

Clean Water and Flood Abatement Task Force

Thursday, December 17th, 2015

10:00 a.m. – 12:00 p.m.

Buena Vista Conference Center-Buck Library

Meeting Attendance

Task Force Members:

Present:

Senator Bryan Townsend
Representative Michael Mulrooney
Senator Bryant Richardson
Representative Ronald Gray
Secretary David Small
Holly Porter
Thomas Unruh
Jeffrey Bross
Roy Miller
Howard Morrison
Patty Cannon
Brenna Goggin
Lew Killmer
Jen Adkins
Joseph Corrado
Michael Riemann
Andrew Jakobowitch
Gina Jennings
Thom May
Bruce Jones
Paul Morrill
Gerald Kauffman
Gerard Esposito
Dian Taylor
Robert Baldwin

E-mail:

Bryan.Townsend@state.de.us
Michael.Mulrooney@state.de.us
Bryant.Richardson@state.de.us
Ronald.Gray@state.de.us
David.Small@state.de.us
Holly.Porter@state.de.us
townsendunruh@aol.com
Jeff@duffnet.com
policy@inlandbays.org
lmorrison@countygrp.com
Patricia.Cannon@state.de.us
brenna@delnature.org
lew.killmer@mac.com
jadkins@delawareestuary.org
JCORRADO@CORRADO.COM
mriemann@beckermorgan.com
Andrew.jakobowitch@co.kent.de.us
gjennings@sussexcountyde.gov
Thom.May@state.de.us
bjones@pennoni.com
pmorrill@committeeof100.com
jerryk@udel.edu
jesposito@tuiwater.com
dtaylor@artesianwater.com
robert.baldwin@dacdn.net

Absent:

Secretary Jennifer Cohan
Sam Lathem
William Lucks
Christine Mason
George Haggerty

Jennifer.Cohan@state.de.us
lathem.de.aflcio@comcast.net
wluks@wluks.com
christine@sussexshoreswater.com
GOHaggerty@nccde.org

Staff:

Michelle Zdeb
Caitlyn Gordon

Michelle.Zdeb@state.de.us
Caitlyn.Gordon@state.de.us

Attendees:

David Athey
S. Douglas Hokuf
Edward Hallock
Richie Jones
Hans Medlarz
Martha Narvaez
Andrew Homsey
Heather Warren
Frank Piorko
Terry Deputy
Sari Rothrock
Pamela Bakerian
Charles Postles
Kash Srinivasan
Daniel Walker
John Flaherty

Organization:

AECOM
NCC
DPH
TNC
Sussex County
UD
UD
DHSS
DNREC
DNREC
PDE
Delaware Farm Bureau
Farmer
Kash Srinivasan Group
House Staff
N/A

The Task Force meeting was brought to order at 10:06 am.

Senator Bryan Townsend, Co-Chair, thanked everyone for coming to the Task Force meeting considering the holiday season. He referenced the Meeting Minutes that were set for approval on this meeting's agenda. These minutes will be circulated electronically at a later time and approved at the next meeting instead. The Senator added that the next meeting is January 7th at 10:00 a.m. in the Buck Library of Buena Vista and the final meeting is January 25th at 1:00 p.m. in the same location.

Presentation of Public Survey

Senator Townsend turned the floor over to Brenna Goggin, Delaware Nature Society, to present on a public survey for the *Clean Water, Delaware's Clear Choice* Campaign.

The presentation that Task Force members received is inserted below:

12/22/2015

Clean Water Delaware's Clear Choice Campaign




Brenna Goggin,
Director of Advocacy

Polling Results – Public support for Clean Water

- 400 people polled statewide
 - 60% NCCo
 - 18% Kent
 - 22% Sussex
- 3 focus groups;
 - 1 per county

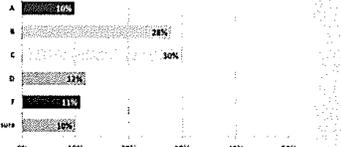
OPINIONWORKS
POLLS FOR THE ECONOMY

Support Securing Funding for Clean Water - clean water is critical to our economy, environment, wildlife, food source, and public health

If asked to grade the health of the closest waterway on an A-F scale, what grade would you give it?

Health of the Water

Grading the Stream, Creek, River Closest to Your Home

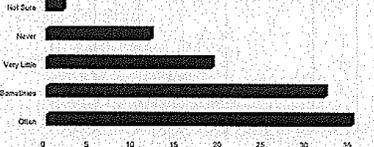


Grade	Percentage
A	10%
B	28%
C	30%
D	17%
F	11%
Not sure	10%

OPINIONWORKS
POLLS FOR THE ECONOMY

Support Securing Funding for Clean Water - clean water is critical to our economy, environment, wildlife, food source, and public health

Do think often, sometimes, very little, or never about how clean and healthy our local streams, creeks, and rivers are?



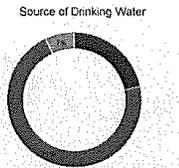
Frequency	Percentage
Not Sure	10%
Never	10%
Very Little	20%
Sometimes	30%
Often	30%

OPINIONWORKS
POLLS FOR THE ECONOMY

Support Securing Funding for Clean Water - clean water is critical to our economy, environment, wildlife, food source, and public health

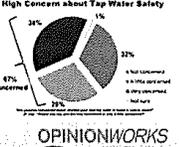
Sources of Drinking Water and Level of Concern

Where do you get your drinking water?



Source	Percentage
Well	47%
City/County/Municipality	47%
Not Sure	6%

Concerned if Tap Water is Safe



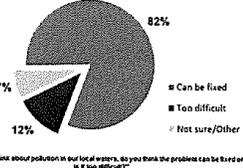
Concern Level	Percentage
High Concern	38%
Concerned	47%
Not Concerned	15%
Not sure	0%

OPINIONWORKS
POLLS FOR THE ECONOMY

Support Securing Funding for Clean Water - clean water is critical to our economy, environment, wildlife, food source, and public health

Pollution: Fixable?

Polluted Waters Can be Fixed

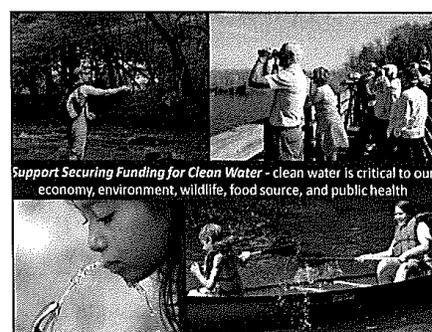
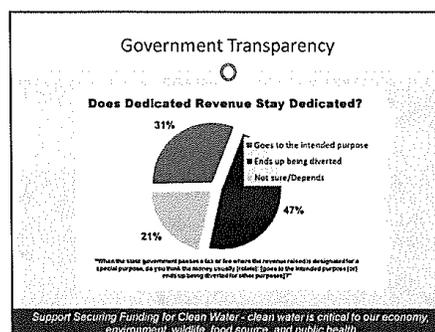
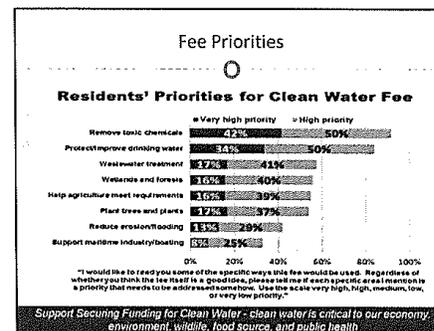
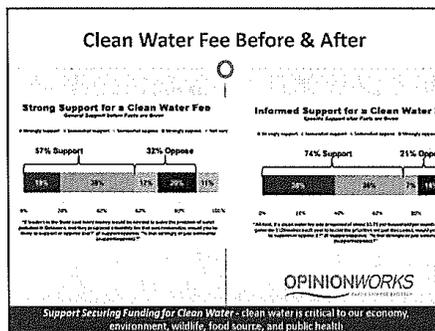
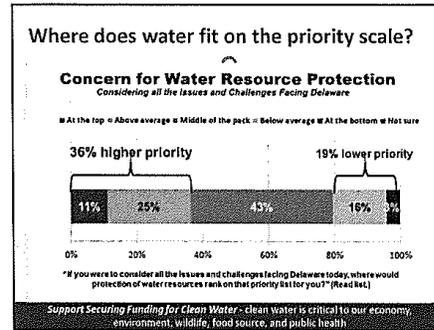
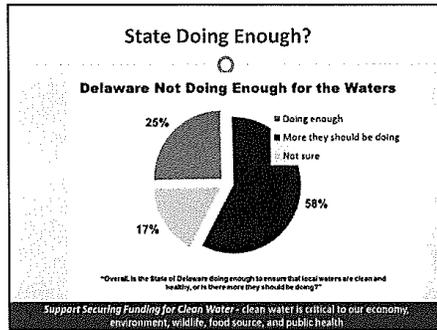


Response	Percentage
Can be fixed	82%
Too difficult	12%
Not sure/Other	7%

KS
LEGISLATIVE

Support Securing Funding for Clean Water - clean water is critical to our economy, environment, wildlife, food source, and public health

12/22/2015



12/22/2015

Challenges

Over 90%* of Delaware's water are polluted due to falling infrastructure, population growth, and legacy contamination from chemicals, pesticides, and other harmful contaminants

Delaware State News
The News Journal
Cape Gazette
Delawareonline

3 100 Mirror Lake Cleanup Project Makes Progress
Delaware Coastal Flooding to Get Worse
YISH ALLA BETS KEBBOOTH'S SILVER LAKE
Chemical Detection Shows Public Supply Well

What we do on the land impacts our waters

Support Securing Funding for Clean Water - clean water is critical to our economy, environment, wildlife, food source, and public health

Opportunities

Support Securing Funding for Clean Water - clean water is critical to our economy, environment, wildlife, food source, and public health

Clean Water = Strong Economy

Delaware's water supplies and natural resources constitute a substantial economic engine, contributing between \$2 billion - \$6.7 billion to the regional economy in Delaware.

Delaware watersheds represent an economic engine responsible for more than 70,000 jobs and providing over \$2 billion in wages.

BEER SCENE

**Economic Benefits and Jobs Provided by Delaware Watersheds, 2012, Water Resources Agency - University of Delaware*

Clean water is critical to our economy, environment, wildlife, food source, and public health

Progress Made

- Events, Meetings, and Social Media
 - Outreach to over 15,000 people at presentations and tabling events.
 - 325 Facebook "likes", 118 Twitter followers, 3,564 "Voice It!" e-mail subscribers
 - 4056 website clicks with 3542 unique users visiting
- Growing Support
 - The Clean Water Alliance is growing every day with groups, businesses, non-profits, joining the campaign.
 - Individuals are signing the Clean Water Pledge, showing their support and desire for clean water.

Support Securing Funding for Clean Water - clean water is critical to our economy, environment, wildlife, food source, and public health

12/22/2015

Clean Water Alliance



An informal network of organizations, government agencies, and business partners working to improve Delaware's water by educating the public about the importance of clean water.



What You Can Do



- Go to www.cleanwaterdelaware.org
 - × Sign the pledge
 - × Share your story or water selfie
- Join the Alliance
 - × Promote the Clean Water Campaign
 - × Attend Alliance Meetings
- Follow Us and share with other on
 - ×  www.facebook.com/cleanwaterdelaware
 - ×  @CleanH2ODE

Questions??



- Contact Information:
 - Brenna Goggin– Director of Advocacy
Brenna@delnature.org

*Learn more about our campaign
and how you can help:*

www.cleanwaterdelaware.org

Support Securing Funding for Clean Water - clean water is critical to our economy, environment, wildlife, food source, and public health

Supplemental information for Ms. Goggin's presentation that members and public received is inserted below:

Delaware Clean Water Survey Poll Memo



OPINIONWORKS
PUBLIC SPIRITED RESEARCH

706 Giddings Avenue, Suite 2C | Annapolis, Maryland 21401
(410) 280-2000 | Fax: (410) 280-3400
www.OpinionWorks.com

**To: Brenna Goggin, Advocacy Manager
Delaware Nature Society**

**From: Steve Raabe, President
OpinionWorks, LLC**

Date: January 26, 2015

Subject: Citizen Attitudes about a Delaware Clean Water Fee

The Delaware Nature Society commissioned a representative statewide survey and three regional focus groups to gauge the level of support or opposition for a proposed clean water fee in Delaware.

The poll of 400 randomly-selected adult Delaware residents was conducted by telephone December 3-9, 2014, using trained and supervised live interviewers. Both landline and cell phones were included in the sample, which carries a maximum sampling error of $\pm 4.9\%$. Focus groups were conducted December 16 and 17 in each of the state's three counties among a cross-section of area residents. A more detailed methodology statement is found at the end of this memorandum.

Overview of the Research Findings

Delaware residents have deep concerns about the quality of the water in their local streams, creeks, rivers, and bays. This translates into widespread worry about the safety of their drinking water at home, as well as the health effects of the fish and crabs they might eat out of local waters.

Overwhelmingly, residents believe the water quality problem in Delaware can be solved. But a large majority do not believe the State is doing enough to address water quality. Improving the health and quality of the State's water resources is a high personal priority, residents say.

The poll measured profound support for a clean water fee. When told about the fee, Delaware residents support it by a solid 25-point margin (57% in favor to 32% opposed), even without knowing the amount. After hearing the amount of \$3.75 per month, as well as some of the priorities the fee would address, the margin of support more than doubles to 53 points (74% in favor to 21% opposed).

Delaware residents are especially focused on removing toxins from the State's waters, and on protecting and improving the drinking water supply. They are strongly inclined to support a plan and a fee that will address those two key priorities.

Detailed findings drawn from this research follow.

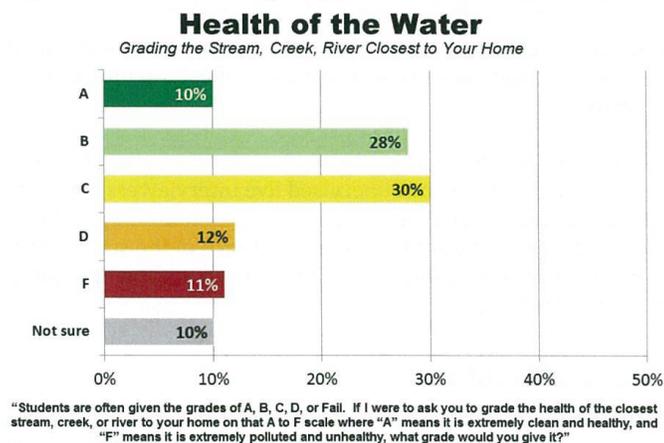
Citizen Attitudes about a Delaware Clean Water Fee
January 26, 2015
Page 2

Detailed Findings

Significant Water Quality Concerns among Delaware Residents

Residents believe there is a significant water quality problem in Delaware. In the statewide survey, we asked residents to grade their closest waterway on an A to F scale. When asked to grade their local stream, creek, or river for being clean and healthy, the grades were mediocre at best.

Statewide, residents gave their closest waterways grades that averaged to a C-Plus (2.17 on the 4.00 scale). Only 10% graded the closest water to their home an "A," and 28% a "B." Meanwhile, nearly one resident in four (23%) gave the waters a grade of "D" or "F."



Regionally, residents of Kent County were most negative about their local waters, grading them a C-Minus (1.78). Sussex residents were most positive, but even their grade was a lukewarm C-Plus (2.39). New Castle residents also offered a C-Plus grade to their most local waters (2.20).

Residents of each county were also asked to grade a major waterway within their region of the state.

- New Castle residents graded the Delaware River a low C-Minus (1.55), with 45% grading the river "D" or "F."
- Kent residents offered a slightly better C-Minus grade (1.76) to the Delaware Bay.
- Sussex residents gave the inland bays a C-Plus grade (2.42).

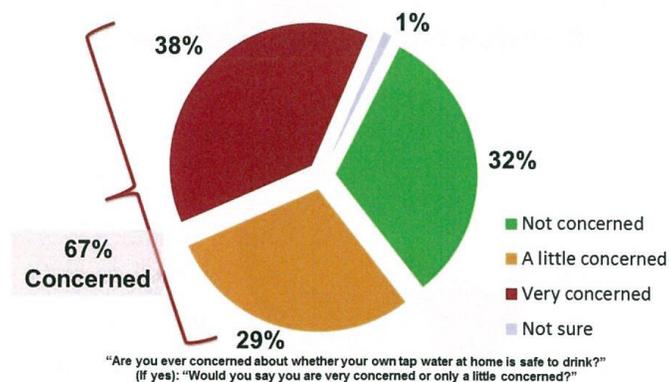
Overall, these grades indicate a strong concern among residents about water quality in Delaware. As a further indicator of their concern, two-thirds of the public said they think "often" (35%) or "sometimes" (32%) about how clean and healthy the local streams, creeks, and rivers are.

Citizen Attitudes about a Delaware Clean Water Fee
January 26, 2015
Page 3

Concerns about Drinking Water and Local Seafood

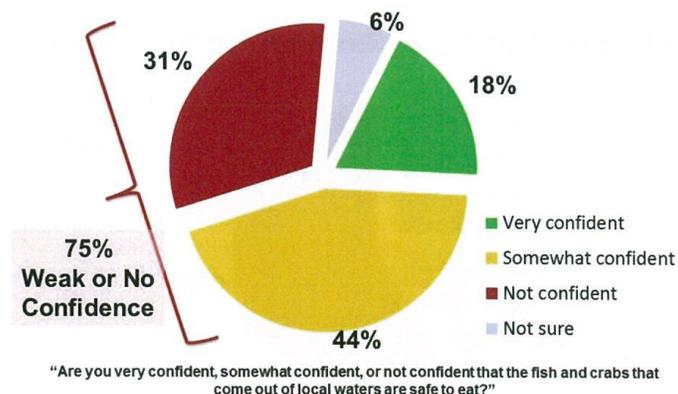
Residents expressed significant concern about the safety of their tap water at home in both the survey and focus groups. Nearly four out of ten Delaware residents (38%) said they were “*very concerned*” about whether their own tap water at home is safe to drink. Another 29% are “*a little concerned*,” for a total of 67% who have safety concerns about their tap water. Note that these concerns are nearly identical among residents that have public water and those who have a private well.

High Concern about Tap Water Safety



When it comes to locally-caught fish and crabs, one-third of Delaware residents (31%) are “not confident” that seafood coming out of local waters is safe to eat. Another 44% are only “*somewhat confident*.” Fewer than one-fifth of residents (18%) are “*very confident* that local fish and crabs are safe to eat.

Concern about Local Fish and Crabs



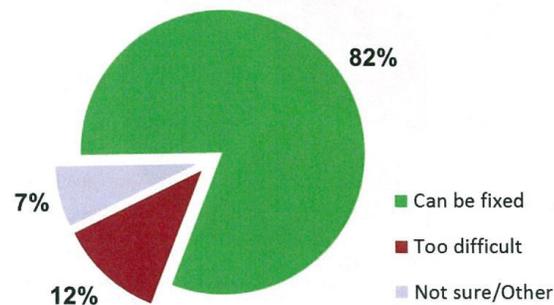
Citizen Attitudes about a Delaware Clean Water Fee
January 26, 2015
Page 4

In addition to drinking water and seafood concerns, over one-third of residents (37%) believe polluted water is hurting the state *economically*. Slightly more (42%) said polluted water is not having an economic effect, while 20% were not sure.

Residents Say the State is Not Doing Enough

An overwhelming 82% of residents believe that pollution in local waters can be fixed. This resounding result is key to engaging the public in a broad-scale solution to the water quality problem. Only 12% said the problem is too difficult to fix. (Two percent said there is not a water quality problem, and the rest were not sure.)

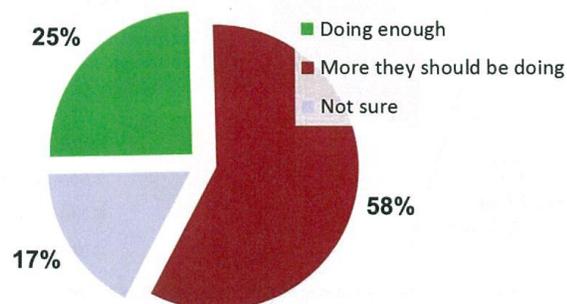
Polluted Waters Can be Fixed



"When you think about pollution in our local waters, do you think the problem can be fixed or is it too difficult?"

Yet only one-quarter of the public (25%) believe "the State of Delaware is doing enough to ensure that local waters are clean and healthy." Nearly six in ten (58%) said there is more the State should be doing. The remainder were unsure.

Delaware Not Doing Enough for the Waters



"Overall, is the State of Delaware doing enough to ensure that local waters are clean and healthy, or is there more they should be doing?"

OPINIONWORKS
 PUBLIC SPIRITED RESEARCH

Citizen Attitudes about a Delaware Clean Water Fee
January 26, 2015
Page 5

Taken together, these results indicate a strong public will to address the water quality problem.

Public Policy Context

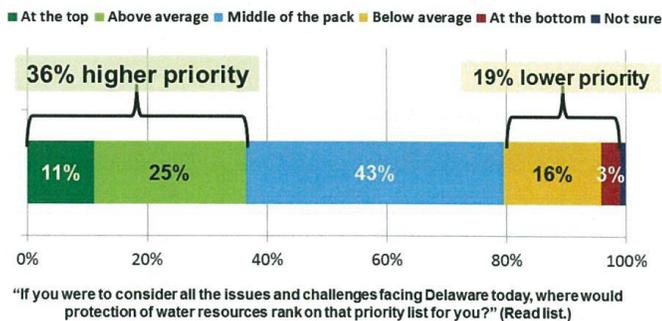
Two additional facts about Delaware's population help determine whether they would accept a clean water fee:

- A large majority of residents do not feel overtaxed by the State, with three-quarters (76%) saying their state taxes and fees are "reasonable" – including a handful who see their taxes as *too low* – considering the services they receive from the State. This is in sharp contrast to surrounding states, with only 34% of Marylanders in a December poll saying their state taxes are reasonable, for example.

Such high acceptance of existing taxes and fees in Delaware makes it more plausible for residents to embrace a new fee that is dedicated to an important public purpose like water quality, which most residents consider under-addressed by the State.

- Residents have an above-average concern for protection of water resources, when they "consider all the issues and challenges facing Delaware today." In that context, almost twice as many Delaware residents (36%) place water protection at or near the top of their list of concerns, as those who place it at or near the bottom (19%). Many (43%) place protection of water resources "in the middle of the pack" of their concerns.

Concern for Water Resource Protection
Considering all the Issues and Challenges Facing Delaware



Support for a Clean Water Fee

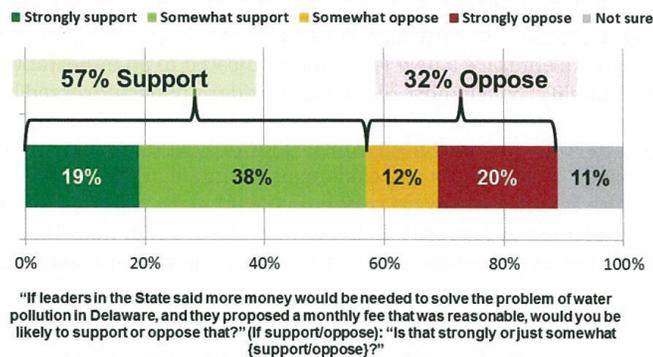
Based on this research, residents have significant concerns about poor water quality, the safety of their drinking water and local seafood, and possible negative impacts from water pollution on the economy. Residents believe water quality problems can be fixed, but do not see the State doing enough. Though few people enjoy paying their taxes, a large

Citizen Attitudes about a Delaware Clean Water Fee
January 26, 2015
Page 6

majority of Delaware residents see their state taxes and fees as reasonable, considering the services they receive.

All of this translates into strong support for the concept of a state fee to address water pollution in Delaware. By a 25-point margin, Delaware residents would support a state clean water fee “if leaders in the State said more money would be needed to solve the problem of water pollution in Delaware, and they proposed a monthly fee that was reasonable.” A solid majority of 57% would support such a fee, with 32% opposed.

Strong Support for a Clean Water Fee
General Support before Facts are Given



Among voters, support crosses party lines, with majorities of both Democrats and Republicans supporting the concept of a water fee, along with a plurality of Independents and third-party voters. Residents of all three counties strongly support the proposal, as well.

Support for Clean Water Fee by Subgroup

Subgroup	Support	Oppose	Margin
All Residents	57%	32%	+ 25%
Democrats	66%	25%	+ 41%
Republicans	52%	39%	+ 13%
Unaffiliated Voters/Third Parties	47%	38%	+ 9%
New Castle County	57%	32%	+ 25%
Kent County	53%	24%	+ 29%
Sussex County	58%	39%	+ 19%

Citizen Attitudes about a Delaware Clean Water Fee
January 26, 2015
Page 7

Furthermore, a fee of \$3.75 per month for most households – which is the level that was proposed in the Clean Water for Delaware’s Future plan last year – seems “reasonable” to two-thirds (66%) of the State’s residents, with another 3% saying that is too low. Only 23% said a fee at that level would be too high. When asked how much *they* thought such a fee should be, many focus group participants guessed much higher than \$45 per year.

An overwhelming majority of 76% believe it is reasonable “to also require businesses to pay a clean water fee on a sliding scale based on their size.” Only 16% of residents think it is unreasonable to require businesses to pay.

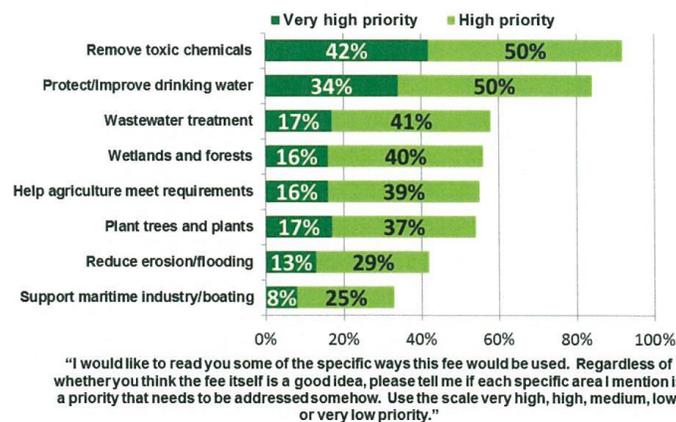
Residents’ Highest Priorities for a Clean Water Fee

The research tested eight possible areas of focus for funding from the clean water fee, each of which had been a part of the 2014 Clean Water for Delaware’s Future proposal, or which advocates envisioned might be part of a future proposal. These tested priorities were:

- Upgrading wastewater treatment plants
- Protecting and improving drinking water
- Removing toxic chemicals from the water
- Providing funding to help the local agricultural industry meet its pollution requirements
- Reducing erosion and flooding
- Protecting and restoring wetlands and forests to help absorb stormwater
- Supporting the maritime industry and boating by maintaining and improving navigation
- Planting trees and plants in cities and towns

Two specific areas emerged well above the rest: removing toxic chemicals from the water, and protecting and improving drinking water. In the statewide survey, these two areas were respectively rated by 92% and 84% of Delaware residents as a “high priority” or a “very high priority.”

Residents’ Priorities for Clean Water Fee



OPINIONWORKS
 PUBLIC SPIRITED RESEARCH

Citizen Attitudes about a Delaware Clean Water Fee
January 26, 2015
Page 8

Focus group discussion revealed a strong underlying concern by residents in all parts of the state about the presence of toxins in the water. Concern about the health and safety of drinking water was also very high. Hearing that funds collected from the fee would be directed to these two priorities made focus group participants feel much more positive about the fee proposal.

Four other areas clustered in a second tier of importance to residents, scoring in the mid-to high-50s on the survey, as measured by those who said each was a “high priority” or “very high priority”: upgrading wastewater treatment plants (58%), protecting and restoring wetlands and forests to help absorb stormwater (56%), providing funding to help the local agricultural industry meet its pollution requirements (55%), and planting trees and plants in cities and towns (54%).

Lagging well back in importance to the public were two ideas: reducing erosion and flooding (43%), and supporting the maritime industry and boating by maintaining and improving navigation (33%).

Overall, focus group participants reacted with some skepticism to this comprehensive list of priorities. Residents felt that the sponsors of this proposal were being too ambitious – risking that little would be accomplished *effectively*. Instead, study participants argued that the clean water fee be much more focused, committing significant resources to the *top* priorities on the list. Discussion participants felt that a focused plan would be more realistic, and much more appealing to them as taxpayers.

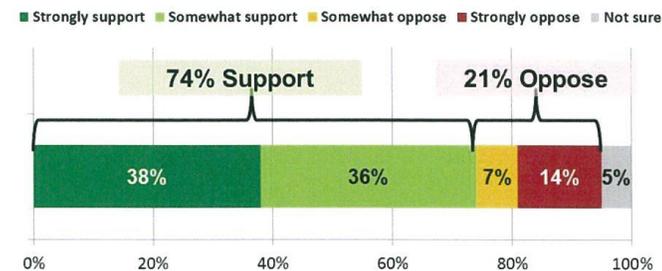
(continued, next page)

Citizen Attitudes about a Delaware Clean Water Fee
January 26, 2015
Page 9

Enormous Support for the Fee after Hearing Information

After the amount of the fee and the potential priorities for the fee were discussed, survey participants were asked their level of support or opposition “if a clean water fee was proposed of about \$3.75 per household per month that would generate \$120 million each year to tackle the priorities we just discussed.” Based on that information, three-quarters of residents (74%) support the fee, with only 21% opposed. Furthermore, *strong* support from 38% of the public eclipses the *total* opposition (21%) by almost two-to-one.

Informed Support for a Clean Water Fee
Specific Support after Facts are Given



“All-told, if a clean water fee was proposed of about \$3.75 per household per month that would generate \$120 million each year to tackle the priorities we just discussed, would you be likely to support or oppose it?” (If support/oppose): “Is that strongly or just somewhat (support/oppose)?”

Once informed of the specifics, opposition to the fee dissolves across party lines. Informed support of the fee grows to 85% of Democrats, 62% of Republicans, and 71% of Independents and third-party voters.

How This Poll Was Conducted

For this statewide survey, OpinionWorks interviewed 400 randomly-selected adult Delaware residents from December 3 to 9, 2014. The interviews were conducted by trained and supervised live interviewers who are skilled in opinion research best practices.

This poll has a potential sampling error of no more than $\pm 4.90\%$ at a 95% confidence level, meaning that at least 95% of the time the survey results would differ by no more than that margin if every adult resident of Delaware had been interviewed.

Interviewees were drawn randomly from commercially-available databases of area residents and matched with landline and cellular telephone numbers. The sample was balanced geographically and demographically during interviewing. Weights were applied to bring the survey sample into compliance with the demographic breakdown of the Delaware population.

Brief Background on OpinionWorks

OpinionWorks conducts frequent opinion studies at the state and local level across the country. We are the polling organization for *The Baltimore Sun* newspaper in Maryland, and have polled for numerous other media throughout the Mid-Atlantic region. We have conducted statewide surveys for the court systems in Florida and Utah; for the health departments in West Virginia and the District of Columbia; for public universities in New York, Maryland, and Utah; and for conservation agencies and advocates in Pennsylvania, Maryland, Virginia, and Delaware. In addition to these public surveys, we assess donor and customer relationships for a variety of non-profit and for-profit entities nationally.



Delaware Nature Society – Questionnaire

Introduction and Screening

Hello, my name is _____ calling from OpinionWorks, an independent research firm. We are conducting a brief survey on issues affecting Delaware and are not selling anything. May I speak with the youngest (*gender rotation*) adult who is home right now?

(If necessary):

S1. Are you at least 18 years old?

1 Yes

2 No/Not sure (*Seek another qualifying household resident.*)

(All):

S2. In what Delaware county do you live?

1 New Castle County

2 Kent County

3 Sussex County

2 Live outside county (*Thank and terminate.*)

9 Not sure/Refused (*Thank and terminate.*)

S3. What is your 5-digit zip code at home? (*Key in five-digit zip.*)

Outdoor Activities

1. Please tell me how often you do any of these things using the scale frequently, occasionally, rarely, or never. (*Read and randomize list.*)

A. Canoe, kayak, sail, or power boat.

B. Fish or crab.

C. Eat fish or seafood caught in local rivers or bays.

D. Garden at home or in a community garden

E. Bird watch.

F. Hike or camp in an undeveloped area.

G. Spend time being active in state or local parks in Delaware.

H. Hunt.

I. Mountain or road bike.

1 Frequently

2 Occasionally

3 Rarely

4 Never

9 (*Do not read*): Not sure/Refused to say

Minutes prepared by Caitlyn Gordon, Legislative Aide

Minutes reviewed by Michelle Zdeb, Legislative Assistant & Task Force Staffer

Perceptions of the Water

2. Can you picture the closest stream, creek, or river to your home? (*If yes*): What is its name?

(*Do not read*):

1 Yes can picture it (*Specify name.*)

2 Yes can picture it; do not know name

3 Yes can picture it; too small to have a name

2 No, cannot picture it

9 Not sure

3. Students are often given the grades of A, B, C, D, or Fail. If I were to ask you to grade the health of the closest stream, creek, or river to your home on that A to F scale where “A” means it is extremely clean and healthy, and “F” means it is extremely polluted and unhealthy, what grade would you give it?

1 A

2 B

3 C

4 D

5 F (Fail)

9 Not sure/Don't know

4. How would you grade the water in the {New Castle: Delaware River; Kent: Delaware Bay; Sussex: inland bays} on that same A to F scale?

1 A

2 B

3 C

4 D

5 F (Fail)

9 Not sure/Don't know

5. Do think often, sometimes, very little, or never about how clean and healthy our local streams, creeks, and rivers are?

1 Often

2 Sometimes

3 Very little

4 Never

9 Not sure

6. At home, do you get your drinking water from a private well, or does it come from your local city, county, or municipality?

1 Well

2 City/County/Municipality

9 Not sure

7. Are you ever concerned about whether your own tap water at home is safe to drink? (*If yes*): Would you say you are very concerned or only a little concerned?

1 Very concerned

2 A little concerned

3 Not concerned

9 Not sure

Minutes prepared by Caitlyn Gordon, Legislative Aide

Minutes reviewed by Michelle Zdeb, Legislative Assistant & Task Force Staffer

8. Is flooding a problem in the immediate area where you live? (*If yes*): Would you call flooding a major or only a minor problem?
- 1 Major problem
 - 2 Minor problem
 - 3 Not a problem
 - 9 Not sure
9. Are you very confident, somewhat confident, or not confident that the fish and crabs that come out of local waters are safe to eat?
- 1 Very confident
 - 2 Somewhat confident
 - 3 Not confident
 - 9 Not sure
10. When you think about pollution in our local waters, do you think the problem can be fixed or is it too difficult?
- 1 Can be fixed
 - 2 Too difficult
- (*Do not read*):
- 3 There is not a problem with pollution
 - 9 Not sure
11. Is polluted water in Delaware hurting the state economically, or is it not having that effect?
- 1 Hurting economically
 - 2 Not having that effect
 - 9 Not sure
12. Overall, is the State of Delaware doing enough to ensure that local waters are clean and healthy, or is there more they should be doing?
- 1 Doing enough
 - 2 More they should be doing
 - 9 Not sure

Tax Burden

13. When you compare the taxes you pay the State of Delaware to the services you receive, would you say your taxes are generally (*randomize*): [reasonable, too high, (or) too low]? (*If too high*): Would you say much too high or a little too high?
- 1 Much too high
 - 2 A little too high
 - 3 Reasonable
 - 4 Too low
 - 9 Not sure
14. Does your local area get its fair share of resources back from the State, or does too much of the tax dollars you pay in go to other parts of the state?
- 1 Local area gets fair share
 - 2 Too much goes to other parts of state
 - 9 Not sure

Minutes prepared by Caitlyn Gordon, Legislative Aide

Minutes reviewed by Michelle Zdeb, Legislative Assistant & Task Force Staffer

15. When the state government passes a tax or fee where the revenue raised is designated for a special purpose, do you think the money usually...? (*Read and rotate.*)

- 1 Goes to the intended purpose
- 2 Ends up being diverted for other purposes
- 9 (*Do not read*): Not sure/Depends

Public Policy

16. If you were to consider all the issues and challenges facing Delaware today, where would protection of water resources rank on that priority list for you? (*Read list.*)

- 1 At the top
- 2 Above average
- 3 In the middle of the pack
- 4 Below average
- 5 At the bottom
- 9 (*Do not read*): Not sure/Refused

17. If leaders in the State said more money would be needed to solve the problem of water pollution in Delaware, and they proposed a monthly fee that was reasonable, would you be likely to support or oppose that? (*If support/oppose*): Is that strongly or just somewhat {support/oppose}?

- 1 Strongly support
- 2 Somewhat support
- 3 Somewhat oppose
- 4 Strongly oppose
- 9 Not sure/Depends/Refused

(*If favor or oppose*):

18. Briefly, why do you {Q17 answer} that idea? (*Record verbatim. Clarify but do not probe.*)

- 98 Mentions something (*Specify.*)
- 99 Not sure/No specific reason

(*All*):

19. If this clean water fee was \$3.75 per month for most households, would that seem like a reasonable amount (*rotate*): [or too high, or too low]?

- 1 Too high
- 2 Reasonable
- 3 Too low
- 9 Not sure

20. Is it reasonable or unreasonable to also require businesses to pay a clean water fee on a sliding scale based on their size?

- 1 Reasonable
- 2 Unreasonable
- 9 Not sure

21. I would like to read you some of the specific ways this fee would be used. Regardless of whether you think the fee itself is a good idea, please tell me if each specific area I mention is a priority that needs to be addressed somehow. Use the scale very high, high, medium, low, or very low priority.

- A. Upgrading waste water treatment plants

Minutes prepared by Caitlyn Gordon, Legislative Aide

Minutes reviewed by Michelle Zdeb, Legislative Assistant & Task Force Staffer

- B. Protecting and improving drinking water
- C. Removing toxic chemicals from the water
- D. Providing funding to help the local agricultural industry meet its pollution requirements
- E. Reducing erosion and flooding
- F. Protecting and restoring wetlands and forests to help absorb stormwater
- G. Supporting the maritime industry and boating by maintain and improving navigation
- H. Planting trees and plants in our cities and towns

- 1 Very high priority
- 2 High priority
- 3 Medium priority
- 4 Low priority
- 5 Very low priority
- 9 Not sure

22. All-told, if a clean water the fee was proposed of about \$3.75 per household per month that would generate \$120 million each year to tackle the priorities we just discussed, would you be likely to support or oppose it? (*If support/oppose*): Is that strongly or just somewhat {support/oppose}?

- 1 Strongly support
- 2 Somewhat support
- 3 Somewhat oppose
- 4 Strongly oppose
- 9 Not sure/Depends/Refused

23. Had you heard that Governor Markell (“mark-ELL”) proposed a plan in the last state legislative session called Clean Water for Delaware’s Future that would have charged a property tax fee of \$45 per year for the average household for water cleanup, or is this the first you are hearing about it?

- 1 Had heard
- 2 First hearing about it
- 9 Not sure

24. Does knowing that he supports the fee make you (*rotate*): [more inclined or less inclined] to support the fee, or does that make no difference to you?

- 1 More inclined
- 2 No difference
- 3 Less inclined
- 9 Not sure/Refused to say

Focus Group Pre-Screen

25. Sometimes we want to get together with a small group of people in a focus group to talk in more detail about these issues. This is market research, not an attempt to sell you anything. This discussion will occur in the third week of December, and participants will be paid \$75 for about two hours of their time. Should we decide to do that, how interested would you be in participating if the discussion were held at a convenient time for you? (Read categories.)

- 1 Definitely (*Confirm name and phone number.*)
- 2 Probably (*Confirm name and phone number.*)
- 3 About 50/50 (*Confirm name and phone number.*)

Minutes prepared by Caitlyn Gordon, Legislative Aide

Minutes reviewed by Michelle Zdeb, Legislative Assistant & Task Force Staffer

- 4 Not that interested
- 9 (*Do not read*): Not sure/Refused

Classifying the Survey

(*All*):

C1. These last few questions are to classify the survey only. What is your age? (*Read categories until stopped.*)

- 1 Less than 35
- 2 35 to 49
- 3 50 to 64
- 4 65 or more
- 9 (*Do not read*): Not sure/Refused to say

C2. What is the last grade in school that you completed?

(*Do not read list*):

- 1 Less than 12th grade
- 2 12th grade/High school diploma
- 3 Some college/Associate's degree
- 4 Four-year degree/Bachelor's degree
- 5 Graduate work/Advanced degree
- 9 Not sure/Refused

C3. Do you own or rent your home?

- 1 Own
- 2 Rent
- 9 Not sure

C4. Is your family involved in farming or agriculture?

- 1 Yes
- 2 No
- 9 Not sure/Refused

C5. Are you registered to vote? (*Pause, if yes*): Did you vote in the election that just occurred a few weeks ago?

- 1 Registered and voted
- 2 Registered, did not vote
- 3 Not registered
- 9 Not sure/Refused to say

(*If registered*):

C6. Are you registered as a Democrat, a Republican, with a third party, or are you not affiliated with any political party?

- 1 Democrat
- 2 Republican
- 3 Third party
- 4 Not affiliated/Independent
- 8 Refused to say
- 9 Not sure

Minutes prepared by Caitlyn Gordon, Legislative Aide

Minutes reviewed by Michelle Zdeb, Legislative Assistant & Task Force Staffer

(All):

C7. On a scale of 1 to 5, where 5 means you consider yourself to be a strong environmentalist, 3 is average, and 1 is not an environmentalist at all, where would you put yourself?

- 1 Not environmentalist at all
- 2
- 3 Average
- 4
- 5 Strong environmentalist
- Not sure/Refused to say

C8. Are you Hispanic or Latino?

- 1 Yes
- 2 No
- 9 Not sure/Refused

C9. Do you most closely identify your race as (*randomize*): [White, African-American, Asian], or some other?

- 1 White
- 2 African-American/Black
- 3 Asian
- 4 Other
- 9 Not sure/Refused

(*Not asked; by observation*):

C10. Gender

- 1 Male
- 2 Female

That's all the questions I have for you. Thank you for your time. Goodbye.

Questions asked during the presentation:

Senator Bryant Richardson asked how people were selected to take the survey.

Ms. Goggin responded that the survey was a random survey made up of cellphone and landline calls. She added that the individuals who denied participation in the survey were asked if they would attend a focus group. She noted that this process was how they selected the focus group.

Senator Richardson asked if the focus group was also random.

Ms. Goggin answered yes.

Paul Morrill, Committee of 100, asked if the draft legislation referenced during previous meetings included provisions for education as an expense paid for through the trust fund.

Ms. Goggin answered that the legislation is not written that way.

Minutes prepared by Caitlyn Gordon, Legislative Aide

Minutes reviewed by Michelle Zdeb, Legislative Assistant & Task Force Staffer

Mr. Morrill responded that education should be something that is eligible for funding through the trust fund moving forward.

Senator Townsend referenced Ms. Goggin's citation to the surveyed number of people from the agriculture community, and asked if she was talking about their overall support for a water fee or if it was in regards to their support specific to the non-agricultural community being responsible for the fee.

Ms. Goggin replied that family members who were a part of the agricultural industry were also a part of the focus groups. As a part of the focus groups, they were asked about their general support for the fee. They were also told that agriculture would become a beneficiary of the fees, but this information did not change their original answer.

Senator Townsend asked if any members of the Task Force had further questions. There were none, so he moved to the next portion of the agenda.

Continued Group Discussion

Senator Townsend transitioned the discussion to members of the Task Force who are a part of the agriculture community to speak on issues brought up during the last meeting.

Holly Porter, Department of Agriculture, stated that the AG (agriculture) sector has been following the Task Force and has also been reviewing the proposed legislation that was discussed at the last meeting. She added that the AG industry has general concerns about the proposed State property tax. Ms. Porter continued by saying their concerns stem from steps that the AG community is already undertaking in Rehoboth when it comes to water quality, and to preserving farm land, which is a cost to the farmer. Ms. Porter added that unlike other businesspeople, farmers are not able to pass a tax on to their consumers. Most of Delaware's farmers are commodity-based, and farm income is currently low. The USDA (United States Department of Agriculture) expects it to stay low for the next 2 years.

Ms. Porter continued by saying that the AG community is concerned about the structure of the trust in using WIAC to determine what projects do and do not receive funding. Finally, she emphasized that many of the points that she mentioned at this meeting were ideas from individuals in the AG industry. Ms. Porter added that by keeping lands open and free from industrial, commercial, and residential development, the AG community can provide an abundance of environmental benefits that are not usually acknowledged. She stated that the property taxes should not act as a punishment directed at an industry that has already been providing Delaware with significant benefits. She added that as the proposal currently stands, it does not return the revenue generated from AG directly back to AG.

Thomas Unruh, Delaware Farm Bureau, stated that farmers are trying to do their best, but taxing them more will make things difficult, especially because they cannot share this tax with their

consumers like other businesses do. Currently, farmers are getting hit really hard with school taxes because of new buildings. He added that the AG community wants clean water, but we should consider the chance that Delaware's pollution is partly Philadelphia's pollution. He added that the lower parts of the State are probably not doing anything to pollute the water compared to northern parts of the state and Philadelphia.

Mr. Unruh noted that he sees a problem with the sewer water. Conservation Districts have limited abilities to set up what is needed by the district's local area. He also added that the legislation would set a new precedent with the statewide property taxes in Delaware. Mr. Unruh added that Delaware should have a reassessment to look at how to pay for cleaner water.

Next, Mr. Unruh read aloud a letter written to the Task Force on behalf of the Delaware State Farm Bureau. Below is the letter that Mr. Unruh read to Task Force members.



December 16, 2015

The Honorable Bryan Townsend & Representative Mulrooney
Co-Chairs – Clean Water And Abatement Task Force

Dear Senator Townsend & Representative Mulrooney,

On behalf of the Delaware State Farm Bureau, I would like to thank you for including a designee from our organization to serve on the "Clean Water and Flood Abatement Task Force. Delaware farmers understand first-hand the importance of clean water. Delaware State Farm Bureau represents over 8,000 farm families and associate members for the purpose of promoting and protecting agriculture as an industry and a way of life.

The farming community was very instrumental in the adoption of the nationally acclaimed Delaware Nutrient Management Program and farmers throughout the state also voluntarily employ "Best Management Practices". Both initiatives have helped improve water quality for many years.

Simply stated, the farming community has been doing its part and have grave concerns regarding the draft legislation creating the Clean Water Act for Delaware:

- Unlike other businesses, the majority of Delaware farms are based on commodities such as corn, soybeans, wheat, dairy and poultry and cannot pass along increased overhead

Minutes prepared by Caitlyn Gordon, Legislative Aide

Minutes reviewed by Michelle Zdeb, Legislative Assistant & Task Force Staffer

costs to consumers. National forecasts are predicting a decline in net cash and net farm income. Additionally, grain and dairy prices have declined. Currently, each farm family is taxed on income, property and fuel. A tax on the most vital resource a farmer utilizes to help feed the world will truly threaten the viability and sustainability of farming operations

- The proposed automatic fee/tax increase every ten years lacks accountability
- Storm water runoff appears to be considered wastewater
- Funding mechanisms lack certainty
- The scoring criteria that is used by the Water Infrastructure Advisory Council does not seem to match the “Bay Model”, which agriculture relies on. For example, placing the cover crop program into the current criteria will not be effective.
- Specific questions;
 1. What happens to other funding sources already in place?
 2. What happens to the Conservation’s ability to determine BMP’s

Due to the concerns and questions stated above, the Delaware State Farm Bureau’s 2015 voting delegates adopted a resolution on December 2, 2015 opposing the following:

- implementation of a water fee/tax on farm property, buildings, and irrigation systems
- the proposed creation of the “Clean Water for Delaware Act”
- And the establishment of the “Clean Water for Delaware Trust Fund”

It is important the Clean Water and Flood Abatement Task Force members, members of the General Assembly and Executive Branch be aware of our concerns and the reasons for our opposition. Therefore, we request this official letter be included as an appendix in the final recommendations to the President Pro Tempore of the Senate and the Speaker of the House of Representatives on or before January 31, 2016.

Sincerely,

Pamela J. Bakerian
 Executive Director
 Delaware State Farm Bureau
 3457 S. DuPont Highway
 Camden, DE 19934

Robert Baldwin, Delaware Association of Conservation Districts, referenced Conservation Districts and stated that livestock farmers would get punished in this deal because they spend a lot of money on manure handling facilities, particularly dairy farms. He added that a dairy farmer could spend almost \$1 million on infrastructure, and this farmer is getting taxed on his or her facility that is extensively providing clean water runways.

Minutes prepared by Caitlyn Gordon, Legislative Aide
 Minutes reviewed by Michelle Zdeb, Legislative Assistant & Task Force Staffer

Mr. Unruh responded that silos are taxed about \$50,000. He added that the property tax on that is outrageous.

Douglas Hokuf, on behalf of George Haggerty, New Castle County, noted that New Castle County (NCC) is under the same mindset in supporting clean water, but the proposal to fund clean water initiatives is being unfairly assessed. Mr. Hokuf added that NCC believes that all users of water should bear the cost, not just those who own property, which is an unfair way of assessing.

Gerald Kauffman, University of Delaware's Water Resources Agency, stated that any legislation that the Task Force puts through could include exemptions, credits, or waivers for farms that have conservation plans or nutrient management plans. Since the farmer is doing his or her fair share, he or she could be exempt from any assessment. Mr. Kauffman added that if a farm has a certain amount of forest buffers, it could get a credit.

Mr. Unruh responded that most farmers have done best management practices (BMP), and it is done by the Conservation Districts and they should not be penalized for that.

Mr. Kauffman stated that the Task Force should consider an investment fund for clean water that members can all agree on.

Senator Townsend added to one of Mr. Unruh's points addressing the pressures that the AG sector is feeling with new schools putting pressure on farming families. Many people feel like the government should not try to control these matters. Because of this, there is only so much that can be done about it.

Additionally, the point of the Clean Water and Flood Abatement Task Force is to ensure that Delaware waterways are clean. He added that there are many ways to address the issue of not having clean water that do not involve overburdening any one segment of the economy. The Senator addressed a statewide property tax, and how this tax is usually one of the key pillars of revenue streams for state governments. Delaware does not have this pillar. He added that the lack of property tax, or this type of revenue stream in Delaware, has hindered the legislature's ability to pass new policies and programs.

Next, Senator Townsend transitioned the meeting to discuss the "all-in" number. He added that if the Task Force can agree on a number, but does not agree on a revenue stream, at least the legislature could take the recommendations to try and solve Delaware's clean water problem.

Mr. Morrill addressed one of Ms. Porter's previous points about the mismatch between the WIAC project prioritization process and the Chesapeake Bay. He added that this is an issue that they should be resolved.

Ms. Porter responded that this would probably come down to whether or not legislation is proposed and how it moves forward. As it stands right now, AG is not relying on WIAC for cost-share funding. She added that if the infrastructure is put in place then there needs to be more discussion about it.

Mr. Morrill replied that the ceiling above what WIAC is currently doing on AG conservation projects is relatively high, and the Clean Water Fund would be well used in closing the gap. He noted that the AG sector needs to have confidence that AG conservation projects would be a significant priority for the funding.

Senator Townsend stated that the issues with the structure would be whether the legislation calls for a full umbrella organization or trust, as opposed to one that is more siloed. He added that there needs to be more clarification on what the representation looks like from the AG community and what the role of Conservation Districts is under a new entity. The Senator confirmed that the Task Force should reach a conclusion on these questions within the next two meetings.

Michael Riemann, Delaware Homebuilders Association, stated that the “all-in” numbers look about \$100 million per year. Mr. Riemann added that the Task Force needs to address why there currently is not enough funding. He added that when the transportation analysis was happening, they found that the lack of funding was due to inflation, hybrid cars, and fuel efficiency.

Mr. Riemann added that the Task Force should explain why clean water funding is short when writing the report.

Dian Taylor, Delaware Business Roundtable, stated that there have been several efforts to meet with the Governor and to meet with DNREC to discuss the legislation that floated around about 2 years ago. She added that they have outlined suggestions that should be addressed in the legislation, but none of those suggestions has been addressed. She noted that the suggestions should be addressed. Additionally, there is a conflict of interest with WIAC; whoever is in charge of distributing the funds should not be involved in the groups who are doing the work.

Senator Townsend noted that the Task Force needs to address all concerns with the legislation during their meetings. He addressed Mr. Riemann’s point about why there is not enough funding allocated to clean water initiatives and noted that over the years, the pace of funding has not been kept up by the federal government and the State. Over the past 8-9 years, while Delaware has gone under many transformations, the problem has only gotten worse. The Senator added that there has also not been a dedicated revenue stream, which has created problems as well.

Secretary David Small, Department of Natural Resources and Environmental Control, agreed with Senator Townsend’s remarks. He stated that two decades ago there was a construction grants program that provided a minimal amount of matching federal dollars that flowed into wastewater infrastructure around the country, including Delaware. Secretary Small added that Minutes prepared by Caitlyn Gordon, Legislative Aide
Minutes reviewed by Michelle Zdeb, Legislative Assistant & Task Force Staffer

the system currently in place in NCC is a result of the nearly free federal dollars. However, this revenue system is no longer existent because it is a loan program now. He added that an additional need for funding is in the form of a grant program to complement the loan program that is currently offered. Secretary Small added that there is not a willingness to take on additional debt service in some levels of municipal government and he feels that a grant program could assist that. In the absence of a robust grant program, the State has had to rely more heavily on additional regulatory approaches to achieve those programs. Many programs have been driven by things like the Chesapeake Bay Total Maximum Daily Load in the regulatory requirements. One of the primary goals of the legislation is to put regulatory requirements in place, especially when local governments provide utility service, and to complement it with grant funding.

Two years ago when DNREC worked on drafting legislation, they recognized that the drafted legislation is only one approach. He added that there are many approaches that could be taken when working on this legislation. Secretary Small noted that the first public airing of the legislation was to the Task Force members.

Patty Cannon, Delaware Economic Development Office, asked if Ms. Taylor could do a presentation of her top 5-10 recommendations for the Task Force.

Senator Townsend said he would like a presentation but also added that time is very short. The Senator asked Ms. Taylor if she wanted a formal presentation, or if she wanted to state bullet points to address her concerns.

Ms. Taylor mentioned that another issue is legislative oversight, and although she does not have the notes with her, it is an issue she would like to discuss during her presentation.

Mr. Morrill stated that a lot of discussion has gone on behind the scenes, but if the Task Force can discuss their thoughts out loud in the meeting, it would be very helpful. He added that the Task Force might need to extend their amount of meetings, so that they can take a sufficient amount of time to discuss the issues.

Senator Townsend wanted to add that he agrees that thorough discussions are necessary but the Task Force should already be “having it out” at every meeting.

Secretary Small referenced Ms. Taylor’s point of legislative oversight and noted that there are appointments for the trust that will come from the General Assembly. He added that one of the questions really difficult to answer is how long the State needs the money. Secretary Small continued to say that the Department has also talked about having this whole piece of legislation subject to Sunset review at some point.

Representative Michael Mulrooney, Co-Chair, the Task Force should not want a Sunset review, because then the State will put themselves behind where they are now in not keeping up with infrastructure.

Representative Ronald Gray noted that in the present economic environment, charging a business \$25,000 will kill the economy. More regulation on small businesses is not the answer; the Task Force needs look for ways to promote small businesses to get the economy rolling. He added that charging businesses thousands of dollars a year is a deterrent. Farmers will be hit with \$15,000 a year and other small businesses will be hit hard. Representative Gray noted that he owns 3 businesses and he does not want to get hit with \$75,000. He stated that everyone wants clean water, but nobody wants to pay for it, which is an issue. Representative Gray noted that there is distrust of letting funds go into a government-maintained organization to decide how it gets dispersed. He added that private oversight and legislative oversight need to be added to the current structure to make it work.

Senator Townsend noted that he is fine with additional meetings and reports if that is what the Task Force needs in order to come to a consensus.

Bruce Jones, American Council of Engineering Companies – Delaware, asked what the Task Force expects to get as a product from the group. He added that they can get into the “weeds” and be there for a very long time, so the Task Force needs to conclude how far into the “weeds” they would like to get.

Senator Townsend responded that he hopes a report comes out of this Task Force, for any legislator to read, which outlines how the system works, how it has worked over time, why the State is in its current position, and what possible solutions there are. Moreover, he would like to see the legislature vote on it during the next session.

Gerard Esposito, Delaware State Chamber of Commerce, added that he agrees with Mr. Morrill that they are currently in the “airing out” period. Additionally, there are three big issues to address, and one of them is governance. He added that if governance is the lightning rod, then the Task Force should deal with it. If the WIAC structure is causing disagreement with the legislation, then add more AG reps to the Council.

If the Task Force cannot work on the amount of funds and the funding mechanisms because of the governance issue, then the Task Force should talk about that first. Additionally, if the issue is the amount of money charged to each person, then the Task Force should talk about that. Members will never get to all the issues if the current ones are not sorted out.

Senator Townsend replied that he felt like the concern with the legislation was related to governance, not necessarily WIAC itself.

Mr. Esposito agreed but noted that an alternative to the trust could be WIAC, though AG wants to be added to WIAC if this scenario plays out.

Mr. Baldwin asked how the AG's nutrient management committee and their Conservation Boards, in each county, interface with WIAC. He asked if they would become a part of WIAC, or if they will become a silo on the side.

Senator Townsend replied that maybe there could be a structure where trustees would conduct an annual analysis over top of WIAC's work. This way, all associated groups would fall under an umbrella. The Senator asked members what an effective alternative would be.

Joseph Corrado, Delaware Contractors Association, stated that there are two parts of governance. There is the trustee concept and then the operational portion. At WIAC meetings, operationally over the years it has assessed, planned, and funded wastewater and surface water projects. Operationally, WIAC does a very good job doing that.

Expanding its operational portion to AG projects and other types of projects is well within the realms of an operational concept that WIAC could fulfill. He stated that when looking at the makeup of WIAC over the years, the Council has been very apolitical. There should be conflict checks with WIAC. But outside of that, the Council has been functioning very well.

Mr. Corrado stated that in respect to the "trustee" concept, it just adds another level of bureaucracy. If another level is needed to leverage funds, then lower the number of trustees so it will not take too long to make a decision. In terms of governance, there are two parts. The oversight and the operational. Operationally, WIAC is equipped to handle the day-to-day responsibility of the fund.

Ms. Taylor commented about issues that surfaced during discussion with the Delaware Business Roundtable. She added that WIAC leadership and members should have term limits.

Mr. Corrado clarified that the term limit is a three-year appointment.

Ms. Taylor noted that although members have three-year terms, members may be reappointed.

Mr. Morrill stated that if the Task Force invents something new, this other council or entity would turn out looking a lot like WIAC. However, there should be an overarching agency of some kind. Additionally, the funding should not be siloed because there are too many opportunities for leveraging across natural resources and funding sources. If silos are created, the State will lose a lot of funding opportunities. At the funding level, some sort of overarching organization is important. Mr. Morrill added that there should be discussions about what the membership of WIAC needs to look like so other interest groups feel like they are adequately represented.

Ms. Cannon added that the documentation of the Task Force's open dialogue is very important. This way, if the legislature sits down, they will know the Task Force's thoughts. She added that the downside of a statewide tax is when other States are competing with Delaware to recruit businesses to their State, they can argue that Delaware has implemented its first statewide tax. Additionally, the ability to show that the business community was deeply involved in the State's decisions would be valuable to the Task Force.

Senator Townsend noted that the Task Force has had a huge influence from the business community and from Task Force members who represent that community. He added that through the past several meetings, WIAC has never been noted as the problem. Rather, the problems have been identified as a lack of sustained funding, a lack of a comprehensive group to look at clean water over several years, and a lack of talking about the relationship between AG and clean water. The Senator asked that if any Task Force member would like to join him over the holidays to write up some recommendations for the Task Force to review at the following meetings, he would welcome the assistance. Additionally, if Ms. Taylor would like to kick off the next meeting with a presentation he would welcome that as well.

Mr. Corrado clarified that there are half a dozen organizations that appoint members to WIAC. They do have the choice to appoint the same person for another 3-year term. It is up to the bodies that send representatives to WIAC to change the member whom they appoint.

Mr. Jones noted that although there are burdens to businesses that additional fees would cause, the additional fees will also create jobs so there will be a positive impact to the economy. The statewide tax would create jobs and improve the economy overall.

Mr. Morrill asked if there is a governance model that exists which members haven't discussed but which has a public-private component.

Ms. Taylor answered that there are models and she would like to add that into her presentation. She added that there is a lot of money and expertise in the private sector to fill their needs.

Senator Townsend asked if those projects are one-off projects.

Mr. Corrado answered that they are generally one-off projects. For example, in Ohio a private firm partnered with a public utility and after 20 years the private firm turned the ownership back over to the public entity.

Senator Townsend asked if this scenario would be a public/private partnership alongside a WIAC-type governance structure as part of a trust, as opposed to a specific investment project that is made, conducted, and completed.

Ms. Taylor answered that the private/public partnership stays together for a long period of time. The private entity will conduct the services on a contract basis. The infrastructure is owned by

the municipality, and the private entity will work very closely with the mayor and town council. The expertise that comes from the private entity lends itself to the municipalities. If the funds are given with no guarantee for a successful plan, the State will be forced to have the same conversations year after year.

Mr. Jones stated that a private/public partnership is a great idea, and he has seen it done successfully for wastewater, water, and storm water projects. He added that he does not know if any partnership has tried to take over all of those issues. Mr. Jones also pointed out that the private sector is not the only way to get experts into the projects.

Ms. Porter noted she agreed with Mr. Esposito's points about the three issues. When talking about governance, the funding mechanism is the bigger part of the issue.

Lew Killmer, Delaware League of Local Governments, noted that at the last meeting the common concern was the concept of the lockbox.

Senator Townsend replied that any final product must have a lockbox on it, similar to the Transportation Trust Fund that was passed earlier in the year.

Gina Jennings, Sussex County Administrator, noted that assuming a minimum fee of \$45, 65% of Sussex County's tax base is going to hit the minimum. If there is a household that is worth \$100,000 or \$300,000, the \$45 minimum would hit everyone, so it will hurt the low income people. Ms. Jennings noted that this is a major concern. She is not sure where the rates have come in where Sussex County is getting 20 cents per \$100. That total would equate to \$8 million from Sussex County. If the State has a \$50 million expense, she wanted to know how much the State would be covering. She continued to say that she is concerned with the maximum rate of \$85, such that the higher-income households are not paying much more than the individuals who are paying \$45.

Ms. Jennings also brought up concerns about vacant land. She referenced the number "4" near the type of taxes and properties. She asked if vacant land is getting taxed just like land with improvements. Ms. Jennings added that Sussex County has 25,000 trailers where the vacant land gets taxed and the trailer gets taxed. If there is double taxation in this instance, the fund would be getting \$90 for every parcel.

Lastly, she noted that the percentages add up to 100%, including 30% in each county. She asked if this means that if NCC collects 30%, then Sussex County gets 10%, to add up to 100%. Sussex County would always get 10%. That means Sussex County would get \$2 million of what is collected even though the county only needs \$800,000. She added that there might be too much being taxed on that State, which should be cut back.

Senator Townsend noted to Task Force members that although all of the questions that members ask will not be answered immediately, it is important to document the questions and information and have it factored into further conversations.

Mr. Kauffman noted if Delaware were to talk about a one-time referendum about clean water in Delaware, this could be one.

Senator Townsend added that he not is clear on the legal framework of a one-time referendum.

Mr. Kauffman referenced the numbers that Task Force members received that is a representative sample of the Delaware public. The critical path is the billing mechanism. He added if the State taxed \$45 per household and there are 300,000 households in Delaware, that gives the State \$15 million to start. However, this would not include the many people who work in Delaware or visit the State but do not live here. The Public Service Commission could be convinced to allow the utilities to cover that cost in the State's capital budget. He added that this had been done in other parts of the country. Additionally, in Newark the city uses this type of mechanism to pay for clean water.

Senator Townsend responded that there are many ways to address this issue overall, but members need to make sure issues are being solved at a level that addresses the entirety of each issue.

Mr. Kauffman answered that it would make a dent but wouldn't solve the entirety of it.

Mr. Morrill asked Mr. Kauffman how his solution would handle individuals on private wells and septic.

Mr. Kauffman answered that the solution would not encompass everyone; by law the State cannot regulate individual wells. He continued by saying if someone has a groundwater well, the water in the streams will affect the quality of the water in that well.

Additionally, when tracking private investments such as in Denver and Albuquerque, they are doing it this way not only from the private sector but from the federal government. Thus, it is probably conceivable to work with the USDA (United States Department of Agriculture) to match any local funding that would be generated, and then there would be a 50/50 situation.

Mr. Corrado asked if there was a consensus around the table of what the minimum amount charged to each household should be. \$25 or \$35?

Mr. Kauffman responded that the willingness to pay was \$45 a household.

Mr. Corrado stated that Maryland passed a flush tax 10 years ago. The state started at \$30 per household and raised it to \$60 a couple years later. He asked Task Force members if \$40 per

household is too high. He added that WIAC has been pushing for a dedicated fund since Governor Minner was in office because the State needs it.

Mr. Riemann responded by saying that to answer Mr. Corrado's question, the Task Force needs to answer what people are getting for their money.

Mr. Corrado replied by saying that this kind of investment keeps the State from being behind on the projects such that Delaware does not get to the point where the projects become so expensive that the State needs to do something more drastic.

Mr. Riemann noted that to explain Mr. Corrado's point to an average person, he or she needs to be shown what he or she is getting out of paying money to the State.

Mr. Corrado stated that he agrees with Mr. Riemann's points and that the State needs an education campaign. However, the group needs to figure out what level of fee they would recommend starting off with charging.

Senator Townsend responded the Task Force needs to decide the level, or amount, of funding and the mechanism. However, the two are very interrelated, and it is difficult to talk about one without the other. At the very least, the Task Force should identify the total need. The Senator also asked if the all-in numbers include current funding or if they do not include current funding.

Secretary Small answered that the all-in number consists of additional funding.

Senator Townsend clarified that the State would need \$100 million per year in *additional* money.

Secretary Small replied that there is a caveat to the all-in number. Some current replacement bond bill appropriations could be subtracted out of the all-in number, depending on the level of funding. He added that it is not a huge number, perhaps around \$10 million.

Senator Townsend noted that this means the State needs \$90-100 million more per year for water infrastructure. He added that members may discuss this number in more detail at the next Task Force meeting; this way members have time to review the underlying data over the holidays. Senator Townsend added that Ms. Goggin's data pointed out that the public would be willing to pay more than \$45 a year per household for clean water. The Senator asked members if there was anyone who rejects the idea of \$45 per year per household.

Ms. Cannon answered that this goes back to the county's perspective. If the Task Force decides that a property tax isn't the right source, then it is difficult to justify \$45 per house.

Mr. Hokuf referenced Senator Townsend's points. He added that if the Task Force talks about this on a per-household basis, then it brings them back to the property tax issue, and that's when the assessment needs to be done on a user-basis for all individuals who work in the State.

Roy Miller, Delaware Center for the Inland Bays, noted that the Task Force has made progress during the meeting in terms of identifying how much the State needs: \$100 million. He added that to sell a program, they need to be able to tell the public and lawmakers how this money would be spent. That should be the next task for members to accomplish, followed by addressing the issue of how to raise the \$100 million and how it will be administered.

Senator Townsend agreed and added that this information will be in the report. He also added that these questions do bring up the issue of how specific to get in the report. The Senator noted that it is important to find the right balance of giving the people sufficiently detailed criteria for determining how to fund projects, who would be involved in that process, and what the approximate amount would be. He stated that this could all be in the legislation. Senator Townsend added that the positive impact itself would be something that members could include in the report and that everything would be contained in any education campaign that is waged.

Mr. Riemann noted that he finds it sincerely astonishing that Dover successfully passed a referendum to build a school, which was a great project. He added that the public was okay with this money being spent on a school because they were told exactly what they were getting. The public was given the costs and benefits of what was coming out of that expense. Mr. Riemann noted that if the Task Force is not specific enough about what they are going to do with the money, the public will not let it go forward.

For example, the Transportation Trust Fund was created by a Task Force in 2011, which was very specific in terms of different opportunities for revenue and funding. It was also very specific about what projects were necessary. The Transportation Trust Fund is a relatively simple system and it still took them 5 years to get something done with it.

Senator Townsend agrees that the Task Force needs to find the right balance on how specific they need to be to educate the public.

Secretary Small noted that the all-in numbers were difficult to arrive at. However, they are based on a system that has been in place for a while that arises out of work WIAC has done. He added that the State has a list of projects that could be funded with this money and they also have lists of landowners and farmers who are waiting for cover crop dollars. The Secretary noted that this legislation buys the State fishable, drinkable, and swimmable waters in the State of Delaware.

Mr. Corrado asked again what number members were comfortable with, even if it is not on a per-household basis. Years ago he looked at a fee based on use.

Ms. Cannon asked if Mr. Corrado's strategy included any sort of flat fee for the wells.

Mr. Corrado answered that they came up with a number for well usage.

Ms. Cannon asked if they still have this research to share.

Minutes prepared by Caitlyn Gordon, Legislative Aide

Minutes reviewed by Michelle Zdeb, Legislative Assistant & Task Force Staffer

Mr. Kauffman, who also worked on these numbers with Mr. Corrado, answered that many places in the U.S. fund clean water this way. He added that the \$45 dollar price range per year is used often with these surveys because households will equate this monthly payment to a loaf of bread every month, and that is why they are okay with it.

Mr. Corrado added that the problem with the usage fee is how to collect it.

Mr. Kauffman replied that the surface water providers in northern Delaware already pay that to the Delaware Basin Commission.

Ms. Cannon asked how they collect that.

Mr. Kauffman answered that they collect it through the water bill and then the money gets sent to Trenton.

Senator Townsend noted that the Task Force has not reached a conclusion on governance. However, it does not seem like any members reject the idea of private/public partnerships. But, members should prepare for the next meeting for a concise conversation on what this partnership would look like.

Jen Adkins, Partnership for the Delaware Estuary, noted that it would be helpful for the next meeting to have a conversation about WIAC and governance and that members should discuss the current representation on WIAC and decide what areas are not covered.

Mr. Corrado noted that although he does not like meetings to run over-time, maybe the next meeting should run over two hours.

Senator Townsend responded that he will consider a 9:30 am start time as opposed to the 10 am start time. He also asked Secretary Small to clarify whether or not there had been an issue of leveraging or source of funds that required the draft legislation to be written the way it currently is.

Secretary Small responded that it does not need to be drafted the way it is. He added that the Department drafted the governance structure of the board of the trust as four cabinet members: Health and Social Services, DNREC, AG, and Finance, along with the appointees from the President Pro Tempore and the Speaker. He added that they were comfortable with that because bonding is not something that DNREC has experience with, as DelDOT (Department of Transportation) does through the trust fund. Moreover, because of the commentary heard at the Task Force meeting about representation, that is how they ended up with an overall trust structure to be a part of that overarching group.

Secretary Small added that if the legislation needs to be more representative of a public/private partnership, it most definitely can be. He added that WIAC has representation from the conservation community, and maybe it is too limited, but they have not typically dealt with funds

Minutes prepared by Caitlyn Gordon, Legislative Aide
Minutes reviewed by Michelle Zdeb, Legislative Assistant & Task Force Staffer

for conservation in the way the Task Force has talked about. He continued to say that while the Task Force considers creating and re-creating structures, the WIAC structure has it right in a lot of ways. Maybe the private sector needs to be more represented in an overall structure if that is what the Task Force agrees on.

Senator Townsend wants members to be prepared at the start of the next meeting to finalize some consensus of what a structure looks like with some overarching group that can coordinate some additional considerations.

Since the Task Force has reached an overall number in terms of additional funding, members should be prepared to decide on a number to be charged per year. But, an overall structure would be the most practical approach when addressing the legislature. However, if the Task Force knows that the public approves of a specific number, then that would be a good recommendation to make in the report. Additionally, the Task Force needs to have more conversations about businesses and AG. Also, the Task Force needs to talk about the positive economic impacts that their changes will have on the State.

Mr. Corrado noted that Delaware needs to stand on its own, without the federal government's funding, because each year the federal government is funding the State less and less. There is not a drive in Congress to restore the funding that was given in years past.

Senator Townsend stated that Delaware also needs to stand on its own in terms of acknowledging the cost of government and the costs of services, but also the benefits of government and governmental services.

Mr. Morrill added that the Task Force has not yet talked about leveraging and what the impact of leveraging this revenue stream would have. One approach is to speed up the process so the State would have everything cleaned up in 5-10 years. Another approach would be to stretch out the process to keep annual costs down.

Public Comment

Senator Townsend asked if there were any comments from the public.

Charles Postles, member of the public, touched on a letter, which is inserted below:



DELMARVA POULTRY INDUSTRY, INC.

16686 COUNTY SEAT HIGHWAY • GEORGETOWN, DELAWARE 19947-4881
 PHONE: 302-856-9037 FAX: 302-856-9799 E-MAIL: dpi@dpicken.com
www.dpicken.org

December 16, 2015

Senator Bryan Townsend
 Representative Michael Mulrooney
 Co-Chairs
 Clean Water and Flood Abatement Task Force

Gentlemen:

I am writing to you on behalf of Delmarva Poultry Industry, Inc., the 1,600-member trade association working for the meat chicken industry in Delaware, the Eastern Shore of Virginia, and the Eastern Shore of Maryland.

Our organization's Board of Directors voted last week to oppose possible legislation to impose a state of Delaware property tax to raise money to fund water quality improvement projects.

There are several reasons for our opposition to such a new tax in Delaware.

Delaware chicken growers already are funding clean water programs through best management practices on their farms, implementation of nutrient management plans, and the new Delaware stormwater management program for new chicken farms. Our grower members are spending their own money to improve water quality. Therefore, they do not need another state tax, especially a property tax.

Already, at the school district level, property taxes on many Delaware chicken farms are burdensome. The assessed value of the chicken farms is based upon the square footage of the chicken houses. The existing tax levy on chicken houses adds a tremendous financial burden to these farm families without the houses necessarily increasing the costs of operating the schools. The chickens add nothing to the school districts' expenses. If these chickens were growing outside with no houses, the assessed value of the farm would be significantly lower. However, because our growers are involved with indoor agriculture, they are penalized for having chicken houses and the rising school district property taxes they face. A state property tax for water quality purposes will have the same financial implications.

Unlike other types of businesses, farmers have little or no ability to pass along to their customers higher operating costs by raising the prices they charge for their farm products. Farmers generally are "price takers" and not "price makers".

Chicken growers are somewhat different. They are not selling chickens to anybody. They are under contract to one of five chicken companies operating in Delaware. They are paid based upon how well they grow the birds while keeping chicken company operating costs down. (The chicken companies provide the day-old chicks, the feed, the health care products and services, the bedding material on which the chickens grow, and the propane gas to heat the houses.) Better performing growers within the same company sending the birds

to the processing plants in the same week are paid more by the chicken company than the poorer performing growers. That pay does not consider the costs growers have in electricity, insurance, and taxes, among other expenses. If taxes go up, the farm families growing the chickens will have lower net income. They are not in a position to seek higher pay from their chicken companies to pay a new state property tax.

In addition to the financial implications, Delmarva Poultry Industry, Inc. has concerns about some of the provisions of the draft bill that is being circulated.

- The draft proposes to create a trust fund and a 9-member Board dominated by government employees that will administer the Trust. The elected General Assembly will have near-zero authority to decide how this property tax money is spent.
- The draft bill creates a fee that “shall be increased” on a periodic basis with no language to allow the tax to go down or ever disappear.
- We believe the process described in the draft bill could strip away the authority of the county conservation districts to decide how they want to spend water quality improvement money. It could lead to the disappearance of the annual General Assembly appropriation to the districts for agricultural cost-share projects.

For these reasons, we are opposed to a state property tax, a huge policy change for Delaware, to raise money for water quality improvements.

Thank you for considering our views.

Respectfully,



Bill Satterfield
Executive Director

Additionally Mr. Postles added a few points:

- The question of equity and taxation is one that needs to be discussed further. He added that there are some issues with it that are very concerning to both the AG and business communities.
- Another topic he would like to hear more about is what the public is getting for their money. He added that the public will be more open to signing onto fees if they are told where the money is going.

Senator Townsend asked members if there are any more comments from Task Force members. As there were none, the Task Force meeting was brought to a close at 12:13 pm.

[Note: Pages 41-48 contain additional handouts Task Force members received.]

**DHSS/DPH
DRINKING WATER FUNDING NEEDS**

DRINKING WATER INFRASTRUCTURE PROGRAMS

Drinking Water State Revolving Fund (DWSRF)

Program Description – The Delaware Health and Social Services’ Drinking Water State Revolving Fund (DWSRF) program is primarily a source of low-interest loans for public water systems.

Program Needs – State funded grant incentive program is needed to encourage communities to implement sustainable practices; and, address at-risk drinking systems, such as very small, privately/non-municipal owned systems (i.e. Coverdale Crossroads, Holiday Pines, and Morningside Village).

Current Level of Funding - ~\$8.7M annually

Leverage - ~\$1.7M in state funds annually matches ~\$8.5M annually in federal funds.

Institutional Barriers to Funding or Program Delivery – Incentives, such as grant funds, are needed to encourage eligible communities/public drinking water systems to participate in the loan program to improve and update the drinking water infrastructure.

Funding Needs - ~ \$1.1B over the next 20 years to fund the replacement value of failing drinking water infrastructure (as reported by drinking water systems to the DWSRF Program in a 2015 Needs Assessment; and, presented to the Water Infrastructure Advisory Council (WIAC) on February 2015.

DRINKING WATER OPERATIONAL PROGRAMS

Office of Drinking Water

Program Description – Delaware Health and Social Services, in Delaware Code, is the drinking water primacy agency in the State. The Division of Public Health’s Office of Drinking Water administers the Federal and State Safe Drinking Water Acts through the assessment and monitoring of surface and ground water drinking water systems licensed to provide drinking water to the public.

Program Needs – Additional funding to support the implementation of and compliance with new EPA drinking water mandates for primacy states.

Current Level of Funding - ~\$2.12M

Leverage - Federal Public Water Supply Supervision Program Grant - ~\$ 550,000.00/year; Fee Revenue - ~\$ 110,000.00/year; Federal Drinking Water State Revolving Fund - ~\$ 1.46M/year.

<p>Institutional Barriers to Funding or Program Delivery – The Federal Public Water Supply Supervision Program Grant funding has remained static for a decade. Fees established in Delaware Code have never been updated since originally adopted in the enabling legislation.</p> <p>Funding Needs - Additional ~\$ 185,000/year from increased fee for service and operator certification fees to implement new EPA drinking water mandates.</p>
<p><u>Private Drinking Well Water Testing Program</u></p> <p>Program Description - The Division of Public Health Lab provides analytical services (bacteriological and limited chemical analysis) of quality drinking water from private water wells.</p> <p>Program Needs - Additional funding to support a core public health service.</p> <p>Current Level of Funding - ~\$ 4,500.00</p> <p>Leverage – The Private Drinking Well Water Testing Program receives indirect support from the Federal Drinking Water State Revolving Grant. The same instrumentation and personnel supported to perform regulatory testing also perform the analysis of drinking water from private wells.</p> <p>Institutional Barriers to Funding or Program Delivery – The fee charged from this service has not increased in over 20 years. The consumer cost of a bacteriological test kit is \$2.00; the total cost of the analysis is ~\$21.00/test. The consumer cost of a limited chemical test kit is \$2.00; the true cost of bacteriological analysis is ~\$123.00/test.</p> <p>Funding Needs - ~\$ 162,000.00 of annual funding.</p>
<p>FUNDING NEED TOTALS</p> <p>Drinking Water Infrastructure \$1.01 B over 20 years (at 2015 cost evaluation)</p> <p>Drinking Water Operations \$347,000 annually</p>

**DNREC, DDA & CONSERVATION DISTRICT
CLEAN WATER, WATERWAY MANAGEMENT AND FLOOD ABATEMENT FUNDING NEEDS
CLEAN WATER INFRASTRUCTURE PROGRAMS**

Environmental Finance Program Loan and Grants Program for Wastewater, Surface Water, Community Water Quality, Asset Management

Program Description - A state funded grant incentive program is needed to help make Clean Water State Revolving Fund (CWSRF) loans more affordable, and to provide needed grant assistance for project planning and design. In addition grant funds are needed as an incentive tool to facilitate long-term structural changes in areas such as: 1. Sustainability (asset management planning, and utility financial management), energy upgrades, and climate adaptation 2. Establishment of stormwater utilities 3. Upgrade failing/under-performing HOA Systems, and Low-Income/Under-served community systems.

Program Needs - State funded grant incentive program is needed to help make CWSRF loans more affordable, and to provide needed grant assistance for project planning and design. Incentive grants are needed to encourage communities to move forward with sustainability and stormwater utility projects; and due to community size and project affordability HOAs and Low-Income Communities will require grants and loans.

~\$1.5M match

~\$5M small community systems

~\$11.5M affordability grants

~\$2M to replace grants currently funded by non-fed administrative account

Current Level of Funding - Limited loan principal forgiveness funds associated with CWSRF federal capitalization grants.

Leverage - ~\$1.5M in state funds annually matches ~\$7M annually in federal funds.

Institutional Barriers to Funding or Program Delivery - Incentives are needed to encourage communities to move forward with other projects associated with sustainability and the establishment of stormwater utilities.

Funding Needs - ~ \$20M per year for a state grant/loan program. This includes ~\$1.5M annually as match for federal funds. New Castle County has not historically borrowed from the CWSRF Program on an annual basis. Therefore, the demand for CWSRF loans would significantly higher (~ \$10 million to \$15 million per year) if the County was a borrower.

Watershed Approach to Toxics Assessment (WATAR) -- Toxic Assessment, Remediation, Restoration

Program Description - Delaware's only holistic effort to assess current watershed health and identify chronic sources of legacy toxic contaminants by filling a critical gap between surface toxics and site remediation programs. WATAR prioritizes actions using innovative engineering and science to provide long-term solutions. Goal: fishable, swimmable, potable surface water in shortest time frame possible.

Program Needs - Creation of program to continue assessment of trends and implementation/coordination of priority remediation and restoration projects.

<p>Current Level of Funding - WATAR Program in 4th year of 5 Year Plan with allocated \$1m. No dedicated funding for implementation of identified Priority Projects.</p> <p>Leverage - Primarily, WATAR leverages efforts of two DNREC Sections. Assessment data from Federal, State, county, and local partners provide best results, when possible. Remediation/restoration projects have leveraged efforts and funds to achieve multiple stakeholder goals.</p> <p>Institutional Barriers to Funding or Program Delivery - No dedicated staff/Program funding beyond initial 5-Year Plan.</p> <p>Funding Needs - Program - \$1M / Year for dedicated staff members and data collection costs to track trends. Priority Projects - up to \$10M/year for 5 years minimum to supplement remediation efforts.</p> <p>Conservation Programs, Non Point Source (NPS), Cost-share Practices, Conservation Reserve Enhancement Program (CREP) in the Chesapeake, Inland Bays, St. Jones, Broadkill, Murderkill and Christina Watersheds. Includes some restoration and watershed management planning</p> <p>Program Description - Conservation Program Best Management Practices (BMP's) and program delivery for 6 priority watersheds throughout the State to meet the goals and pollutant load reductions in major watershed plans.</p> <p>Program Needs - Cost-share BMP's for Conservation Practices such as cover crops, buffers, manure and nutrient management, CREP and channel restoration practices.</p> <p>Current Level of Funding - \$2.5M through a variety of state capital and Federal grant program sources of funding.</p> <p>Leverage - Federal grant match and leverage of funding from EPA/USDA and USFW funding.</p> <p>Funding Needs - \$6.5M of additional funding annually to meet the needs of the requirements in priority watershed plans and TMDL's.</p>
<p>CLEAN WATER OPERATIONAL PROGRAMS</p> <p>Water Quality Monitoring and Assessment Program</p> <p>Program Description - Statewide efforts to assess and monitor the state surface and ground waters through a variety of sampling and monitoring programs.</p> <p>Program Needs - Additional stream gauge, well and monitoring stations and support for program and staffing.</p> <p>Current Level of Funding - \$1.5 - 2.0 M.</p> <p>Leverage - Some state TMDL funding leverages EPA monitoring money.</p>

<p>Institutional Barriers to Funding or Program Delivery - Long term - needs include deferred maintenance not reflected in the current estimates.</p> <p>Funding Needs - Additional \$1.5-2.0M in monitoring needs annually.</p>
<p><u>Water Permitting and Core Service Programs</u></p> <p>Program Description - Includes the Water Supply, Surface Water Discharges, Groundwater Discharges, and Wetlands and Subaqueous Lands Sections issues well and water allocation permits, issues licenses to well contractors, statewide drought management, ground water quality monitoring, wellhead and source water protection programs, and water withdrawal. Programs are responsible for permitting programs associated with water withdrawals and all types of wastewater discharges along with activities that impact wetlands and subaqueous lands.</p> <p>Program Needs - Additional funding to support core services and timely issuance of permits.</p> <p>Current Level of Funding - ~\$ 6.1 M from a combination of General Funds, Federal Grants, Fees and non-Fed Admin support.</p> <p>Leverage - In 2015, the Division of Water core services programs received \$1.8 M in Federal Grants and \$512,000 in non-Fed Admin support.</p> <p>Funding Needs - \$1.2 M of additional annual funding.</p>
<p><u>Ag Programs for Nutrient Management</u></p> <p>Program Description - Ag Programs for Nutrient Management.</p> <p>Program Needs - Funding for Nutrient Management Program.</p> <p>Current Level of Funding - \$657,000 in State General Funds for Nutrient Management Planning, Education, Transport and Cover Crops.</p> <p>Leverage - Leverage of State and Federal USDA and EPA Grant Funds.</p> <p>Funding Needs - \$600,000 in additional funding would be used for transportation of animal manure, nutrient management planning and new technologies.</p>
<p><u>WATER MANAGEMENT/FLOOD ABATEMENT</u></p> <p><u>Tax Ditch Program</u></p> <p>Program Description - Provide for TD technical assistance for 215 TD organizations statewide.</p>

<p>Program Needs - Additional funding beyond the current cost-share funds provided by the operating budget.</p> <p>Current Level of Funding - \$225,000.</p> <p>Leverage - Required match by the county governments in statute.</p> <p>Funding Needs - Additional \$225,000 with a required additional match by county governments.</p> <p>Institutional Barriers to Funding or Program Delivery - Some capacity issues with program delivery and local match.</p> <p><u>Drainage Assistance Program</u></p> <p>Program Description - Provide for the technical assistance necessary for planning, surveying, engineering and landowner work for drainage projects statewide.</p> <p>Program Needs - Additional funding for program.</p> <p>Current Level of Funding - \$1.14 M from Capital Budget.</p> <p>Leverage - Provides the upfront work for many of the 21st Century fund Projects. Alternate funding would relieve Capital budget funding.</p> <p>Funding Needs - Additional \$300-400K for engineering and survey work.</p>
<p><u>21st Century Fund Drainage Improvement Projects</u></p> <p>Program Description - Provide for the construction of drainage and flood improvement projects throughout the State of Delaware.</p> <p>Program Needs - Additional funding for program.</p> <p>Current Level of Funding - Intermittent Capital Budget funding.</p> <p>Leverage - Funds for construction have mandatory 10% match and other legislative and local funds are utilized.</p> <p>Funding Needs - Total \$3-5M/year.</p>

<p><u>Large Flood Abatement Projects \$500K+</u></p> <p>Program Description - Conduct several multi-phased major flood management and reduction projects throughout the state of Delaware.</p> <p>Program Needs - Continue to engineering and construction funds for several large flood abatement projects statewide annually.</p> <p>Current Level of Funding - No dedicated level of funding.</p> <p>Leverage - 21st Century Funds and possible Federal FEMA or ACOE funding.</p> <p>Funding Needs - \$3M/year.</p> <p>Institutional Barriers to Funding or Program Delivery - Multi-year projects need phased funding.</p> <p>FUNDING NEED TOTALS</p> <p>Clean Water Infrastructure \$36.5M annually</p> <p>Clean Water Operations \$3.8M annually</p> <p>Water Management/Flood Abatement \$8.625M/annually</p>

SCR 30: Final Report OUTLINE

Executive Summary

Summary of Recommendations

Introduction

History of Water Efforts and Funding in Delaware

- Review of historical data re: water quality, waterway impairment, health issues etc.
- Review of history re: regulatory/programmatic efforts to address water quality (federal regulatory framework, state regulatory framework)
- Review of WIAC history, framework for prioritization, etc.
- Review of financial resources over time

Scope of Challenges

(for each subsection, give overview as well as district-specific lists)

- Drinking Water
- Agriculture

- Wastewater
- Stormwater
- Flooding/Drainage
- Groundwater
- Legacy Issues

Economic, Employment, Health, and Environmental Impacts

- All-in numbers
- Broad measures / context
- Specific examples from across Delaware

Brief Review of Other States' Models

Recommendations

Conclusion

Appendix A: Summary of Each Task Force Meeting

Appendix B: Full Text of Meeting Minutes