



State of Delaware
Water Infrastructure Advisory Council
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Minutes of the 153rd Meeting

February 19, 2020

The Water Infrastructure Advisory Council held a public meeting on Wednesday, February 19, 2020, at 9:00 a.m., at Del Tech, Terry Campus, 100 Campus Drive, CTC Conference Room 400B, Dover, Delaware.

MEMBERS PRESENT:

Jeffrey Bross, Chairman
Hans Medlarz, Vice-Chair
Desmond Baker
Jeffrey Flynn arrived at 9:12 a.m.
Richard Duncan
Charles Anderson arrived at 9:02 a.m.
David Baker arrived at 9:04 a.m.
Jen Adkins
Victoria K. Petrone arrived at 9:23 a.m.
Eugene Dvornick
Carolann Wicks
J. Michael Riemann
Robert Stickels

MEMBERS ABSENT: NONE

OTHERS PRESENT WERE:

Greg Pope, Environmental Finance
Laura Robbins, Environmental Finance
Laura Rafferty, Environmental Finance
Davison Mwale, Environmental Finance
Robert C. Burns, Environmental Finance
Charles Santo, Environmental Finance
Keith Kooker, Environmental Finance
Reza Moqtaderi, Environmental Finance
Greg Pope, Environmental Finance
Jennifer Walls, DNREC
Heather Warren, DPH

Doug Lodge, ODW/OE
Jean Holloway, SERCAP
Jennifer Pyle, University of DE
Laura Miller, DE Nature Society
Ellie Ezekiel, DE Nature Society
David Athey, AECOM
Chris Brendza, JMT
Charles O'Donnell, GMB
Jason McClafferty, KCI
Brad Spittel, KCI
Andrew Jakubowitch, Century Engineering
Jason Lyon, City of Dover
Maddy Lauria, The News Journal
Darrin Gordon, Lewes BPW
Ellen Lorraine McCabe, City of Lewes
Andy Riggi, Kent County
Shelly Cohen, Milton
Keith Steck, Delaware Coalition for Open Government

CALL TO ORDER PUBLIC MEETING:

Meeting came to order at 9:01 a.m.

APPROVAL OF THE AGENDA:

Motion made by Mr. Duncan, seconded by Mr. Dvornick to approve the agenda. Motion passed unanimously. Western Sussex Supplemental was removed from the agenda.

APPROVAL OF PUBLIC HEARING MINUTES – December 18, 2019:

Motion made by Ms. Adkins, seconded by Mr. Duncan to approve the December 18, 2019 public hearing minutes. Motion passed unanimously.

APPROVAL OF PUBLIC MEETING MINUTES – December 18, 2019:

Motion made by Ms. Adkins, seconded by Mr. Duncan to approve the December 18, 2019 public meeting minutes. Motion passed unanimously.

WIAC INFORMATIONAL:

Legislative Updates: Greg Pope gave an update on HS1 from HB200: sponsored by Representative Valerie Longhurst (House Majority Leader) and Senator David B. McBride (President Pro Tempore). It has gone through the Appropriations Committee in the House; it will be a new bond bill appropriations under the Clean Water Trust, and will be overseen by WIAC. WIAC will have to have an additional meeting outside of the regular meeting schedule, and there is a question of whether there will have to be separate meetings in all three counties. The bill adds a 14th non-voting WIAC member that would represent a public utility.

Heather Warren presented the Water Infrastructure Improvements for the Nation Act (WIIN) - Safe Drinking Water Act 1459A

Objective: Assist public water systems in underserved, small and disadvantaged communities to meet the Safe Drinking Water Act requirements.

Eligible Activities:

- Investments necessary for a public water system in a small, disadvantaged, or underserved community to return to compliance with the Safe Drinking Water Act.
- Efforts that benefit a disadvantaged community on a per household basis.
- Programs to provide household water quality testing; including testing for unregulated contaminants.
- Activities necessary and appropriate for a state to respond to a contaminant.

Disadvantaged Definition:

- Populations of less than 10,000 individuals.
- Communities that do not have the capacity to incur debt sufficient to finance a project or eligible activity and may become disadvantaged as a result of carrying out an eligible activity.

Amount/Workshop Info.

- Grant Applications of up to \$609,000 will be considered. Projects solicitation will start February 20, 2020, and are due by March 31, 2020.
- Public Workshop – February 20, 2020 at the Edgehill Shopping Center in Dover, DE.
- \$420,000 grant amount
 - \$189,000- 45% required match

NEW BUSINESS:

CWSRF LOAN REQUESTS:

Davison Mwale presented the **Kent County Levy Court-Scope Change – US Route 13 Forcemain Rehabilitation Repairs to 24” Forcemain**

Project Description/Environmental Benefits:

June 20, 2018 – WIAC approved \$2,423,100 to finance purchase of pipe materials, engineering, and administration costs for the US Route 13 Forcemain (FM) rehabilitation project.

The project was completed and the FM pressurized on December 19, 2019; on the same day, the old section of the 24” FM pipe, 3,700 LF downstream, near Silver Lake Park, failed and spilled thousands of gallons of raw sewage into the St. Jones River.

Kent County Levy Court is requesting to utilize the remaining \$580,000 to replace 1,300 LF of the failed 24” FM pipe.

Environmental Review: Work will occur in previously disturbed areas. Categorical Exclusion determination was advertised January 26, 2020 – February 26, 2020

Start Date of Construction: May 2020

End Date of Construction: July 2020

Recommendation: Environmental Finance recommends Council’s approval of the change in scope of the US Route 13 FM rehabilitation project. All previous loan terms remain the same.

Motion made by Mr. Dvornick, seconded by Mr. Riemann to approve the scope change for Kent County Levy Court’s US Route 13 FM Rehabilitation project. Motion passed unanimously.

Keith Kooker presented the **City of Dover’s Puncheon Run Pump Station Improvements Project**

Project Description/Environmental Benefits:

The City of Dover Puncheon Run sanitary sewer pump station has an existing grit removal system. This system is presently old and not running efficiently. This situation if left unaddressed, will lead to solids entering and clogging the station pumps. Pump failure could lead to an overflow at the station and a release of wastewater into the adjacent Puncheon Run Creek. A new grit removal system is proposed to replace the existing one.

Environmental Review: No environmental impacts anticipated: project qualified for Categorical Exclusion. CE determination advertised on February 5 and February 9, 2020. No responses received to date: if no responses by March 6, a categorical exclusion will be issued.

Start Date of Construction: March 2020 -materials could be delayed

End Date of Construction: July 2020

Project Budget

Engineering	
Basic	\$47,900
Construction	\$700,000
Contingencies	\$32,200
Total	\$780,100

Project Funding

CWSRF Loan	\$732,200
City of Dover Wastewater Funds	\$47,900
Total	\$780,100

Laura Robbins presented the following financial information:

City of Dover Affordability Analysis

Estimated Project Cost	\$780,100
City of Dover Wastewater Funds	\$47,900
Loan Amount	\$732,200
Interest Rate	2.00%
Loan Terms Years	20
Annual Debt Service, New Facility	\$44,599
Existing Debt Service	\$611,200

Increase in O,M & R	\$51,367
O,M & R Cost, Existing Facility	\$7,678,400
<u>Total Cost New Facility</u>	<u>\$8,385,566</u>
<u>Residential Share at 83%</u>	<u>\$6,960,020</u>
EDU's	12,904
<u>Wastewater</u>	
<u>Estimated Annual Charge Per EDU</u>	<u>\$539</u>
Median Household Income	\$49,738
% of MHI	<u>1.08%</u>
<u>Drinking Water</u>	
Estimated Annual Charge Per EDU	\$256
% of MHI	<u>0.51%</u>
Combined % MHI Wastewater & Drinking Water	<u>1.60%</u>

Terms of Funding:

- The proposed loan will be secured by a Revenue Bond.
- 2% interest, 20-year term (Greater of 95% of BVBM10Y or Floor of 2%).
- During construction, the loan will require semi-annual interest only payments.
- Upon project completion, principal and interest payments shall be paid semi-annually in an amount sufficient to amortize the outstanding principal balance up to \$732,200 over the 20-year term.

Recommendation: Based on the information provided by the City of Dover’s SRF application, Environmental Finance recommends Council’s approval and recommendation of the CWSRF Binding Loan Commitment in the amount of \$732,200 to the City of Dover for the Puncheon Run Pump Station Improvement Project with the aforementioned loan terms.

Motion made by Vice-Chair Medlarz, seconded by Mr. Duncan to approve the Binding Loan Commitment (\$732,200) for the City of Dover’s Puncheon Run Pump Station Improvement Project. Motion passed unanimously.

Greg Pope presented the (CWSRF) **Lewes Board of Public Works (BPW)- Donovan Smith Mobile Home Park (MHP)**

Project Description:

The project will install approximately 5,000 feet of 8-inch PVC sewer main (connected into the existing BPW sewer collection system on Donovan Road near the Savannah Place development), 23 manholes, approximately 1,500 feet of 6-inch PVC house sewer services with cleanouts, sewer main and service trench restoration, for 88 existing mobile home units, to serve the existing MHP. Also, the Park's sewage holding tanks will be abandoned. Currently, the MHP is situated outside City limits and sanitary sewage is collected into several on-site holding tanks,

which are pumped out several times per week for off-site disposal. The proposed sewer system extension is to operate entirely by gravity flow.

Environmental Benefits: Installation of the BPW public sewer system will eliminate the holding tanks and provide a safer, healthier, more sustainable sewage collection and treatment alternative. **PUBLIC HEALTH ENFORCEMENT ISSUE**

Environmental Review: Technical reviews of the loan applications PER and EID revealed no environmental impacts anticipated from the proposed project. The project has qualified for a categorical exclusion.

Start Date of Construction: October 2020

End Date of Construction: November 2021

Project Budget

Administration (Legal)	\$7,500
Engineering	
Basic (\$50,000 less \$16,152 Grant)	\$33,848
Project Inspection	\$57,500
Other (Construction Administration)	\$27,500
Construction	\$1,757,450
Other (BPW Sewer Impact Fees)	\$223,520
Contingencies	\$175,745
Total	\$2,283,063

Project Funding

CWSRF Loan	\$2,283,063
Principal Forgiveness	\$(2,283,063)

Laura Robbins presented the following financial information:

Donovan Smith Mobile Home Park Sewer & Water Annexation Projects

CWSRF Affordability Analysis	With Principal Forgiveness	
Project Cost	\$2,283,063	\$2,283,063
Principal Forgiveness	\$0	\$2,283,063
CWSRF Loan Amount	\$2,283,063	\$0
Interest Rate	1.159%	1.159%
Loan Terms Years	20	20
Annual Debt Service, New Facility	\$128,223	\$0
Total Cost New Facility	\$128,223	\$0
New Facility Cost per EDU	\$1,457	\$0
Yearly Consumption Based on Gallons	\$403	\$403
Ready to Serve Yearly Cost	\$600	\$600
Stormwater Annual Fee	\$60	\$60
Total Estimated Annual Charge Per EDU	\$2,521	\$1,063
EDU's	88	88

Median Household Income	\$34,825	\$34,825
% of MHI	7.24%	3.05%
<u>Drinking Water</u>		
Project Cost	\$2,638,659	\$2,638,659
Principal Forgiveness	\$0	\$2,638,659
DWSRF Loan Amount	\$2,638,659	\$0
Interest Rate	1.159%	1.159%
Loan Terms Years	20	20
Annual Debt Service, New Facility	\$148,194	\$0
Total Cost New Facility	\$148,194	\$0
New Facility Cost per EDU	\$1,684	\$0
Yearly Consumption Based on Gallons	\$107	\$107
Ready to Serve Yearly Cost	\$192	\$192
Total Estimated Annual Charge Per EDU	\$1,983	\$299
Drinking Water % of MHI	5.69%	0.86%
<u>Combined Wastewater & Drinking Water % of MHI</u>	12.93%	3.91%

Terms of Funding:

- The proposed loan will be secured by a Revenue Bond.
- 1.159% interest, 20-year term (Based on 95% of the BVMB10Y at time of original loan)
- During construction, the loan will require semi-annual interest only payments.
- Upon project completion, up to \$2,283,063 of the outstanding balance will be forgiven using State Bond Bill funds (FY18 Appropriation).
- The proposed loan will be contingent upon an annexation agreement with the City of Lewes and a memorandum of understanding between the park owner and Lewes BPW that includes the following conditions for the 20-year period: **Environmental Finance is working with the Lewes Board of Public Works legal department regarding the following conditions: The final outcome will be shared with the WIAC.**

1. Owner to make payment to the BPW for monthly sewer ready-to-serve and consumption charges. These costs are not to be passed onto the tenants.
2. No rental increases greater than the average CPI-U for the preceding 36-month period without BPW's prior consent.
3. No change in land use. Restrictive covenant to be recorded on the MHP property so that should sale occur, the benefits of the project to the tenants remain for the 20-year period.
4. Cost of lateral connections to be paid by the owner.

Recommendation: Based on the information provided by Lewes BPW's SRF application, Environmental Finance recommends Council's approval of a CWSRF Binding Loan Commitment in the amount of \$2,283,063 with the aforementioned loan terms to the Lewes BPW for the Donovan Smith MHP project, contingent upon the executed annexation agreement and memorandum of understanding as noted.

Motion made by Vice-Chair Medlarz, seconded by Mr. Duncan to approve the CWSRF Binding Loan Commitment (\$2,283,063) to the Lewes Board of Public Works for the Donovan Smith

MHP Project. Motion passed unanimously. Any material changes in the aforementioned conditions will be re-presented to the WIAC.

DWSRF LOAN REQUESTS:

Doug Lodge presented the (DWSRF) **Lewes Board of Public Works (BPW) Donovan Smith Mobile Home Park (MHP).**

Project Description: Currently, Donovan Smith Mobile Home Park is served by an aging water system that has services located under mobile homes and through narrow spaces between homes. The new system will improve access to the system and upgrade the fire protection for the area. The project will install approximately 1000 feet of 12-inch main to connect to an existing main, 4,500 feet of 6-inch main internal to the park, meters, service lines, valves, and fire hydrants in the residential community of Donovan Smith. This project will reduce potential for system contamination, provide reliable water service to the community, provide better access to the water system for repairs and provide fire suppression to the community. **PUBLIC HEALTH ENFORCEMENT ISSUE**

Environmental Review: Categorical Exclusion will be issued.

Capacity Development Review: Approval Recommended.

Construction Dates:

Start Date: March 2020

End Date: June 2020

Project Budget:

a. Administration	\$4,000
i. Land, Right of Way	\$0
ii. Legal	\$4,000
b. Engineering	\$105,000
i. Basic (\$60,000 Total \$30,000 MPG)	\$30,000
ii Project Inspection	\$50,000
iii. Other Construction Administration	\$25,000
c. Construction	\$2,276,693
i. Construction	\$2,276,693
d. Other	\$0
e. Contingencies	\$252,966
Total	<u>\$2,638,659</u>

Project Funding

DWSRF Loan **\$2,638,659**

Principal Forgiveness at Project Completion **\$2,638,659**

Robert Burns presented the following financial information.

Affordability Summary: The annual cost for drinking water service is estimated at \$299 per Equivalent Dwelling Unit (EDU). This represents 0.86% of Median Household Income (MHI). When the utility provides both drinking water and wastewater service the affordability standard is 2.0% of MHI. The combined user rate is estimated at \$1,362 which is 3.91% of MHI.

		With Principal Forgiveness
<u>Clean Water</u>		
Project Cost	\$2,283,063	\$2,283,063
Principal Forgiveness	\$0	\$2,283,063
CWSRF Loan Amount	\$2,283,063	\$0
Interest Rate	1.159%	1.159%
Loan Terms Years	20	20
Annual Debt Service, New Facility	\$128,223	\$0
Total Cost New Facility	\$128,223	\$0
New Facility Cost per EDU	\$1,457	\$0
Yearly Consumption Based on Gallons	\$403	\$403
Ready to Serve Yearly Cost	\$600	\$600
Stormwater Annual Fee	\$60	\$60
Total Estimated Annual Charge Per EDU	\$2,521	\$1,063
EDU's	88	88
Median Household Income	\$34,825	\$34,825
% of MHI	7.24%	3.05%
<u>Drinking Water</u>		
Project Cost	\$2,638,659	\$2,638,659
Principal Forgiveness	\$0	\$2,638,659
DWSRF Loan Amount	\$2,638,659	\$0
Interest Rate	1.159%	1.159%
Loan Terms Years	20	20
Annual Debt Service, New Facility	\$148,194	\$0
Total Cost New Facility	\$148,194	\$0
New Facility Cost per EDU	\$1,684	\$0
Yearly Consumption Based on Gallons	\$107	\$107
Ready to Serve Yearly Cost	\$192	\$192
Total Estimated Annual Charge Per EDU	\$1,983	\$299
Drinking Water % of MHI	5.69%	0.86%
Combined Wastewater & Drinking Water % of MHI	12.93%	3.91%

Terms of Loan

- The funding is to be secured by a Revenue Bond.
- The Interest Rate will be 1.159% for a term of 20 years.
- Semi-annual interest only payments will be required during project construction.
- Upon project completion, up to \$2,638,659 of the principal balance will be forgiven.
- The proposed loan will be contingent upon an annexation agreement with the City of Lewes and a memorandum of understanding between the park owner and Lewes BPW, which includes the following conditions for the 20-year period:
 1. Owner to make payment to the BPW for monthly water ready-to-serve and consumption charges. These costs are not to be passed onto the tenants.
 2. No rental increases greater than the average CPI-U for the preceding 36-month period without BPW's prior consent.

3. No change in land use. Restrictive covenant to be recorded on the MHP property so that should sale occur, the benefits of the project to the tenants remain for the 20-year period.
4. Cost of lateral connections to be paid by the owner.

Recommendation: Based on information presented by the City of Lewes’s DWSRF application and the financial review conducted by DNREC, Environmental Finance; the Department of Health and Social Services, Division of Public Health recommends Council’s approval of the DWSRF Binding Loan Commitment in the amount of \$2,638,659 to the City for the Donovan Smith Mobile Home Park Water Service Extension Project with the aforementioned loan terms.

Motion made by Mr. Dvornick, seconded by Mr. Duncan, to approve the DWSRF Binding Loan Commitment (\$2,638,659) to the Lewes Board of Public Works for the Donovan Smith MHP Project. Motion passed unanimously.

Wastewater Planning Grant Requests

Davison Mwale presented the **City of Milford Mill Street Sewer Rerouting Wastewater Matching Planning Grant**

Total Project Cost:	\$20,600
Assistance Requested:	\$ 6,867
Start Date:	March 1, 2020
Completion Date:	September 1, 2020
Consultant:	TBD

Scope: Plan for rerouting of a clay sanitary sewer pipe that is currently exposed within a streambed and restore stream bank after removal.

Recommendation: Environmental Finance recommends Council approval and recommendation of a Wastewater Matching Planning Grant in the amount of \$6,867 to the City of Milford for the proposed project.

Motion made by Vice-Chair Medlarz, seconded by Mr. Stickels to approve the Wastewater Matching Planning Grant (\$6,867) to the City of Milford for the Mill Street Sewer Rerouting. Motion passed unanimously.

Reza Moqtaderi presented the **Town of Smyrna – North Main Street Utility Replacement Wastewater Planning Advance Grant**

Total Project Cost:	\$ 36,970
Assistance Requested:	\$ 36,970
Start Date:	April 2020
Completion Date:	April 2021
Consultant:	KCI Technologies, Inc.

Scope: The North Main Street Utility Replacement project is a continuation of the Town of Smyrna’s long term plan to replace its aging utility network. The project will consist of replacing 1,500 feet of undersized and failing sewer mains within North Main Street. The Town of Smyrna is requesting grant funding to prepare the required PER and EID in preparation for submittal of a loan application to fund the project through the CWSRF program.

Recommendation: Environmental Finance recommends Council approval and recommendation of a Wastewater Planning Advance Grant in the amount of \$36,970.00 to the Town of Smyrna for the preparation of the proposed PER and EID.

Motion made by Vice-Chair Medlarz, seconded by Mr. Duncan to approve the Wastewater Planning Advance Grant (\$36,970.00) to the Town of Smyrna for the North Main Street Utility Replacement PER and EID. Motion passed unanimously.

This plan will start at Commerce Street and end at Glenwood Avenue. Project scopes should include an analysis as part of the evaluation. It was also suggested to have interagency cooperation with DelDOT: Synopsis of the coordination aspects in street reconstruction to be included in future presentations.

Reza Moqtaderi presented the **FY2020 NFAA Wastewater Grant Status Remaining Balances are through June 30, 2020**

Wastewater Matching Planning Grants

Budgeted	\$150,000
Requested	\$136,867
Remaining	\$ 13,133

Wastewater Planning Advance Grants

Budgeted	\$200,000
Requested	\$136,970
Remaining	\$63,030

Wastewater Asset Management Grants

Budgeted	\$200,000
Requested	\$0
Remaining	\$200,000

Drinking Water Planning Grants

Heather Warren presented the **Town of Smyrna- North Main Street Water Main Replacement Drinking Water Matching Planning Grant**

Total Project Cost:	\$ 50,100
Assistance Requested:	\$ 25,050
Start Date:	April 2020
Completion Date:	April 2021
Consultant:	KCI Technologies, Inc.

Scope: Planning and design for North Main St main replacement.

Recommendation: DWSRF recommends Council approval and recommendation of a Drinking Water Matching Planning Grant in the amount of \$25,050 to the Town of Smyrna for the project as presented.

Motion made by Mr. Duncan, seconded by Mr. Dvornick to approve the Drinking Water Matching Planning Grant (\$25,050) to the Town of Smyrna for the planning and design of the North Main Street Water Main Replacement. Motion passed unanimously.

**Heather Warren presented the FY2020 Drinking Water NFAA Grant Status
Remaining Balances are through June 30, 2020**

Drinking Water Matching Planning Grants

Budgeted	\$300,000
Requested	\$ 25,050
Remaining	\$274,950

Drinking Water Asset Management Grants

Budgeted	\$300,000
Requested	\$0
Remaining	\$300,000

Drinking Water Additional Subsidization Grants

Budgeted	\$100,000
Requested	\$0
Remaining	\$100,000

Surface Water Matching Planning Grants were presented by Jim Sullivan

Award Recommendations (January 2020 Submittal)

- Press Release issued on January 8, 2020
- Grant Proposals due on January 22, 2020
- Review and ranking of the 4 grant proposals held on January 31, 2020
 - 3 grant applications were eligible and acceptable

Rank# 1 Final Score: 89.6 Project Cost: \$100,000

Recommended Grant Award: \$50,000

University of Delaware-Stormwater GIS Database Compilation

The University of Delaware is looking to survey and field verify the stormwater infrastructure under their permit. The City of Newark completed a matching planning grant in 2015 to develop the GIS mapping database; the database was populated through field truthing and surveying their portion of the stormwater system. The University intends to build upon the previously developed GIS database and populate with stormwater infrastructure owned and operated by the University. The City of Newark (City) and the University are listed as co-permittees on the draft National Pollutant Discharge Elimination System (NPDES) permit.

Motion made by Mr. Dvornick, seconded by Mr. Duncan to approve the Surface Water Matching Planning Grant to the University of Delaware (\$50,000) for the Stormwater GIS Database Compilation. Motion passed unanimously.

Rank# 2 Final Score: 86.05 Project Cost: \$22,844

Recommended Grant Award: \$11,422

Delaware City-MS4 Inventory/Inspection and Green Infrastructure Assessment

As part of the Phase I MS4 Permit, the City has recognized the need to inventory and inspect all stormwater infrastructure within the City limits as well as do a green infrastructure assessment. The assessment will evaluate the feasibility of installing green stormwater technologies for future retrofits. The City proposes to use the services of KCI Technologies, Inc. to conduct the City wide MS4 Inventory / Inspection and the Green Infrastructure Assessment .

Motion made by Mr. Anderson, seconded by Ms. Petrone to approve the Surface Water Matching Planning Grant to Delaware City (\$11,422)) for the MS4 Inventory/Inspection and Green Infrastructure Assessment. Motion passed unanimously.

Rank# 3 Final Score: 76.15 Project Cost: \$50,000

Recommended Grant Award: \$25,000

City of Rehoboth Beach-Stormwater Utility Feasibility Study

The City of Rehoboth Beach will work with AECOM to perform a Stormwater Utility Feasibility Study. The components of the Feasibility Study Scope of Work: Assess Existing Stormwater Program; Determine One or More Desired Future Levels of Service; Evaluate Potential Funding Sources and Options; Facilitate Stormwater Working Group; Obtain GIS Data and Information; Evaluate Potential Rates; Assess Credits Program and / or Exemptions; Provide Documentation; Coordinate with City.

In the current fiscal year, the City of Rehoboth Beach has spent nearly \$710,000 to clean, assess, and repair stormwater infrastructure as well as test stormwater quality.

Motion made by Mr. Dvornick, seconded by Ms. Adkins to approve the Surface Water Matching Planning Grant to the City of Rehoboth Beach (\$25,000) for the Stormwater Utility Feasibility Study. Motion passed unanimously.

ADMINISTRATORS' REPORTS

Greg Pope presented the **Project Updates:**

- **Dover – Del Tech, Silver Lake, and Walker Woods Pump Stations**
 - Construction – 100% complete
- **Sussex County – Western Sussex Sewer District**
 - Contract #1 – 85% complete; contract #2 – 100% complete
- **Newark – Rodney Dormitory Stormwater Project**
 - Demolition contract – 85% complete
- **Wilmington – South Wilmington Wetlands Project**
 - Construction – 59% complete

Laura Robbins presented the **CWSRF and DWSRF Financial Updates**

CWSRF Cash Flow Assumptions

- **Loan Terms for Future Commitments**
 - New Commitments & Loans in Construction for 2020 consist of \$169,714,711 of loans in construction and \$51,601,064 in new loan commitments, of which \$750,000 is allocated for Septic Rehabilitation loans, Agricultural Non-Point Source loans, and Expanded Uses Non-Point Source loans
 - 80% of portfolio is traditional with a 20 year term at 2%
 - 15% of portfolio is small community with a 30 year term at 1%
 - 5% of portfolio is sponsorship with a 20 year term at 2%
 - Principal forgiveness of \$12 Million has been committed and is assumed at 20% of the Cap Grant in future years

- **Loan Probability Factors includes PPL Loans & Loans in Construction**
 - 3 = Only High Probability Projects Considered (\$200,540,415)
 - 2 = High and Medium Probability Projects Considered (\$20,025,360)
 - 1 = High, Medium and Low Probability Projects Considered (\$14,821,000)
 - Model is set to include projects in 2 and 3
 - New Commitments represent 100% of the Federal FY2019 PPL (State FY2020) which provides disbursement projections through 2022. However, \$14,821,000 of projects on the PPL are not ready to proceed and therefore were omitted in the analysis as noted above in category 1

- **Minimum Cash Balance**
 - Assumes a \$5 Million dollar minimum cash balance
 - Future Cap Grant assumes conservative Federal payment of \$3.5 Million and \$700,000 State Match

CWSRF Cash Flow

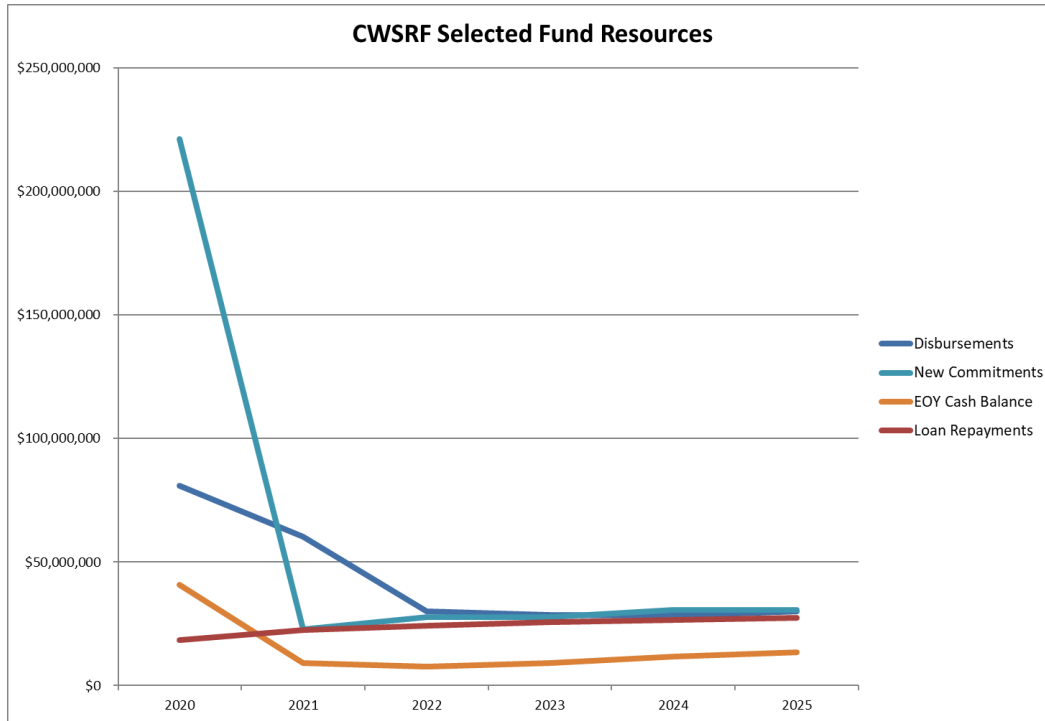
Delaware CWSRF FOCUS Model

Financing and Cash Flow Utilization in the SRF

Version: January 2020

Summary

State Fiscal Year	2020	2021	2022	2023	2024	2025
New Commitments & Loans in Construction	\$221,315,775	\$22,750,000	\$27,750,000	\$27,750,000	\$30,750,000	\$30,750,000
Disbursements	\$80,805,110	\$60,238,390	\$30,106,500	\$28,672,581	\$28,312,500	\$30,187,500
Loan Repayments	\$18,443,660	\$22,375,977	\$24,316,197	\$25,689,291	\$26,518,896	\$27,362,649
Capitalization Grant Payments	\$7,779,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000
State Match	\$1,555,800	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000
Fee Income	\$2,706,796	\$3,466,266	\$3,511,426	\$3,520,127	\$3,536,476	\$3,561,257
End of Year Cash Balance	\$40,945,496	\$9,045,442	\$7,731,330	\$9,205,517	\$11,850,114	\$13,443,610



DWSRF Cash Flow Assumptions

- **Loan Terms for Future Commitments**
 - New Commitments & Loans in Construction for 2020 consist of \$49,336,441 of loans in construction and \$19,860,362 in new loan commitments
 - 85% of portfolio is traditional with a 20-year term at 2%
 - 15% of portfolio is small community with a 30-year term at 1%
 - Principal forgiveness of \$15 Million has been committed and is assumed at 20% of the Cap Grant in future years

- **Loan Probability Factors includes PPL Loans & Loans in Construction**
 - 3 = Only High Probability Projects Considered (\$69,196,803)
 - 2 = High and Medium Probability Projects Considered (\$0)
 - 1 = High, Medium and Low Probability Projects Considered (\$9,234,507)
 - Model is set to include projects in 3
 - New Commitments represents 100% of Federal FY2019 PPL (State FY2020) which includes disbursement projections through 2022. However, \$9,234,507 of projects on the PPL are either not ready to proceed, or are proposed to be funded by State Bond Bill funds and therefore were omitted in the analysis as noted above in category 1

- **Minimum Cash Balance**
 - Assumes a \$5 Million dollar minimum cash balance
 - Future Cap Grant assumes conservative Federal payment of \$3.5 Million and \$700,000 State Match

DWSRF Cash Flow

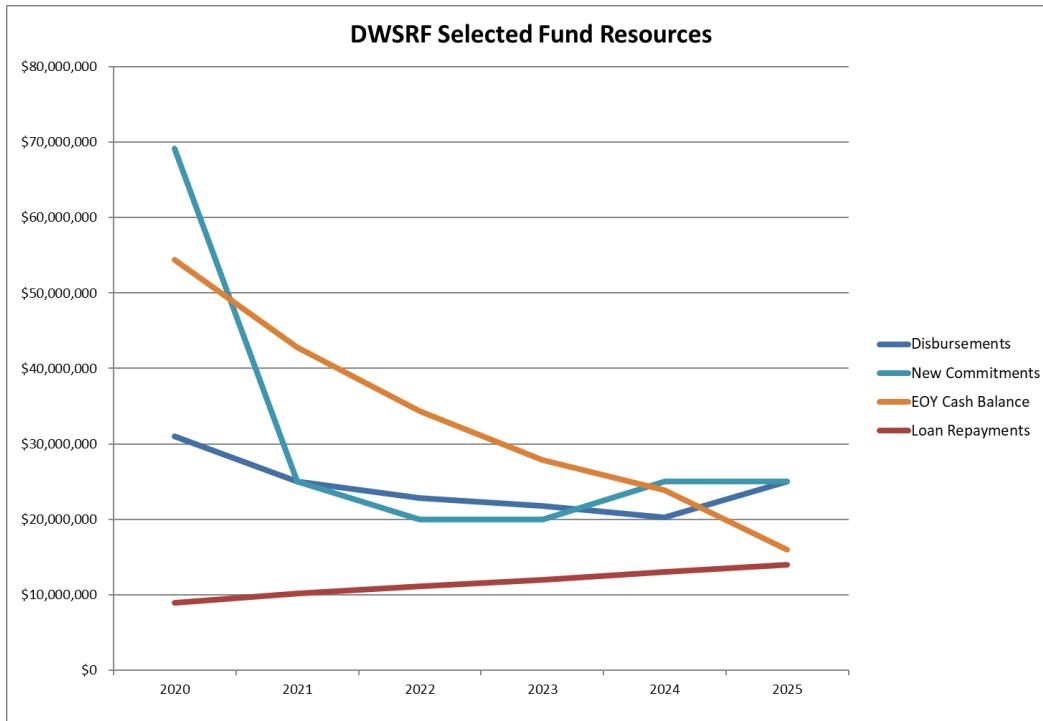
Delaware DWSRF FOCUS Model

Financing and Cash Flow Utilization in the SRF

Version: January 2020

Summary

State Fiscal Year	2020	2021	2022	2023	2024	2025
New Commitments & Loans in Construction	\$69,196,803	\$25,000,000	\$20,000,000	\$20,000,000	\$25,000,000	\$25,000,000
Disbursements	\$31,020,836	\$25,007,537	\$22,844,348	\$21,750,000	\$20,281,250	\$25,000,000
Loan Repayments	\$8,969,664	\$10,191,422	\$11,157,563	\$11,955,208	\$13,025,306	\$13,938,787
Capitalization Grant Payments	\$11,004,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000
State Match	\$2,200,800	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000
Fee Income	\$1,292,684	\$1,498,871	\$1,562,136	\$1,636,376	\$1,686,361	\$1,733,436
End of Year Cash Balance (Not Discounted)	\$54,380,650	\$42,814,535	\$34,377,750	\$27,832,958	\$23,827,014	\$16,015,801



SUBCOMMITTEE REPORTS:

WASTEWATER: Met on February 5. Mr. Riemann reported that the wastewater projects presented at today’s meeting were reviewed.

SURFACE WATER: Met on February 5. Vice-Chair Medlarz reported that the surface water projects were reviewed, project ranking issues were discussed; and the Surface Water Long Term Needs Study has been distributed.

FINANCE: Met on February 10. Ms. Adkins reported that all projects and financial information were reviewed that were presented at today’s meeting; discussed recommendations for the rebalancing of non-fed admin accounts; outreach; updating affordability policies: volunteers from WIAC to assist with strategy and goals of affordability; improvement of the SRF project process, and EPA review schedules.

DRINKING WATER: Met on February 5. Mr. Duncan said they congratulated Heather Warren on her new position with the agency; discussed the WIIN program, Donovan Smith Mobile Home Park Project, and marketing the SRF program to get more applicants.

PUBLIC COMMENTS: NONE

GOOD OF THE COUNCIL: Mr. Duncan mentioned the Delaware Rural Water Association's Conference that will be held at the Harrington Fairgrounds (Exhibit Hall) on February 26 and February 27, 2020.

MEETING ADJOURNMENT: Motion made by Mr. Duncan, seconded by Mr. Dvornick to adjourn the meeting. Chairman Bross adjourned the meeting at 10:38a.m. The next WIAC meeting is April 15, 2020, and will be held at Del Tech Terry Campus, 100 Campus Drive, CTC Room 400B, Dover, DE at 9:00 a.m.