAND BAYS REGIONAL WWF INLAND BAY, DELAWARE								
DESIGNED BY	TGP	DRAWN BY	TGP	CHECKED BY	CPD	APPROVED BY	CPD	REFERENCE:	TPG-6546	SHT	1
DATE	1/21/2019	KOMLINE-SANDERSON CORPORATION PEAPACK, NJ 07977 USA		DRAWING NO.	D0597-01200D		REV	B	OF	2	
SCALE	1=48	<small>PRINT MAY BE REDUCED SIZE, DO NOT SCALE. □□□□□□ = ONE INCH(1")</small>									



NOTES:

1. PIPING MATERIAL TO COMPLY WITH KOMLINE-SANDERSON SPECIFICATION No. ENG-STD-3051, DEWATERED SLUDGE FEED PIPING SPECIFICATION REV 1.
2. VALVES SHOWN COMPLY WITH KOMLINE-SANDERSON SPECIFICATION No. ENG-STD-3051.

SEE SHEET 1 FOR REVISIONS

<small>THIS DRAWING IS THE PROPRIETARY PROPERTY OF KOMLINE-SANDERSON CORPORATION. IT IS LOANED IN CONFIDENCE AND MUST BE RETURNED OR DESTROYED. ANY USE DETRIMENTAL TO THE INTERESTS OF KOMLINE-SANDERSON CORPORATION IS PROHIBITED. IT MUST NOT BE LOANED, COPIED OR REPRODUCED WITHOUT PERMISSION.</small>			
BIOSOLIDS DRYING SYSTEM K-S MODEL 13W-2000 SLUDGE CAKE RECEIVING STATION		D0597 WRA, LLP INLAND BAYS REGIONAL WWF INLAND BAY, DELAWARE	
DESIGNED BY TGP	DRAWN BY TGP	CHECKED BY CPD	APPROVED BY CPD
DATE 1/21/2019	KOMLINE-SANDERSON CORPORATION <small>PEARPACK, NJ 07977 USA</small>		<small>REFERENCE: TPG-6546</small> D0597-01200D
SCALE 1=48	<small>DRAMAING NO.</small> D0597-01200D		<small>SHT</small> 2 <small>REV</small> 2 <small>OF</small> 2

PRINT MAY BE REDUCED SIZE, DO NOT SCALE. □□□□□□ = ONE INCH(1")



FEL WATERWORKS #1883
 28596 NAYLOR MILL RD
 SALISBURY, MD 21801-0000

Phone: 410-677-6793
 Fax: 410-543-9646

Deliver To: From: Darren Defelice Comments:
--

15:28:53 JUL 17 2020

FERGUSON WATERWORKS #920
 Price Quotation
 Phone: 410-677-6793
 Fax: 410-543-9646

Bid No: B372641
Bid Date: 07/16/20
Quoted By: TW

Cust Phone: 410-556-6064
Terms: NET 10TH PROX

Customer: BEARING CONSTRUCTION INC
 IBRWF REGIONAL BIOSOLIDS
 805 SHINE SMITH ROAD
 SUDLERSVILLE, MD 21668

Ship To: IBRWF (BEARING)
 29445 INLAND BAYS ROAD
 MILLSBORO, DE 19966

Cust PO#:

Job Name: 10 SS

Item	Description	Quantity	Net Price	UM	Total
SP-IS14Y10	10 SS S10 304 WYE	1	1101.330	EA	1101.33
IS4LRFBF10	10 SS 304L 150# RF BLND FLG	1	283.410	EA	283.41
SP-C121000FEF150FP	10" FF EPDM SS FLANGE KIT PLUS FREIGHT	1	72.310	EA	72.31

Net Total: \$1457.05
Tax: \$0.00
Freight: \$0.00
Total: \$1457.05

Quoted prices are based upon receipt of the total quantity for immediate shipment (48 hours). SHIPMENTS BEYOND 48 HOURS SHALL BE AT THE PRICE IN EFFECT AT TIME OF SHIPMENT UNLESS NOTED OTHERWISE. QUOTES FOR PRODUCTS SHIPPED FOR RESALE ARE NOT FIRM UNLESS NOTED OTHERWISE.

CONTACT YOUR SALES REPRESENTATIVE IMMEDIATELY FOR ASSISTANCE WITH DBE/MBE/WBE/SMALL BUSINESS REQUIREMENTS.

Seller not responsible for delays, lack of product or increase of pricing due to causes beyond our control, and/or based upon Local, State and Federal laws governing type of products that can be sold or put into commerce. This Quote is offered contingent upon the Buyer's acceptance of Seller's terms and conditions, which are incorporated by reference and found either following this document, or on the web at <https://www.ferguson.com/content/website-info/terms-of-sale>
 Govt Buyers: All items are open market unless noted otherwise.

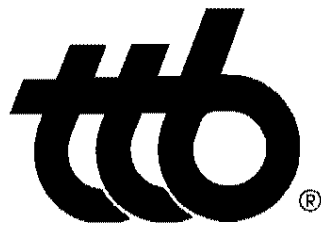
LEAD LAW WARNING: It is illegal to install products that are not "lead free" in accordance with US Federal or other applicable law in potable water systems anticipated for human consumption. Products with *NP in the description are NOT lead free and can only be installed in non-potable applications. Buyer is solely responsible for product selection.



HOW ARE WE DOING? WE WANT YOUR FEEDBACK!

Scan the QR code or use the link below to complete a survey about your bids:

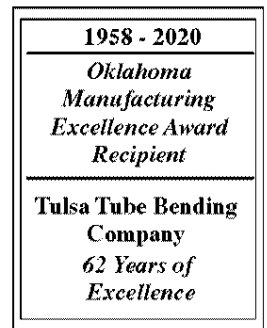
<https://survey.medallia.com/?bidsorder&fc=1883&on=22753>



Tulsa Tube Bending

COMPANY

Serving others. Building people. Pursuing excellence.



July 13, 2020

KOMLINE SANDERSON
12 HOLLAND AVENUE
PEAPACK, NJ

07977

Attention: COLIN DRAY

Reference: TTB Quote# 224481 Free Freight to

Thank you for your interest in Tulsa Tube Bending Company. We are pleased to confirm the following labor and material prices.

Item	Qty	Grade	OD	Wall	Deg Min	Center Line Radius	Tangents		
1	9	T304/304LWSS	10.750	0.365	90	30.000"	0"	Beveled End	
							0"	Beveled End	
								Unit \$	1,430.00
Offering Sch 40. Plain ends, no miter or bevel included \$1245/each									
2	1	T304/304LWSS	10.750	0.365	45	30.000"	0"	Beveled End	
							0"	Beveled End	
								Unit \$	1,265.00
Offering Sch 40. Plain ends, no miter or bevel included \$1080/each									

Estimated total weight: 2,105#	Total \$ 14,135.00
--------------------------------	--------------------

Note:
Offering induction bends per PFI ES-24 (+/- 1°). These would be pipe bends and are not considered to be "pipe fittings" nor will they comply w/ an A403 fittings specification. Hot bending by heat induction with a water quench. Stainless steel heat induction bends will be discolored to a dark blue color. Hot bending stainless or nickel alloys to relatively tight radii can expose hairline surface cracks inherent in the base material. These cracks are of a surface type but occasionally run deeper. We would blend out visible surface cracks, but I have not included any major repair or testing costs in my pricing. +/- 1/8" trim tolerance. A change in quantity may affect unit pricing. Thanks so much for your inquiry.

Prices firm for 30 days subject to material price in effect.

Terms: Net 30 Days Upon Credit Review

F.O.B. PEAPACK, NJ

Full Freight Allowed

Ship Date: 5 working days ARO

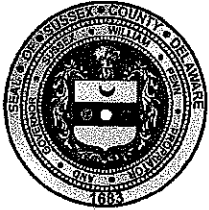
Plus transit time.

Sincerely,
Tulsa Tube Bending Company, Inc.



Angela Calhoun
Ph# 918-508-7218
Fx# 918-508-7258
Sales Representative
acalhoun@ttb.com

Go to www.ttb.com/movie to view a short, 3-minute video about our services and capabilities.



SUSSEX COUNTY GOVERNMENT

GRANT APPLICATION

SECTION 1 APPLICANT INFORMATION

ORGANIZATION NAME: AIDS Delaware, Inc. and Delaware HIV Consortium

PROJECT NAME: AIDS Walk Delaware: Weeklong Challenge 2020

FEDERAL TAX ID: 22-2805481 NON-PROFIT: YES NO

DOES YOUR ORGANIZATION OR ITS PARENT ORGANIZATION HAVE A RELIGIOUS AFFILIATION?

YES NO *IF YES, FILL OUT SECTION 3B.

ORGANIZATION'S MISSION: Our mission is to eliminate the spread and stigma of HIV/AIDS, improve the lives of those living with HIV/AIDS, and promote community health through comprehensive and culturally-sensitive services, education programs, and advocacy.

ADDRESS: 100 W. 10th St., STE 315

Wilmington DE 19801
(CITY) (STATE) (ZIP)

CONTACT PERSON: JulieAnne S. Cross

TITLE: Fundraising Consultant

PHONE: 302.588.3266 EMAIL: ja.cross@crossprollc.com

TOTAL FUNDING REQUEST: \$1,250.00

Has your organization received other grant funds from Sussex County Government in the last year? YES NO

If YES, how much was received in the last 12 months? 1,000.00

If you are asking for funding for building or building improvements, do you own the building in which the funding will be used for? YES NO

Are you seeking other sources of funding other than Sussex County Council? YES NO

If YES, approximately what percentage of the project's funding does the Council grant represent? 1.5%

SECTION 4: BUDGET

REVENUE	
Please enter the current support your organization receives for this project (not entire organization revenue if not applicable to request)	
TOTAL REVENUES	80,000.00
EXPENDITURES	
Please enter the total projected budget for the project (not entire organization expense if not applicable to request). Example of expenditure items: PERSONNEL-one lump sum that would include benefits, OPERATING COSTS-supplies, equipment, rent/lease, insurance, printing telephone, CONSTRUCTION/ACQUISITION-acquisition, development, rehab hard cost, physical inspections, architectural engineering, permits and fees, insurance, appraisal. (Put amounts in as a negative)	
MarketingMarketing and Technology	-\$ 1,325.00
T-shirts, masks and postage	-\$ 7,720.00
TOTAL EXPENDITURES	-\$ 9,045.00
TOTAL DEFICIT FOR PROJECT OR ORGANIZATION	\$ 70,955.00

SECTION 5: STATEMENT OF ASSURANCES

If this grant application is awarded funding, the AIDS Delaware, Inc. agrees that:
(Name of Organization)

- 1) For non-religious organizations, all expenditures must have adequate documentation and must be expended within one (1) year of receipt of award funds. The funding awarded to the organization must be used in substantial conformity with the anticipated expenditures set forth in the submitted application. All accounting records and supporting documentation shall be available for inspection by Sussex County within thirty (30) days after the organization's expenditure of the awarded funding, or within one year after the receipt of the awarded funds, whichever first occurs.
- 2) For religious organizations, all accounting records and supporting documentation shall be provided for inspection by Sussex County after the award has been made by County Council but before the funding is released.
- 3) No person, on the basis of race, color, or national origin, should be excluded from participation in, be denied the benefit of, or be otherwise subjected to discrimination under the program or activity funded in whole or in part by these Grant funds.

SECTION 2: PROGRAM DESCRIPTION

PROGRAM CATEGORY (choose all that apply)

- | | | |
|--|---|--------------------------------------|
| <input type="checkbox"/> Fair Housing | <input checked="" type="checkbox"/> Health and Human Services | <input type="checkbox"/> Cultural |
| <input type="checkbox"/> Infrastructure ¹ | <input type="checkbox"/> Other _____ | <input type="checkbox"/> Educational |

BENEFICIARY CATEGORY

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Disability & Special Needs | <input type="checkbox"/> Victims of Domestic Violence | <input checked="" type="checkbox"/> Homeless |
| <input checked="" type="checkbox"/> Elderly Persons | <input checked="" type="checkbox"/> Low to Moderate Income ² | <input checked="" type="checkbox"/> Youth |
| <input checked="" type="checkbox"/> Minority | <input type="checkbox"/> Other _____ | |

BENEFICIARY NUMBER

Approximately the total number of Sussex County Beneficiaries served annually by this program:

366 direct svcs, more thru educ

SECTION 3: PROGRAM SCOPE

- A. Briefly describe the program for which funds are being requested. The narrative should include the need or problem to be addressed in relation to the population to be served or the area to benefit.

AIDS Walk Delaware is the state's largest HIV/AIDS fundraising and awareness event and attracts approximately 800 participants and volunteers statewide from a diverse array of backgrounds and demographics.

Each year the Walk provides nearly \$80,000 for medical case management services, free HIV testing, HIV-specific mental health counseling, education and prevention programs (including those targeted at middle and high school students), food pantries, pharmacy services and housing support.

Proceeds are distributed to several AIDS service organizations throughout Delaware including AIDS Delaware's Georgetown office, CAMP Rehoboth, Christiana Care's Georgetown Wellness Clinic, Delaware HIV Consortium's Milford office, Brandywine Counseling & Community Services in Milford and others.

A typical HIV-positive Sussex county citizen might benefit from a case manager who would arrange for transportation to medical appointments, ensure consistent access to prescriptions and support for retaining housing. An at-risk individual would have access to free testing, prevention options and counseling.

The CDC places Delaware in the southern region of the U.S. and as of 2017, it was this region where 52% of new HIV cases were diagnosed. Because stigma is so great, it causes people to withhold their status which ultimately affects the entire community. AIDS Walk Delaware aims to combat that statistic by promoting and encouraging HIV-informed community health.

Following the most current guidelines from government and health officials for social distancing, we are expanding our annual one-day walk into AIDS Walk Delaware: Weeklong Challenge—September 12-19. We want people to feel comfortable participating when they want, how they want, with whom they want, with no formal in-person gathering.

The challenge incorporates a walk and more: Walkers can follow one of the two official routes in Wilmington or Rehoboth Beach or walk where they feel most comfortable - in another park, in their neighborhood or on their treadmill at home.

As always, AIDS Delaware and the Delaware HIV Consortium partner on the Walk. This is the 34th year for AIDS Walk Delaware and we were determined to reimagine the Walk this year to let people safely participate with social distancing alternatives. Due to the high number of fundraisers our beneficiaries have canceled in 2020, meeting our financial goals is more important than ever, and funds that would have been spent on Walk expenses will be redirected to direct services.

B. IF RELIGIOUS AFFILIATION WAS CONFIRMED ABOVE IN SECTION 1, PLEASE FILL OUT THE FOLLOWING SECTION. IF RELIGIOUS AFFILIATION WAS NOT CHECKED IN SECTION 1, THIS SECTION MAY BE LEFT BLANK.

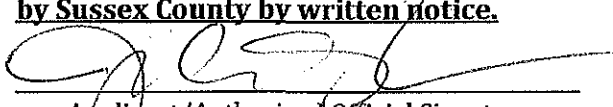
A faith-based nonprofit organization is eligible to receive and apply for a grant on the same basis as other nonprofit organizations, with respect to programs which are eligible. In the selection of grantees, the County will not discriminate for or against an organization on the basis of the organization's religious characterization or affiliation. However, certain requests to utilize funding for programs with religious purposes may not be eligible due to constitutional principles of the United States and/or the State of Delaware.

Briefly describe the components of the program that involve religious purposes and the components that involve secular purposes, or non-religious purposes. If both non-religious and religious purposes are involved in the program, this narrative must include the specific actions that will be implemented in order to ensure that the funding is solely used for non-religious purposes and will not be used to advance or inhibit religious or faith-based activities.

After the awarded funds have been made, receipts of the non-religious purchases shall be submitted in accordance with Section 5 below before funds will be disbursed.

SECTION 5: STATEMENT OF ASSURANCES (continued)

- 4) All information and statements in this application are accurate and complete to the best of my information and belief.
- 5) All funding will benefit only Sussex County residents.
- 6) All documents submitted by the applicant are defined as public documents and available for review under the Freedom of Information Act of the State of Delaware.
- 7) All funding will be used exclusively for secular purposes, i.e., non-religious purposes and shall not be used to advance or inhibit religious purposes.
- 8) **In the event that the awarded funding is used in violation of the requirements of this grant, the awarded funding shall be reimbursed to Sussex County within a timeframe designated by Sussex County by written notice.**



Applicant/Authorized Official Signature



Witness Signature

7/15/20

Date

7/15/20

Date

Completed application can be submitted by:

Email: gjennings@sussexcountyde.gov

Mail: Sussex County Government
Attention: Gina Jennings
PO Box 589
Georgetown, DE 19947

GJ

SUSSEX COUNTY COUNCIL NON-PROFIT GRANT PROGRAM
GUIDELINES FOR SUBMITTAL AND AFFIDAVIT OF UNDERSTANDING

The Sussex County Council makes available a limited amount of funding to non-profit organizations that serve the citizens of Sussex County. Each application for funding shall be evaluated by Sussex County administrative staff and shall be subject to final approval from Sussex County Council.

In the attached application, each organization must outline its intended uses for the awarded funding and provide a detailed breakdown of the expenses and costs for such uses. Any funding awarded to the organization must be used in substantial conformity with anticipated expenditures of the submitted application.

All expenditures must have adequate documentation and must be expended within one (1) year of award of funds.

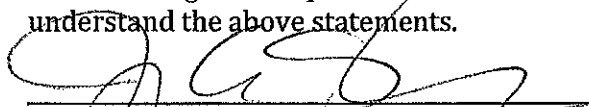
For non-religious organizations, all accounting records and supporting documentation shall be available for inspection by Sussex County within thirty (30) days after the organization's expenditure of the awarded funding, or within one year after the receipt of the awarded funds, whichever first occurs.

For religious organizations, all accounting records and supporting documentation shall be provided for inspection by Sussex County after the award has been made by County Council but before funding is released. Grant is relinquished if supporting documentation is not provided within one year of County Council award.


Certain programs are not eligible for funding pursuant to United States Constitution and State of Delaware Constitution. Those constitutional principles prohibit the use of funding to advance or inhibit religious activities. By signing below, the organization acknowledges that the funding shall be used exclusively for secular purposes, i.e., non-religious purposes and shall not be used to advance or inhibit religious activities.

In the event that such funding is used in violation of the requirements and assurances contained in this grant application, the awarded funding shall be reimbursed to Sussex County within a timeframe designated by Sussex County by written notice.

I acknowledge and represent on behalf of the applicant organization that I have read and understand the above statements.



Applicant/Authorized Official Signature



Witness Signature

Fundraising Consultant

Title

7/15/20

Date

✓ Hudson
Burton
7/21/20

To Be Introduced 07/28/20

**Council District 2 - Wilson
Tax I.D. No. 231-15.00-8.00
911 Address 24294 Asbury Road, Georgetown**

ORDINANCE NO. ____

AN ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT FOR A 19.342 ACRE BORROW PIT TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN NANTICOKE HUNDRED, SUSSEX COUNTY, CONTAINING 150 ACRES, MORE OR LESS

WHEREAS, on the 24th day of February 2020, a conditional use application, denominated Conditional Use No. 2227 was filed on behalf of Mark J. Davis and Leona E. Davis; and

WHEREAS, on the ____ day of _____ 2020, a public hearing was held, after notice, before the Planning and Zoning Commission of Sussex County and said Planning and Zoning Commission recommended that Conditional Use No. 2227 be _____; and

WHEREAS, on the ____ day of _____ 2020, a public hearing was held, after notice, before the County Council of Sussex County and the County Council of Sussex County determined, based on the findings of facts, that said conditional use is in accordance with the Comprehensive Development Plan and promotes the health, safety, morals, convenience, order, prosperity and welfare of the present and future inhabitants of Sussex County, and that the conditional use is for the general convenience and welfare of the inhabitants of Sussex County.

NOW, THEREFORE, THE COUNTY OF SUSSEX HEREBY ORDAINS:

Section 1. That Chapter 115, Article IV, Subsection 115-22, Code of Sussex County, be amended by adding the designation of Conditional Use No. 2227 as it applies to the property hereinafter described.

Section 2. The subject property is described as follows:

ALL that certain tract, piece or parcel of land, lying and being situate in Nanticoke Hundred, Sussex County, Delaware, and lying on the north side of Asbury Road (S.C.R 446) approximately 0.19 mile southwest of Davis Road (S.C.R. 523) and being more particularly described in the attached legal description prepared by Moore & Rutt, P.A., said parcel containing 150 acres, more or less.

This Ordinance shall take effect immediately upon its adoption by majority vote of all members of the County Council of Sussex County, Delaware.

To Be Introduced 07/28/20

**Council District 2 - Wilson
Tax I.D. No. 230-31.00-24.00
911 Address: 14411 VFW Rd Ellendale**

ORDINANCE NO. ____

AN ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT FOR A CONCRETE CONTRACTOR OFFICE, STORAGE AND MAINTENANCE TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN CEDAR CREEK HUNDRED, SUSSEX COUNTY, CONTAINING 9.51 ACRES, MORE OR LESS

WHEREAS, on the 19th day of May 2020, a conditional use application, denominated Conditional Use No. 2231 was filed on behalf of Solid Walls LLC; and

WHEREAS, on the ____ day of _____ 2020, a public hearing was held, after notice, before the Planning and Zoning Commission of Sussex County and said Planning and Zoning Commission recommended that Conditional Use No. 2231 be _____; and

WHEREAS, on the ____ day of _____ 2020, a public hearing was held, after notice, before the County Council of Sussex County and the County Council of Sussex County determined, based on the findings of facts, that said conditional use is in accordance with the Comprehensive Development Plan and promotes the health, safety, morals, convenience, order, prosperity and welfare of the present and future inhabitants of Sussex County, and that the conditional use is for the general convenience and welfare of the inhabitants of Sussex County.

NOW, THEREFORE, THE COUNTY OF SUSSEX HEREBY ORDAINS:

Section 1. That Chapter 115, Article IV, Subsection 115-22, Code of Sussex County, be amended by adding the designation of Conditional Use No. 2231 as it applies to the property hereinafter described.

Section 2. The subject property is described as follows:

ALL that certain tract, piece or parcel of land, lying and being situate in Cedar Creek Hundred, Sussex County, Delaware, and lying on the east side of VFW Road, 288 feet south of Ellendale Forest Road and being more particularly described in the attached legal description prepared by Sergovic & Carmean, P.A., said parcel containing 9.51 acres, more or less.

This Ordinance shall take effect immediately upon its adoption by majority vote of all members of the County Council of Sussex County, Delaware.

To Be Re-Introduced 07/28/20

**Council District 4 - Burton
Tax I.D. No. 334-12.00-52.00 (part of)
911 Address: N/A**

ORDINANCE NO. ____

AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A B-2 BUSINESS COMMUNITY DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN LEWES & REHOBOTH HUNDRED, SUSSEX COUNTY, CONTAINING 11.57 ACRES, MORE OR LESS

WHEREAS, on the 28th day of February 2020, a zoning application, denominated Change of Zone No. 1920 was filed on behalf of Plantation Partners, LLC; and

WHEREAS, on the ____ day of _____ 2020, a public hearing was held, after notice, before the Planning and Zoning Commission of Sussex County and said Planning and Zoning Commission recommended that Change of Zone No. 1920 be _____; and

WHEREAS, on the ____ day of _____ 2020, a public hearing was held, after notice, before the County Council of Sussex County and the County Council of Sussex County has determined, based on the findings of facts, that said change of zone is in accordance with the Comprehensive Development Plan and promotes the health, safety, morals, convenience, order, prosperity and welfare of the present and future inhabitants of Sussex County,

NOW, THEREFORE, THE COUNTY OF SUSSEX HEREBY ORDAINS:

Section 1. That Chapter 115, Article II, Subsection 115-7, Code of Sussex County, be amended by deleting from the Comprehensive Zoning Map of Sussex County the zoning classification of [AR-1 Agricultural Residential District] and adding in lieu thereof the designation B-2 Business Community District as it applies to the property hereinafter described.

Section 2. The subject property is described as follows:

ALL that certain tract, piece or parcel of land lying and being situate in Lewes & Rehoboth Hundred, Sussex County, Delaware, and lying on the southwest side of Plantation Rd. approximately 1,009 ft. southeast of the intersection of Cedar Grove Rd. and Plantation Rd. and being more particularly described in the attached legal description prepared by Davis, Bowen & Friedel, Inc., said parcel containing 11.57 acres., more or less.

This Ordinance shall take effect immediately upon its adoption by majority vote of all members of the County Council of Sussex County, Delaware.

JAMIE WHITEHOUSE, AICP
DIRECTOR OF PLANNING & ZONING
(302) 855-7878 T
(302) 854-5079 F
jamie.whitehouse@sussexcountyde.gov



Sussex County

DELAWARE
sussexcountyde.gov

Memorandum

To: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable Irwin G. Burton III, Vice President
The Honorable Douglas B. Hudson
The Honorable John L. Rieley
The Honorable Samuel R. Wilson, Jr.

From: Jamie Whitehouse, AICP, Director of Planning & Zoning

CC: Everett Moore, County Attorney

Date: July 22, 2020

RE: County Council Report for CZ 1916 Alice P. Robinson, Trustee

The Planning and Zoning Department received an application (CZ 1916 Alice P. Robinson, Trustee) for a Change of Zone of parcels 235-23.00-54.01, 54.02, and 54.05 from Agricultural Residential (AR-1) Zoning District to C-2 Medium Commercial Zoning District for a certain parcel of land lying on the southwest side of Coastal Highway (Route 1), approximately 458 feet south of Cave Neck Road. The size of the property is 3.03 acres +/-.

The Planning and Zoning Commission held a public hearing on June 25, 2020. At the meeting of July 9, 2020, the Commission recommended approval of the application for the 9 reasons outlined within the motion (included below).

Below are the approved minutes from the Planning & Zoning Commission meetings of June 25, 2020 and July 9, 2020.

Approved Minutes of the Planning & Zoning Commission Meeting of June 25, 2020

C/Z 1916 Alice P. Robinson, Trustee

An Ordinance to amend the Comprehensive Zoning Map of Sussex County from an AR-1 Agricultural Residential District to a C-2 Medium Commercial District for a certain parcel of land lying and being in Broadkill Hundred, Sussex County, containing 3.03 acres, more or less. The property is lying on the southwest side of Coastal Highway (Route 1) approximately 458 feet south of Cave Neck Road (S.C.R. 88). 911 Address: Not Available. Tax Parcel: 235-23.00-54.01, 54.02, and 54.05

Mr. Whitehouse advised the Commission that submitted into the record were a site plan, comments from the Sussex County Engineering Department Utility Planning Division, and the DelDOT service



COUNTY ADMINISTRATIVE OFFICES
2 THE CIRCLE | PO BOX 417
GEORGETOWN, DELAWARE

level evaluation response, a boundary survey, a copy of the Applicant's exhibit book and the Applicant's concept plan.

The Commission found that Mr. Mark Davidson was present by teleconference representing the Applicant, Alice P. Robinson, Trustee; that also present are Mrs. Alice Robinson and Mr. Thomas Robinson; that this is an application to grant a rezoning of lands in an AR-1 Agricultural Residential zoning district located on 3.03 acres on the west side of Coastal Highway (Route 1) to C-2 Medium Commercial district; the properties are bordered on the north by vacant property which is zoned B-1, on the south by Heritage Antiques Market which is zoned C-1, on the west by Paynter's Mill which is a mixed use – multi-family, single-family with commercial within that community and on the east by Coastal Highway with is a principal arterial roadway; that the subject property is in the vicinity of other commercially zoned properties and will not impair or diminish property values within the neighborhood; that the rezoning will not be a public nuisance and will not create an increase in public spending; that C-2 zoning permits a variety of retail businesses and services; that the district should be near arterial and collector streets and accommodates community commercial uses that do not include outdoor storage or sales; that a concept plan has been provided to show the vision for the site showing some small warehouses, storage and offices; that in the Comprehensive plan the area is shown to be in a growth area; that the site will be served by public water and sewer; that the Applicant's will coordinate with DelDOT on road improvements and may be served by a service road if the Cave Neck Road overpass is completed; that there are no wetlands on the property and the property is located in the flood zone X; that there are no historical or natural features on the property; that stormwater management will be on site; that the property is not in any groundwater protection zones or well-head protection area; that there are no existing wooded areas on the site; that the proposed rezoning meets the general purpose of the zoning ordinance being located in an appropriate location meeting the purpose of this district and the future land use plan strategies and objectives of the Comprehensive Plan that promotes growth and development through community design, mobility, utilities, transportation and economic development in an area where a general mixture of commercial and service activity now exists, which is essential and desirable for the general convenience, orderly growth, prosperity and welfare of the County.

The Commission found that no one spoke in favor of or in opposition to the application.

At the conclusion of the Public Hearings, the Commission discussed Application C/Z 1916 – Alice P. Robinson, Trustee. Motion by Ms. Stevenson to defer action for further consideration, seconded by Mr. Hopkins, and carried unanimously. Motion carried 5-0.

The vote by roll call: Ms. Stevenson – yea, Ms. Wingate – yea, Mr. Mears – yea, Mr. Hopkins – yea, and Mr. Wheatley – yea.

Draft Minutes of the Planning & Zoning Commission Meeting of July 9, 2020

The Commission discussed this application which has been deferred since June 25, 2020.

Ms. Stevenson moved that the Commission recommend approval of C/Z 1916 for Alice P. Robinson, Trustee for a Change in Zone from AR-1 Agricultural Residential Zoning District to C-2 Medium

Commercial Zoning District based upon the record made during the public hearing and for the following reasons:

1. C-2 Medium Commercial Zoning is designed to support retail sales and the performance of consumer services. It is intended to be located near arterial and collector roads.
2. The Applicant's property is currently zoned AR-1, but it is contiguous to SCR 1 and a future service road being planned by DeDOT. There are other commercial zonings and commercial uses existing in the area. This is an appropriate location for C-2 zoning.
3. C-2 Zoning at this location will benefit nearby residents of Sussex County by providing a convenient location for small retail and service uses.
4. There is no evidence that this rezoning will have an adverse impact on neighboring properties or area roadways.
5. The site is in the "Coastal Area" according to the Sussex County Land Use Plan and Future Land Use Map. This is an appropriate location for C-2 Zoning according to the Plan.
6. The location is served by central sewer, which is appropriate to support C-2 and the permitted uses within that district.
7. The proposed rezoning meets the general purpose of the Zoning Code by promoting the orderly growth, convenience, order prosperity and welfare of the County.
8. No parties appeared in opposition to the rezoning application.
9. Any future use of the property will be subject to Site Plan review by the Sussex County Planning and Zoning Commission.

Motion by Ms. Stevenson, seconded by Mr. Mears, and carried unanimously to recommend approval for the reasons and conditions stated in the Motion. Motion carried 5-0.



Memorandum

To: Sussex County Planning Commission Members
From: Nick Torrance, Planner I
CC: Vince Robertson, Assistant County Attorney and Applicant
Date: June 16, 2020
RE: Staff Analysis for CZ 1916 Alice P. Robinson, Trustee

This memo is to provide background and analysis for the Planning Commission to consider as part of application CZ 1916 Alice P. Robinson, Trustee to be reviewed during the June 25, 2020 Planning & Zoning Commission Meeting. This analysis should be included in the record of this application and is subject to comments and information that may be presented during the public hearing.

The request is for a Change of Zone for parcels 235-23.00-54.01, 54.02, and 54.05 to allow for a change from AR-1 (Agricultural Residential District) to C-2 (Medium Commercial Zoning District) to be located on the south side of Coastal Highway (Route 1), approximately 910 feet east of Cave Neck Road (S.C.R. 88). The total size of the parcels to be rezoned is 3.03 ac. +/-.

The 2018 Sussex County Comprehensive Plan Update (Comprehensive Plan) provides a framework of how land is to be developed. As part of the Comprehensive Plan a Future Land Use Map is included to help determine how land should be zoned to ensure responsible development. The Future Land Use map indicates that the application property has the land use designation of "Coastal Area."

The adjoining parcels to the west, south and east are all designated on the Future Land Use Map as "Coastal Area" as well. The parcels on the north side of Coastal Highway (Route 1) is designated "Low Density". "Coastal Areas" are areas that can accommodate development provided special environmental concerns are addressed. The "Coastal Area" also supports a range of housing types including single-family homes, townhomes, and multi-family units. Retail and office uses are appropriate but larger shopping centers and office parks should be confined to selected locations with access along arterial roads. Mixed-use development should also be allowed.

Table 4.5-2 within the Comprehensive Plan states that, within the "Coastal Area" future land use classification, C-2 (Medium Commercial Zoning District) may be appropriate.

The property is currently zoned AR-1 (Agricultural Residential District). The adjoining parcel to the west is zoned B-1 (Neighborhood Business). To the south, the adjoining parcels are zoned MR (Medium-Density Residential District). To the east, along Coastal Highway, there are commercially zoned properties within the C-1 (General Commercial) district.

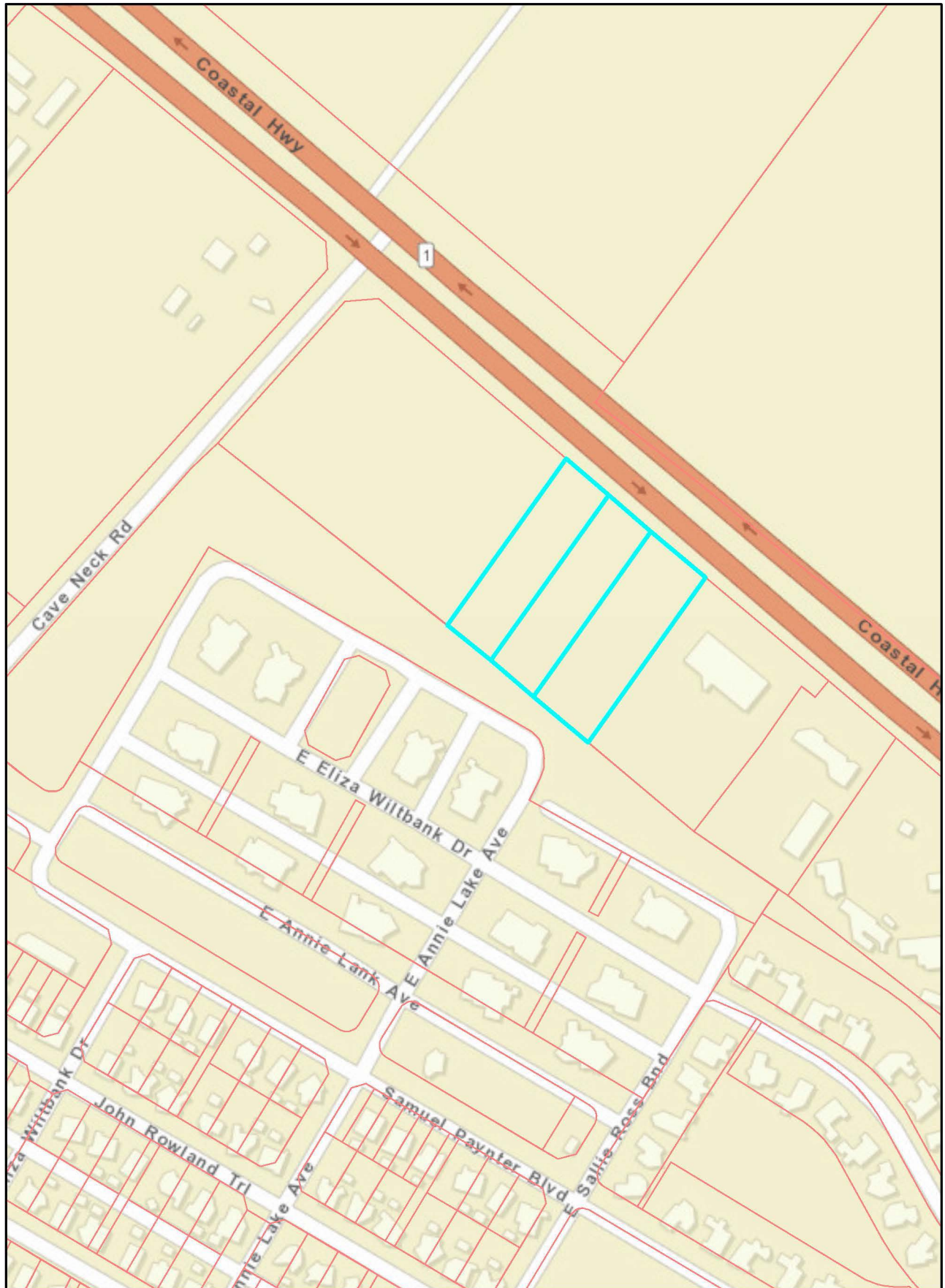
Since 2011, there have been no Change of Zone applications within the vicinity of the application site.

Based on the analysis of the land use, surrounding zoning and uses, the propose Change of Zone from AR-1 (Agricultural Residential District) to C-2 (Medium Commercial District) subject to



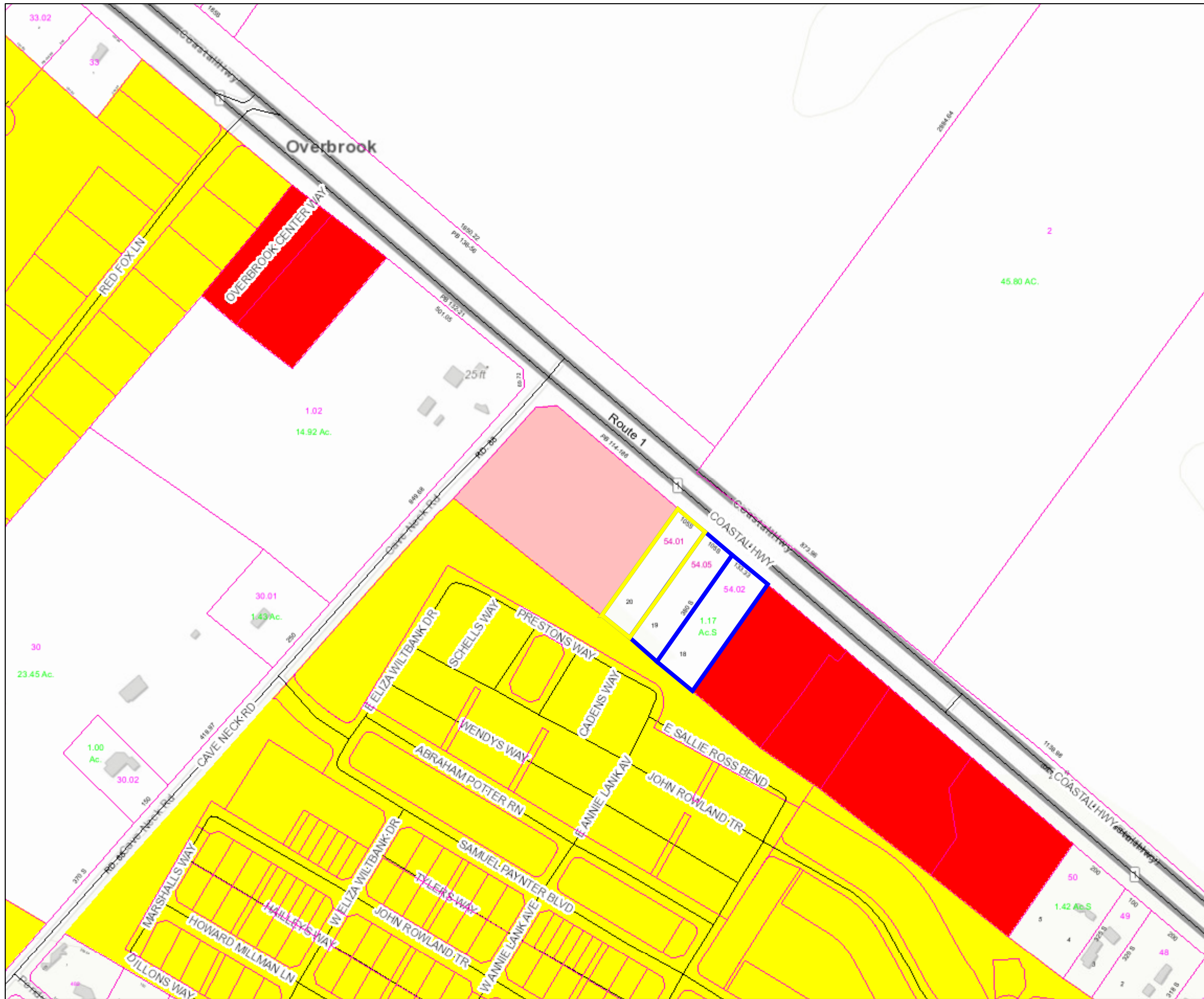
considerations of scale and impact, this could be considered as being consistent with the land use, area zoning and surrounding uses.

CZ 1916 Alice P. Robinson, Trustee Street Map





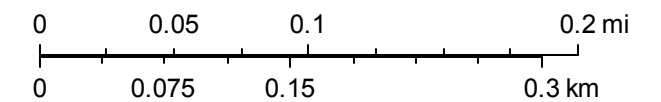
Sussex County



PIN:	235-23.00-54.01
Owner Name	ROBINSON ALICE P TRUSTEE
Book	526
Mailing Address	35791 TARPON DR
City	LEWES
State	DE
Description	LANDS OF R G HOUSTON
Description 2	LOT 20 RT 1
Description 3	
Land Code	

- polygonLayer**
 - Override 1
- polygonLayer**
 - Override 1
- Tax Parcels
- Streets

1:4,514



CZ 1916 Alice P. Robinson, Trustee Aerial Map



Introduced 01/28/20

**Council District No. 3 – Burton
Tax I.D. No. 235-23.00-54.01, 54.02, and 54.05
911 Address: Not Available**

ORDINANCE NO. ____

AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A C-2 MEDIUM COMMERCIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BROADKILL HUNDRED, SUSSEX COUNTY, CONTAINING 3.03 ACRES, MORE OR LESS

WHEREAS, on the 2nd day of January 2020, a zoning application, denominated Change of Zone No. 1916, was filed on behalf of Alice P. Robinson, Trustee; and

WHEREAS, on the ____ day of _____ 2020, a public hearing was held, after notice, before the Planning and Zoning Commission of Sussex County and said Planning and Zoning Commission recommended that Change of Zone No. 1916 be _____; and

WHEREAS, on the ____ day of _____ 2020, a public hearing was held, after notice, before the County Council of Sussex County and the County Council of Sussex County has determined, based on the findings of facts, that said change of zone is in accordance with the Comprehensive Development Plan and promotes the health, safety, morals, convenience, order, prosperity and welfare of the present and future inhabitants of Sussex County.

NOW, THEREFORE, THE COUNTY OF SUSSEX HEREBY ORDAINS:

Section 1. That Chapter 115, Article II, Subsection 115-7, Code of Sussex County, be amended by deleting from the Comprehensive Zoning Map of Sussex County the zoning classification of [AR-1 Agricultural Residential District] and adding in lieu thereof the designation of C-2 Medium Commercial District as it applies to the property hereinafter described.

Section 2. The subject property is described as follows:

ALL that certain tract, piece or parcel of land lying and being situate in Broadkill Hundred, Sussex County, Delaware, and lying on the southwest side of Coastal Highway (Route 1), approximately 458 feet south of Cave Neck Road, and being more particularly described in the attached legal description prepared by Pennoni, said parcel containing 3.03 acres, more or less.

This Ordinance shall take effect immediately upon its adoption by majority vote of all members of the County Council of Sussex County, Delaware.

JAMIE WHITEHOUSE, AICP
DIRECTOR OF PLANNING & ZONING
(302) 855-7878 T
(302) 854-5079 F
jamie.whitehouse@sussexcountyde.gov



Sussex County

DELAWARE
sussexcountyde.gov

Memorandum

To: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable Irwin G. Burton III, Vice President
The Honorable Douglas B. Hudson
The Honorable John L. Rieley
The Honorable Samuel R. Wilson, Jr.

From: Jamie Whitehouse, AICP, Director of Planning & Zoning

CC: Everett Moore, County Attorney

Date: July 22, 2020

RE: County Council Report for CZ 1907 Matthew Hete

The Planning and Zoning Department received an application (CZ 1907 filed on behalf of Matthew Hete) for a Change of Zone of parcel 334-6.00-686.00 from Agricultural Residential (AR-1) Zoning District to MR Medium Density Residential for 34360 Postal Lane, Lewes. The size of the property is 1.25 acres +/-.

The Planning and Zoning Commission held a public hearing on June 25, 2020. At the meeting of July 9, 2020, the Commission recommended denial of the application for the 10 reasons outlined within the motion (included below).

Below are the approved minutes from the Planning & Zoning Commission meetings of June 25, 2020 and July 9, 2020.

Approved Minutes of the Planning & Zoning Commission Meeting of June 25, 2020

C/Z 1907 – Matthew C. Hete

An Ordinance to amend the Comprehensive Zoning Map of Sussex County from an AR-1 Agricultural Residential District to a MR Medium Density Residential District for a certain parcel of land lying and being in Lewes and Rehoboth Hundred, Sussex County, containing 1.25 acres, more or less. The property is lying on the southeast side of Postal Lane approximately 0.22 mile northeast of Plantation Road. 911 Address: 34360 Postal Lane, Lewes. Tax Parcel: 334-6.00-686.00

Mr. Whitehouse advised the Commission that submitted into the record were a site plan, a boundary survey, a copy of the Applicant's exhibit book, a staff analysis, comments from the



Sussex County Engineering Department Utility Planning Division, and the DelDOT service level evaluation response. Also, received are eight letters in support of and twelve letters in opposition to the Application.

At the conclusion of the Public Hearings, the Commission discussed Application C/Z 1907 - Matthew C. Hete. Motion by Ms. Stevenson to defer action for further consideration, seconded by Mr. Hopkins, and carried unanimously. Motion carried 5-0.

The vote by roll call: Ms. Stevenson – yea, Ms. Wingate – yea, Mr. Mears – yea, Mr. Hopkins – yea, and Mr. Wheatley – yea.

Draft Minutes of the Planning & Zoning Commission Meeting of July 9, 2020

The Commission discussed this application which has been deferred since June 25, 2020.

Ms. Stevenson recommended denial of CZ 1907 for Matthew C. Hete for a change in zone from AR-1 Agricultural Residential District to a MR Medium Density Residential District, based upon the record and for the following reasons:

1. The Applicant seeks to rezone what is currently a 1.25 acre AR-1 lot with an existing single family home to MR so that 14 new multi-family units can be constructed on the lot. The conversion of a single AR-1 lot to MR is not appropriate in this location.
2. The application is not consistent with the other AR-1 zoning and individual AR-1 lots in the same area along the southeast side of Postal Lane.
3. While there are other properties in this area with MR zoning, Sandy Brae is a large subdivision with single family homes and a density very near what is permitted under AR-1. Also, Heritage Village is a larger planned community that includes a golf course. MR Zoning is appropriate for the Heritage Village site since that property is immediately adjacent to the C-1 corridor of Route One. Here, the application is a relatively small stand-alone property where the applicant is seeking to construct only multi-family units. Unlike Sandy Brae and Heritage Village, MR zoning is not justified on this site.
4. The MR zoning would allow an increase in density on this site along Postal Lane. Postal Lane is a relatively small, two-lane road with no sidewalks. It is heavily travelled already, and it cannot support the increased density that would result from rezoning this property to MR.
5. Although the current Sussex County Comprehensive Plan indicates that this property is in the Coastal Area, it does not mandate that the property be rezoned to MR. The Plan states that “Sussex County’s base density of 2 units per acre is appropriate throughout this classification.” That statement supports the continuation of the existing AR-1 zoning and the 2 units per acre that is permitted in the AR-1 zoning.
6. The current Sussex County Comprehensive Plan suggests that densities greater than 2 units per acre can be justified in the Coastal Area under certain circumstances. However, several of the conditions mentioned in the Plan are not satisfied. For example, MR Zoning on 1.25 acres for a proposed 14-unit multi-family development is not in keeping with the area. The MR Zoning and proposed multi-family development is not on a main road at or near a major intersection. Postal Lane is a narrow, two-lane road at this location. Also, it is not appropriate to create such a small, standalone parcel of MR-Zoned property that would be overburdened with the planned 14 multi-family units.

7. Several neighbors appeared in opposition to the application, citing concerns about traffic, the inconsistent zoning and proposed housing types on this small parcel of land.
8. For the reasons stated, the proposed rezoning does not promote the overall health, safety, convenience and general welfare of the neighborhood or the County.
9. There is nothing in the record to suggest that MR zoning is more appropriate than the existing AR-1 zoning on this small property.
10. For all of these reasons, it is my recommendation that CZ #1907 be denied.

Motion by Ms. Stevenson, seconded by Ms. Wingate, and carried unanimously to recommend denial for the reasons and with the conditions stated in the Motion. Motion carried 5-0.

JAMIE WHITEHOUSE, AICP MRTPI
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jamie.whitehouse@sussexcountyde.gov



Sussex County

DELAWARE
sussexcountyde.gov

Memorandum

To: Sussex County Planning Commission Members
From: Nick Torrance, Planner I
CC: Vince Robertson, Assistant County Attorney and applicant
Date: June 24th, 2020
RE: Staff Analysis for CZ 1907 Matthew C. Hete

This memo is to provide background and analysis for the Planning Commission to consider as a part of application CZ 1907 Matthew C. Hete to be reviewed during the June 25th, 2020 Planning Commission Meeting. This analysis should be included in the record of this application and is subject to comments and information that may be presented during the public hearing.

The request is for a Change of Zone for parcel 334-6.00-686.00 to facilitate a change from an Agricultural Residential (AR-1) Zoning District to the Medium Density Residential (MR) Zoning District and is located at 34360 Postal Lane (S.C.R. 283) south of the Sandy Brae Subdivision and Postal Lane (S.C.R. 283). The size of the property is 1.251 acres +/-.

The 2018 Sussex County Comprehensive Plan Update (Comprehensive Plan) provides a framework of how land is to be developed. As part of the Comprehensive Plan a Future Land Use Map is included to help determine how land should be zoned to ensure responsible development. The Future Land Use map in the plan indicates that the property has the land use designation of "Coastal Area."

The areas to the north, south, east and west are also designated "Coastal Areas." "Coastal Areas" are areas that can accommodate development provided special environmental concerns are addressed. The "Coastal Area" also supports a range of housing types including single-family homes, townhomes, and multi-family units. Retail and office uses are appropriate but larger shopping centers and office parks should be confined to selected locations with access along arterial roads. Mixed-use development should also be allowed.

The Medium Density Residential (MR) Zoning District is listed as an applicable zoning district for the Coastal Area under Table 4.5-2 "Zoning Districts Applicable to Future Land Use Categories" of the 2018 Sussex County Comprehensive Plan.

The property is zoned Agricultural Residential (AR-1). The properties to the north of the application site on the opposite side of Postal Lane (S.C.R. 283) are zoned Medium Density Residential (MR) Zoning District. Properties to the east, west and south of the application site are zoned Agricultural Residential (AR-1) Zoning District.



Since 2011, there have been two Change of Zone applications within the vicinity of the application site: To the southwest is CZ 1835 to facilitate a change of zone from an Agricultural Residential (AR-1) Zoning District to the Neighborhood Business (B-1) Zoning District, which was approved by County Council on January 9th, 2018 and adopted through Ordinance #2546. To the southeast is CZ 1845 to facilitate a change from an Agricultural Residential (AR-1) Zoning District to the Neighborhood Business (B-1) Zoning District, which was approved by County Council on March 13th, 2018 and adopted through ordinance #2556.

Based on the analysis of the land use, surrounding zoning and uses, a change of zone to allow for a property zoned Medium Density Residential (MR) Zoning District subject to considerations of scale and impact, could be considered as being consistent with the land use, area zoning and surrounding uses.



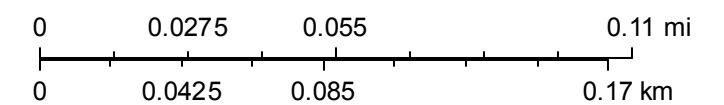
Sussex County



PIN:	334-6.00-686.00
Owner Name	HETE MATTHEW C
Book	4887
Mailing Address	45 KING CREEK CIR
City	REHOBOTH BEACH
State	DE
Description	SE/S RD 283
Description 2	2080' S/RT 1
Description 3	N/A
Land Code	

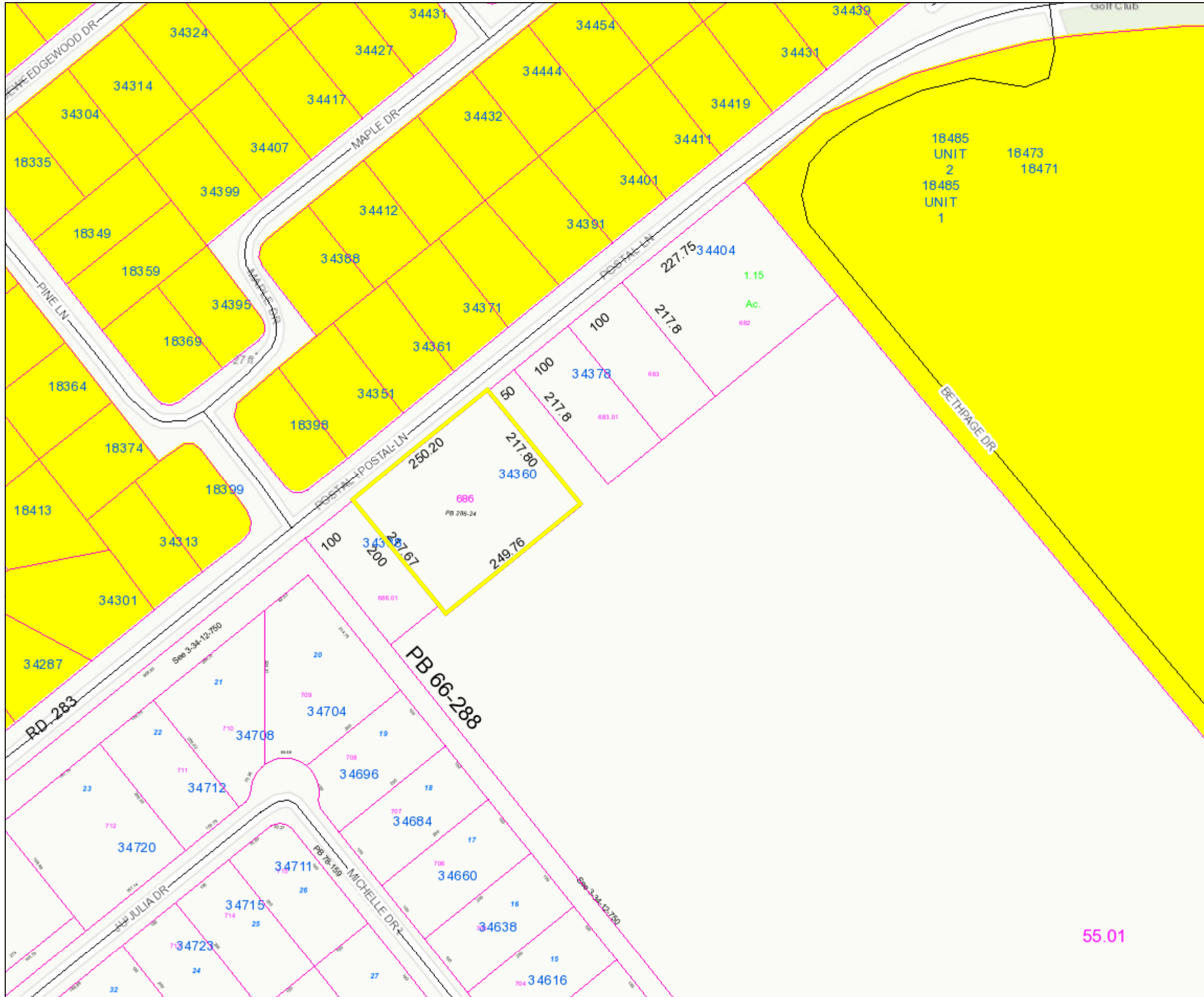
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- Override 1
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- Override 1
- Tax Parcels
- 911 Address
- Streets
- County Boundaries

1:2,257





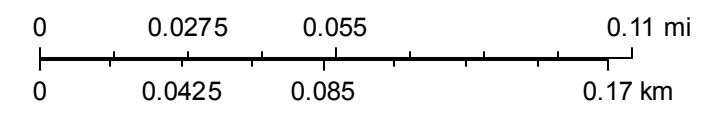
Sussex County



PIN:	334-6.00-686.00
Owner Name	HETE MATTHEW C
Book	4887
Mailing Address	45 KING CREEK CIR
City	REHOBOTH BEACH
State	DE
Description	SE/S RD 283
Description 2	2080' S/RT 1
Description 3	N/A
Land Code	

- polygonLayer**
- Override 1
- polygonLayer**
- Override 1
- Tax Parcels
- 911 Address
- Streets

1:2,257



Mailing List Exhibit Map
Planning Commission
CU 2209 & CZ 1907 Matthew C. Hete
334-6.00-686.00
Matthew C. Hete
45 Kings Creek Circle
Rehoboth Beach, DE 19971

Located on the southeast side of Postal Lane, approximately 0.22 miles east of



Introduced 12/10/19

**Council District No. 3 – Burton
Tax I.D. No. 334-6.00-686.00
911 Address: 34360 Postal Lane, Lewes**

ORDINANCE NO. ____

AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A MR MEDIUM DENSITY RESIDENTIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN LEWES AND REHOBOTH HUNDRED, SUSSEX COUNTY, CONTAINING 1.25 ACRES, MORE OR LESS

WHEREAS, on the 25th day of October 2019, a zoning application, denominated Change of Zone No. 1907, was filed on behalf of Matthew Hete; and

WHEREAS, on the ____ day of _____ 2020, a public hearing was held, after notice, before the Planning and Zoning Commission of Sussex County and said Planning and Zoning Commission recommended that Change of Zone No. 1907 be _____; and

WHEREAS, on the ____ day of _____ 2020, a public hearing was held, after notice, before the County Council of Sussex County and the County Council of Sussex County has determined, based on the findings of facts, that said change of zone is in accordance with the Comprehensive Development Plan and promotes the health, safety, morals, convenience, order, prosperity and welfare of the present and future inhabitants of Sussex County.

NOW, THEREFORE, THE COUNTY OF SUSSEX HEREBY ORDAINS:

Section 1. That Chapter 115, Article II, Subsection 115-7, Code of Sussex County, be amended by deleting from the Comprehensive Zoning Map of Sussex County the zoning classification of [AR-1 Agricultural Residential District] and adding in lieu thereof the designation of MR Medium Density Residential District as it applies to the property hereinafter described.

Section 2. The subject property is described as follows:

ALL that certain tract, piece or parcel of land lying and being situate in Lewes and Rehoboth Hundred, Sussex County, Delaware, and lying on the southeast side of Postal Lane, approximately 0.22 mile northeast of Plantation Road, and being more particularly described in the attached legal description prepared by Hudson, Jones, Jaywork & Fisher, said parcel containing 1.25 acres, more or less.

This Ordinance shall take effect immediately upon its adoption by majority vote of all members of the County Council of Sussex County, Delaware.

JAMIE WHITEHOUSE, AICP
DIRECTOR OF PLANNING & ZONING
(302) 855-7878 T
(302) 854-5079 F
jamie.whitehouse@sussexcountyde.gov



Sussex County

DELAWARE
sussexcountyde.gov

Memorandum

To: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable Irwin G. Burton III, Vice President
The Honorable Douglas B. Hudson
The Honorable John L. Rieley
The Honorable Samuel R. Wilson, Jr.

From: Jamie Whitehouse, AICP, Director of Planning & Zoning

CC: Everett Moore, County Attorney

Date: July 22, 2020

RE: County Council Report for CU 2209 filed on behalf of Matthew Hete

The Planning and Zoning Department received an application (CU 2209 filed on behalf of Matthew Hete) for a Conditional Use for parcel 334-6.00-686.00 to allow for multi-family (14 units) to be located at 34360 Postal Lane, Lewes. The parcel is currently zoned AR-1 (Agricultural Residential Zoning District), but there is a separate application under reference CZ 1907 for a Change of Zone to MR Medium Density Residential Zoning District. The parcel size is 1.25 acres, more or less.

The Planning and Zoning Commission held a public hearing on June 25, 2020. At the meeting of July 9, 2020, the Commission recommended denial of the application for the reasons outlined within the motion (included below).

The Applicant met with staff on July 15, 2020 to outline that a revised conceptual plan for 4 multi-family units would likely be submitted, along with a request that this be included in the packet for the County Council hearing on July 28, 2020. The conceptual plan was received on July 17, 2020.

Below are the minutes from the Planning & Zoning Commission meetings of June 25, 2020 and July 9, 2020.

Approved Minutes of the June 25, 2020 Planning & Zoning Commission Meeting

C/U 2209 – Matthew C. Hete

An Ordinance to grant a Conditional Use of land in an MR Medium Density Residential District for multi-family (14 units) to be located on a certain parcel of land lying and being in Lewes and Rehoboth Hundred, Sussex County, containing 1.25 acres, more or less. The property is lying on the southeast side of Postal Lane approximately 0.22 mile northeast of



Plantation Road. 911 Address: 34360 Postal Lane, Lewes. Tax Parcel: 334-6.00-686.00

Mr. Whitehouse advised the Commission that submitted into the record were a site plan, a boundary survey, a copy of the Applicant's exhibit book, a staff analysis, comments from the Sussex County Engineering Department Utility Planning Division, and the DelDOT service level evaluation response confirming that a Traffic Impact Study is not required. Also, received are seven letters in support of and fourteen letters in opposition to the Application.

The Commission found that Mr. Kevin Smith, Project Manager with Kercher Group, was present by teleconference on behalf of the applicant, Matthew C. Hete; that also present are Mr. Matthew Hete, Applicant and , Developer; that Mr. Smith stated that the request is for a change of zone from Agricultural Residential (AR-1) to Medium Residential (MR); that there are several MR properties in the area; that across the street is the Sandy Brae Development which is zoned MR and a number of additional developments on Plantation Road that are zoned MR; that Heritage Village which is approximately 500 ft. northeast of the site is zoned MR; that the subject property is approximately 0.25 mile from Coastal Highway where most of the properties are zoned General Commercial (C-1); that the Applicant wishes to rezone his property to MR as AR-1 does not allow a multi-family option; that the site plan included shows 14 townhomes; that according to the Comprehensive Plan this property is identified for future land use as mixed residential; that the State Strategies identify the property as being in Investment Level I; that the project is in character with the history of approved development in the immediate area; that the project will provide housing where transit services and infrastructure are available and therefore, meet the purpose of the Counties Zoning Ordinance by promoting the orderly growth, convenience, order, prosperity, and welfare of the County; that the project will be served by central water and sewer; that proposed conditions of approval have been submitted by the Applicant; that if approved there would be no more than 14 dwelling units on the property; that the final site plan be subject to approval by the Planning and Zoning Commission; and that the letters of opposition have been reviewed and the points of traffic and safety are being addressed between the Applicant and DelDOT.

Ms. Stevenson asked how parking would be addressed for the property. Mr. Smith responded that each unit would have a one car garage and a driveway to accommodate two vehicles per dwelling; that the roadway is not wide enough for additional parking; that curbing would be required by DelDOT.

Mr. Hopkins asked what improvements are currently on the property and if there is a plan for guest parking. Mr. Smith stated that there is a single-family home on the property currently; that the single-family home on the property will be removed; and that this is a preliminary site plan and it is possible that the front could be paved to allow for two parking spaces in front of each unit.

Ms. Wingate asked about the dimensions of each home. Mr. Smith stated that each unit would be 20 ft. by 50 ft. Ms. Wingate asked if there would be enough space for a bus stop and pull over area for the bus. Mr. Smith stated the Applicant may have to put more paving in front.

Mr. Mears stated that if approved, he would want to see two parking spaces in front of each unit in addition to the one car garage.

The Commission found that no one spoke in favor to the application.

The Commission found that Ms. Donna Pesto spoke in opposition to the Application; that Ms. Pesto stated the traffic on Postal Road is already heavy and that there is no sidewalk for pedestrians; that paving a 1.25 acre lot for 14 homes and 2 parking spaces per home and a bus stop is excessive; that the Comprehensive supports multi-family when the project supports the goal of providing affordable housing but there is no commitment from the Applicant to build affordable housing on this property; that the project does not satisfy the criteria for higher density at this location through meeting affordable housing goals; and that a 14 townhome development on a 1.25 acre property is far too ambitious and not in keeping with the character of the surrounding neighborhood.

Ms. Stevenson asked about the price point for the homes. Mr. Hete stated that the homes will be sold in the mid \$300,000 range.

At the conclusion of the Public Hearings, the Commission discussed Application C/U 2209 - Matthew C. Hete. Motion by Ms. Stevenson to defer action for further consideration, seconded by Mr. Hopkins, and carried unanimously. Motion carried 5-0.

The vote by roll call: Ms. Stevenson – yea, Ms. Wingate – yea, Mr. Mears – yea, Mr. Hopkins – yea, and Mr. Wheatley – yea.

Draft Minutes of July 9, 2020 Planning & Zoning Commission Meeting

The Commission discussed this application which has been deferred since June 25, 2020.

Because the Commission moved to recommend denial of CZ #1907 for Matthew C. Hete for a change in zone from AR-1 to MR Medium Density Residential, Ms. Stevenson moved to recommend denial of CU #2209. Because CU #2209 is based upon the land being zoned MR, this conditional use cannot be approved with the land remaining zoned as AR-1.

Motion by Ms. Stevenson, seconded by Mr. Hopkins, and carried unanimously to recommend denial for the reasons and with the conditions stated in the Motion. Motion carried 5-0.

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(302) 854-5079 F
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Sussex County
DELAWARE
sussexcountyde.gov

Memorandum

To: Sussex County Planning Commission Members
From: Lauren DeVore, Planner III
CC: Vince Robertson, Assistant County Attorney and Applicant
Date: February 11, 2020
RE: Staff Analysis for CU 2209 Matthew C. Hete

This memo is to provide background and analysis for the Planning Commission to consider as a part of application CU 2209 Matthew C. Hete to be reviewed during the June 25th, 2020 Planning Commission Meeting. This analysis should be included in the record of this application and is subject to comments and information that may be presented during the public hearing.

The request is for a Conditional Use for 334-6.00-686.00 to allow for 14 multifamily dwelling units to be located at 34360 Postal Lane (S.C.R. 283) south of the Sandy Brae Subdivision and Postal Lane (S.C.R. 283). The size of the property is 1.251 acres +/-.

The 2018 Sussex County Comprehensive Plan Update (Comprehensive Plan) provides a framework of how land is to be developed. As part of the Comprehensive Plan a Future Land Use Map is included to help determine how land should be zoned to ensure responsible development. The Future Land Use map in the plan indicates that the property has the land use designation of "Coastal Area."

The areas to the north, south, east and west are also designated "Coastal Areas." "Coastal Areas" are areas that can accommodate development provided special environmental concerns are addressed. The "Coastal Area" also supports a range of housing types including single-family homes, townhomes, and multi-family units. Retail and office uses are appropriate but larger shopping centers and office parks should be confined to selected locations with access along arterial roads. Mixed-use development should also be allowed.

The property is zoned Agricultural Residential (AR-1). The properties to the north of the application site on the opposite side of Postal Lane (S.C.R. 283) are zoned Medium Density Residential (MR) Zoning District. Properties to the east, west and south of the application site are zoned Agricultural Residential (AR-1) Zoning District

Since 2011, there have been no Conditional Use approvals within a 1-mile radius of the application site.

Based on the analysis of the land use, surrounding zoning and uses, the Conditional Use for the abovementioned use subject to considerations of scale and impact, could be considered as having a limited degree of consistency with the land use, area zoning and surrounding uses.





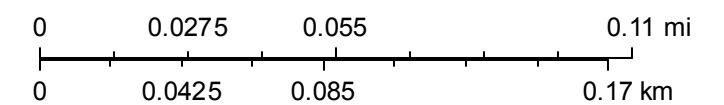
Sussex County



PIN:	334-6.00-686.00
Owner Name	HETE MATTHEW C
Book	4887
Mailing Address	45 KING CREEK CIR
City	REHOBOTH BEACH
State	DE
Description	SE/S RD 283
Description 2	2080' S/RT 1
Description 3	N/A
Land Code	

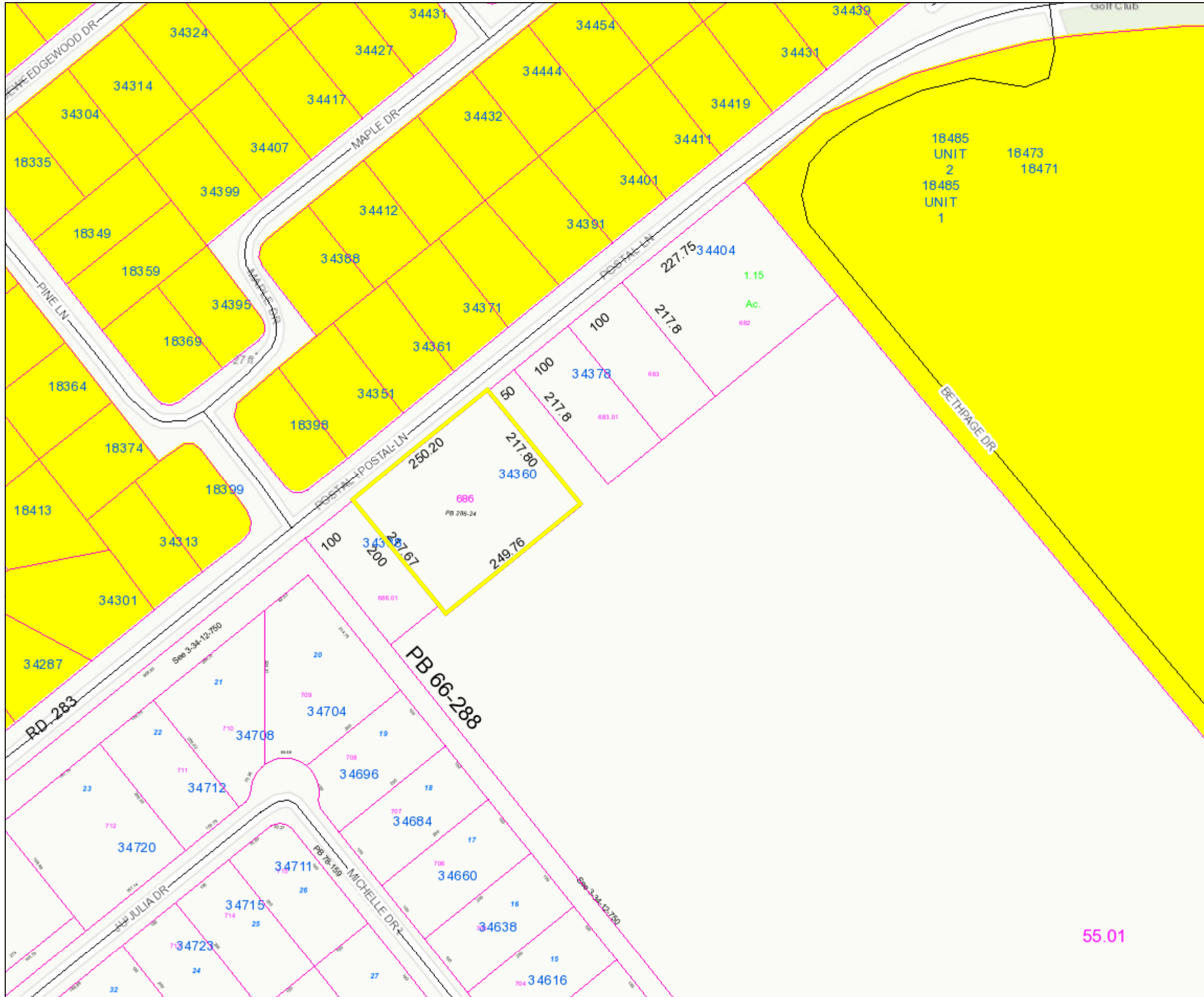
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 - Override 1
- Tax Parcels
- 911 Address
- Streets
- County Boundaries

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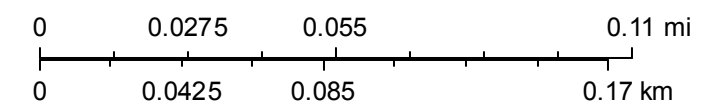
Sussex County



PIN:	334-6.00-686.00
Owner Name	HETE MATTHEW C
Book	4887
Mailing Address	45 KING CREEK CIR
City	REHOBOTH BEACH
State	DE
Description	SE/S RD 283
Description 2	2080' S/RT 1
Description 3	N/A
Land Code	

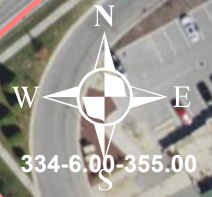
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- polygonLayer**
- Override 1
- Tax Parcels
- 911 Address
- Streets

1:2,257



Mailing List Exhibit Map
Planning Commission
CU 2209 & CZ 1907 Matthew C. Hete
334-6.00-686.00
Matthew C. Hete
45 Kings Creek Circle
Rehoboth Beach, DE 19971

Located on the southeast side of Postal Lane, approximately 0.22 miles east of



Introduced 12/10/19

**Council District No. 3 – Burton
Tax I.D. No. 334-6.00-686.00
911 Address: 34360 Postal Lane, Lewes**

ORDINANCE NO. ____

AN ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN A MEDIUM DENSITY RESIDENTIAL DISTRICT FOR MULTI-FAMILY (14 UNITS) TO BE LOCATED ON A CERTAIN PARCEL OF LAND LYING AND BEING IN LEWES AND REHOBOTH HUNDRED, SUSSEX COUNTY, CONTAINING 1.25 ACRES, MORE OR LESS

WHEREAS, on the 25th day of October 2019, a conditional use application, denominated Conditional Use No. 2209, was filed on behalf of Matthew Hete; and

WHEREAS, on the ____ day of _____ 2020, a public hearing was held, after notice, before the Planning and Zoning Commission of Sussex County and said Planning and Zoning Commission recommended that Conditional Use No. 2209 be _____; and

WHEREAS, on the ____ day of _____ 2020, a public hearing was held, after notice, before the County Council of Sussex County and the County Council of Sussex County determined, based on the findings of facts, that said conditional use is in accordance with the Comprehensive Development Plan and promotes the health, safety, morals, convenience, order, prosperity and welfare of the present and future inhabitants of Sussex County, and that the conditional use is for the general convenience and welfare of the inhabitants of Sussex County.

NOW, THEREFORE, THE COUNTY OF SUSSEX HEREBY ORDAINS:

Section 1. That Chapter 115, Article V, Subsection 115-31, Code of Sussex County, be amended by adding the designation of Conditional Use No. 2209 as it applies to the property hereinafter described.

Section 2. The subject property is described as follows:

ALL that certain tract, piece or parcel of land lying and being situate in Lewes and Rehoboth Hundred, Sussex County, Delaware, and lying on the southeast side of Postal Lane, approximately 0.22 mile northeast of Plantation Road, and being more particularly described in the attached legal description prepared by Hudson, Jones, Jaywork & Fisher, said parcel containing 1.25 acres, more or less.

This Ordinance shall take effect immediately upon its adoption by majority vote of all members of the County Council of Sussex County, Delaware.