

**AGENDA**  
**SUSSEX CONSERVATION DISTRICT BOARD OF SUPERVISORS**  
**April 25, 2023, @ 7 p.m.**  
**23818 Shortly Road, Georgetown, DE**

I Call to Order

II Agenda Modifications

III Approval of Agenda

IV Approval of Minutes of Last Meeting

V Recognition of Visitors

- PKS Audit Presentation
- Allen Davis, Aquaculture Cost Share Discussion

VI Correspondence

VII Reports:

- District Accountant's Report – Dan Lee (P 2)
- Equipment Manager's Report – Stephen Gissy (P 6)
- District Conservationist's Report – Thelton “Ziggy” Savage (P 7)
- Sediment & Stormwater Manager's Report – Jessica Watson (P 9)
- DNREC Conversation Program Report- Marcia Fox/Tyler Brown (P 10)
- Nutrient Management Program Administrator's Report- Chris Brosch
- DACD Executive Director's Report – Jen Nelson (P 12)
- Agricultural Program Report – Debbie Absher (P 16)
- District Coordinator's Report – David Baird (P 17)

VII Items Requiring Board Action

1. Cost Share Payments
  - a. Large Animal Mortality
2. Adoption of Section 125 Plan for the 2023/2024 Benefit Year
3. Sussex County Tax Ditch Warrant Increases

IX Adjournment

*Pursuant to 29 Del. C. § 10004 (e) (2), the Agenda items as listed may not be considered in sequence. This Agenda is subject to change to include additional items, including Executive Sessions, which arise during the meeting.*

**Sussex Conservation District  
Cash Report  
March 2023**

<b><i>Fulton Bank - Checking</i></b>	
Bank Balance Per Statement	\$690,535.55
Add: Deposits in Transit	\$0.00
Less: Outstanding Checks	(\$7,844.20)
Balance in G/L - End of Month	\$682,691.35
Beginning G/L Balance	\$544,471.09
Add: Cash Receipts	\$704,089.88
Less: Cash Disbursements	(\$565,869.62)
Ending G/L Balance	\$682,691.35
<b><i>Fulton Bank - Payroll</i></b>	
Beginning G/L Balance	\$0.00
Add: Cash Receipts	\$189,035.63
Less: Cash Disbursements	(\$189,035.63)
Ending G/L Balance	\$0.00
<b><i>Citizens Bank - Checking</i></b>	
Beginning G/L Balance	\$1,931,226.26
Add: Cash Receipts	\$0.00
Less: Cash Disbursements	\$0.00
Ending G/L Balance	\$1,931,226.26
<b><i>Citizens Bank - Money Market</i></b>	
Beginning G/L Balance	\$3,604,671.74
Add: Cash Receipts	\$24,277.76
Less: Cash Disbursements	\$0.00
Ending G/L Balance	\$3,628,949.50
<b><i>Fulton Bank - Merchant</i></b>	
Beginning G/L Balance	\$1,255.22
Add: Cash Receipts	\$5,754.60
Less: Cash Disbursements	(\$185.45)
Ending G/L Balance	\$6,824.37
<b><i>Artisans Bank - Certificate of Deposit - 11/01/23</i></b>	<b>\$248,523.31</b>
<b><i>Bank of Delmarva - Certificate of Deposit - 2/28/24</i></b>	<b>\$249,679.56</b>
<b><i>County Bank - Certificate of Deposit - 01/28/24</i></b>	<b>\$247,481.15</b>
<b><i>Community Bank - Certificate of Deposit - 05/12/23</i></b>	<b>\$248,959.00</b>
<b><i>Del-One - Certificate of Deposit - 4/19/24</i></b>	<b>\$490,443.27</b>
<b><i>Hebron Savings Bank - Certificate of Deposit - 04/04/23</i></b>	<b>\$249,138.13</b>
<b><i>Fulton ICS MM Accounts</i></b>	<b>\$0.00</b>
<b><i>WTC Investments</i></b>	<b>\$3,500,278.35</b>
<b><i>Petty Cash</i></b>	<b>\$196.14</b>
<b><i>Total All Bank Accounts</i></b>	<b>\$11,484,390.39</b>

**Sussex Conservation District  
Cash Report  
March 2023**

<b>2022</b>	<b><u>UNRESTRICTED FUNDS</u></b>			
	Sussex Conservation District Funds		<u>\$3,119,422.02</u>	<b>\$3,119,422.02</b>
	<b><u>RESTRICTED FUNDS</u></b>			
	Stormwater Management Funds	restricted	\$3,949,697.57	
	Stormwater Cash Bonds Held	Liability	\$1,928,726.26	
	Cost Share Funding	deferred	\$1,682,073.49	
	3921 Funding	deferred	\$393,988.76	
	Sussex County Drainage Funding	deferred	\$64,292.29	
	Stormwater Management Funds	deferred	\$7,500.00	
	Prothonotary Items	deferred	\$7,270.00	
	Various projects - 2	deferred	<u>\$331,420.00</u>	
				<b>\$8,364,968.37</b>
	<b><u>TOTAL AVAILABLE FUNDS ALL ACCOUNTS @ MONTH END</u></b>			<b>\$11,484,390.39</b>
<b>2022</b>	<b><u>UNRESTRICTED FUNDS</u></b>			
	Sussex Conservation District Funds		<u>\$3,187,192.81</u>	<b>\$3,187,192.81</b>
	<b><u>RESTRICTED FUNDS</u></b>			
	Stormwater Management Funds	restricted	\$3,171,395.20	
	Stormwater Cash Bonds Held	Liability	\$1,208,173.26	
	Prothonotary Items	deferred	\$5,315.00	
	Stormwater Management Funds	deferred	\$7,500.00	
	3921 Funding	deferred	\$155,833.77	
	Cost Share Funding	deferred	\$3,170,012.07	
	Sussex County Drainage Funding	deferred	\$58,997.63	
	Various projects	deferred-AR	<u>\$431,074.96</u>	
				<b>\$8,208,301.89</b>
	<b><u>TOTAL AVAILABLE FUNDS ALL ACCOUNTS @ MONTH END</u></b>			<b>\$11,395,494.70</b>
<b>2021</b>	<b><u>TOTAL AVAILABLE FUNDS ALL ACCOUNTS @ MONTH END</u></b>			<b>\$ 8,322,752.24</b>
<b>2020</b>	<b><u>TOTAL AVAILABLE FUNDS ALL ACCOUNTS @ MONTH END</u></b>			<b>\$ 10,825,196.67</b>
<b>2019</b>	<b><u>TOTAL AVAILABLE FUNDS ALL ACCOUNTS @ MONTH END</u></b>			<b>\$ 9,610,332.88</b>
<b>2018</b>	<b><u>TOTAL AVAILABLE FUNDS ALL ACCOUNTS @ MONTH END</u></b>			<b>\$ 3,526,504.48</b>
<b>2017</b>	<b><u>TOTAL AVAILABLE FUNDS ALL ACCOUNTS @ MONTH END</u></b>			<b>\$ 2,897,339.24</b>

**SUSSEX CONSERVATION DISTRICT**  
**FINANCIAL HIGHLIGHTS FOR MARCH 2023**

March had a net profit (loss) of \$757,414 compared to a net profit (loss) of \$328,097 for the same period in 2022. Year to date, the District has a net profit (loss) of \$746,821 compared to a net profit (loss) of \$382,699 for 2022. The following is a net profit (loss) summary by department:

Department	March		Year To Date	
	2023	2022	2023	2022
Equipment	\$11,023	\$23,979	\$82,328	\$21,486
Agriculture	\$171,014	\$262,724	\$57,347	\$174,580
Stormwater	\$93,145	\$3,944	\$198,599	\$220,227
Administrative	\$313,770	\$215,463	\$239,410	\$142,345
Project Design	(\$1,615)	(\$1,204)	(\$940)	\$870
<b>Operating Profit (Loss)</b>	<b>\$587,337</b>	<b>\$504,906</b>	<b>\$576,744</b>	<b>\$559,508</b>
Investments	\$170,077	(\$176,809)	\$170,077	(\$176,809)
<b>Net Profit (Loss)</b>	<b>\$757,414</b>	<b>\$328,097</b>	<b>\$746,821*</b>	<b>\$382,699</b>

(\*) Year to Date Net Income:

Total Revenue	\$ 2,645,998
Cost of Sales	<u>\$ 551,130</u>
Gross Profit	\$ 2,094,868
Expenses	<u>\$ 1,348,047</u>
Net Income (Loss)	\$ 746,821*

**COST SHARE DOLLARS**

Department	Paid Out March		Paid Out Year to Date	
	2023	2022	2023	2022
General Cost Share	\$11,539	\$43,407	\$42,402	\$66,811
3921 Funds	\$49,110	\$39,593	\$125,774	\$105,228
County Drainage	\$17,993	\$11,793	\$34,199	\$24,128
<b>Total Cost Share Dollars</b>	<b>\$78,642</b>	<b>\$94,793</b>	<b>\$202,375</b>	<b>\$196,167</b>

Department	Cash Balance	
	2023	2022
General Cost Share	\$1,682,073	\$3,357,326
3921 Funds	\$393,989	\$155,834
County Drainage	\$64,292	\$58,998
<b>Total Cost Share Dollars</b>	<b>\$2,140,354</b>	<b>\$3,572,158</b>

<b>Sussex Conservation District WTC Investments March 31, 2023</b>	
	Amount
Current Value - 03/31/2023	\$ 3,500,278.35
Value - 12/31/2022	3,330,200.73
<b>2023 Gain (Loss)</b>	<b>170,077.62</b>
<b>2023 Return on Investments</b>	<b>5.11%</b>

<b>Lifetime (8.50 years) WTC Investments Net Gain (Loss) As of March 31, 2023</b>	
	Amount
Current Value - 03/31/2023	\$ 3,500,278.35
Principal Invested	3,000,000.00
<b>Lifetime Gain (Loss)</b>	<b>\$ 500,278.35</b>
<b>Average Annual Return (8.5 years)</b>	<b>1.96%</b>

	Lifetime Return	Lifetime Gain (Loss)
(WTC Monthly Fees)	<b>-7.63%</b>	(228,753.18)
Investment Gain (Loss)	<b>24.30%</b>	729,031.53
<b>Lifetime Gain (Loss)</b>	<b>16.68%</b>	<b>500,278.35</b>

## SUSSEX CONSERVATION DISTRICT

### EQUIPMENT PROGRAM REPORT

March 2023

Over the past month, the equipment program has completed various projects. All our tax ditch mowing for the year and all tax ditch AG-related work have been completed. We are working on finishing up tax ditch work that is non-Ag related. RC&D work in Sussex and Kent continues with work in Sussex County of Smithfield Acres/Lyons and Kent on the Banning Road/Maxwell project.

Total Estimates for 2023: 46

Complete Estimates for March: 21

#### **Recently Completed Projects:**

- Fitzgerald- Black Duck Project/Private Drainage-WIP
- Johnson Rd- Drainage Improvements-WIP
- Bearhole Tax Ditch- Maintenance
- Green Branch Tax Ditch Dipout
- Pepper Creek- Spoil Spreading & ROW Repair
- Apatchalan Farms- Mowing
- Mike Cain- Spoil Spreading
- Canary Creek- Drainage Improvements
- Cart Branch- Spoil
- Iron Mine Tax Ditch- Dip-Out & Spread Spoil
- Stafford- Dip-Out & Spread Spoil
- Alan Lankford- Private Drainage
- Hunters Run HOA- Drainage Improvements
- Meadow Branch- Debris Removal
- Joe Nichols- Private Drainage
- Noon- Drainage Improvements
- Raccoon Tax Ditch- Dip-Out & Spread Spoil

#### **Recently started or Projects starting soon:**

- Smithfield Acres- Drainage Improvements
- Holly Ridge- Drainage Improvements- WIP
- JJ Carter- Wetland Creation
- Fitzgerald- Black Duck Project
- Batson Branch- Row Repair
- Paynters Mill- Pond Repairs
- Horse Pound- ROW Repair
- Bee Branch- Dip-Out
- Mt Zion- Dip Out
- Banning Road Maxwell- Drainage Improvements
- Ward Cordrey- Pipe Replacements

## SUSSEX CONSERVATION DISTRICT

### DISTRICT CONSERVATIONIST

March 16 through April 19, 2023

#### EQIP

- Planners have completed assessments and rankings for 1<sup>st</sup> batch applications on file for FY-23.
- Preapprovals have been received from the state office, and applicants are notified of their preapproval status.
- Contract development has commenced with an obligation deadline of 6/16/2023.
- We will continue accepting applications, which will be batched accordingly (2<sup>nd</sup> batch date was 3/17/23).
- It does not appear that we will be moving into 2<sup>nd</sup> batch applications due to the expenditure of current funds.

#### EQIP/CIC

- Like EQIP (limited practices), contracts can be written for five years with a \$200,000 payment limitation. Payment limitations are separate from EQIP.
- A preapproved applicant list has been received, and planners are notifying applicants.

#### EQIP/IRA (Inflation Reduction Act)

- **NEW FUNDING:** Funds are targeted towards Climate Smart Ag. Practices. The categories are Soil Health, Nitrogen Mgt., Livestock Partnership, Grazing & Pasture, Agroforestry, Forest and Upland Wildlife habitat, Energy, and Wetlands. The funding level for FY-23 is \$787,000.
- Based on the preapprovals, the state will have no problem utilizing the IRA funds.

#### AMA

- Preapprovals for AMA were sent to the planners. Applicants are notified to determine if they want to proceed with contract development.
- We will be utilizing all current funds allocated to the state.

#### CSP/IRA

- Like EQIP/IRA, but it is for the participant that signs up through CSP for the same targeted Climate Smart Ag. Practice categories.
- We received two applications for the first batch with an assessment and ranking deadline of 5/26/2023.

#### CSP

- We are accepting applications for FY-23 CSP Classic. The deadline to apply for 1<sup>st</sup> batch was March 24, 2023.
- We received two applications.
- Renewal notifications have been mailed out to producers with contracts expiring at the end of this year.

#### WRE

- We are accepting applications for FY-23.

#### RCPP

- The Delaware Bay/ Inland Bay project for cover crops. District planners are completing assessments and rankings for contract preapproval. There are 11 applications on file for FY-23.

### 1. Inspections and Site Visits

- **Conservation Practice Installation and Completion Inspections:**  
Reed Carter is completing project installation and inspections. Reed is also training a newly hired Soil Conservation Technician in Kent County and conducting inspections in Kent.

## **2. Surveys/Designs**

- Completing surveys and designs for FY-23 projects continues.

## **3. Other Business**

- Planners continue reviewing prior year management practice records for payment and reporting progress.
- I am in the process of bringing on a new Soil Conservation Technician. They will report for duty on 4/24/2023.
- Covid updates: The F.O. is currently operating at 100% capacity, with masks required as needed.
- Cathy Cannon is on Detail from the state of Washington as the EQIP Program Manager until the position is filled.



**SUSSEX CONSERVATION DISTRICT**  
**SEDIMENT AND STORMWATER PROGRAM**  
**April 2023**

**Detailed Plan Review/Approval:**

Staff continues to process plan submittals, pre-app/engineering meetings, and technical support. Staff reviewed 27 plans and approved 10 for the month. We also Staff had nine pre-application meetings.

**Standard Plan Review/Approval:**

- 4 Non-Residential
- 2 Minor Linear

**As-Built Plan Review:**

Staff reviewed eight as-built surveys.

**Inspection: - 392 Inspections**

Field staff continues to be busy in the field. New projects continue to contact us for pre-construction meetings. Pre-construction meetings – 9

**Maintenance Inspection – 76**

Closed-out stormwater projects are inspected, and reports that provide routine/preventive maintenance information are generated. The goal is to ensure the continued function of the stormwater facility. Buddy Griffith provides compliance inspection on single-family lot construction. He works with builders on the requirements under the Residential Standard Plan (silt fence and stone construction entrances). He and Faith work together on home construction complaints and contacting non-compliant builders.

**Drainage/Construction Complaints: - 8**

**Other News:**

- Inspectors have transitioned to the Asset Tracker – the new stormwater Inspection App. We are working with our consultant to continue to develop the database and expand the “contractor portal” where contractors can easily access project information.

**SUSSEX CONSERVATION DISTRICT**  
**DNREC- CONSERVATION PROGRAMS REPORT**  
**April 2023**

**Program Updates and News**

**District Operations**

- We have reorganized! The Chesapeake Bay Implementation Program is no longer in the Nonpoint Source Program. Dr. Holly Walker will manage the program moving forward.
- Marcia Fox will be leaving DNREC on May 12. She has accepted a new position as Executive Director of Delaware Wild Lands, Inc. We are working through transition plans for her workload while the job is posted.

**Tax Ditch and Drainage Programs**

- The Tax Ditch Program has developed a handout regarding Tax Ditch Right-of-Ways for public consumption. This resource summarizes what a tax ditch right-of-way is and its use for sharing with landowners with a tax ditch channel and right-of-way on their property. This resource has been added to the Tax Ditch Program webpage and can be found here.
- The quarterly Tax Ditch Officer Newsletter will be finalized and emailed to all officers and partners who have subscribed by the end of April.

**Staffing Updates/Vacancies**

- [Permit and Data Specialist](#) – Hiring in Progress.
- [Engineering Program Manager](#) – Position Posted!
- Brittany Haywood, Tax Ditch Program Manager I, has accepted a position with Delaware Sea Grant as their Coastal Ecologist. Her last day is April 28.

**Tax Ditch Items Requiring Board Approval**

- There are **5** Tax Ditch Warrant Change Requests ready for review and approval by the KCD Board.

The DNREC Tax Ditch Program recommends approval of the requested warrant changes for Holly Branch Ditch #1, Marshyhope, New Ditch, Phillips, and Williams Canal Tax Ditch as they are all in compliance with the Tax Ditch Law by having current meeting minutes documenting the vote of this requested change, an audited financial report, and confirmation of bonding. Please see attached document for additional details if required.

**Sediment & Stormwater Program**

- The Department is accepting public comments on the proposed revisions to selected sections of the Delaware Erosion and Sediment Control Handbook through the close of business on Wednesday, April 19, 2023. Comments will be accepted in written form via email to [DNRECHearingComments@delaware.gov](mailto:DNRECHearingComments@delaware.gov), or by using the online form at [de.gov/dnrecomments](https://de.gov/dnrecomments), or via U.S. Mail to: Lisa A. Vest, Hearing Officer, Office of the Secretary, Department of Natural Resources and Environmental Control, 89 Kings Highway, Dover, DE 19901. To review the changes and hearing documentation, visit Public Hearing: Proposed Revisions to Erosion and Sediment Control Guidance Documents.

### Staffing Updates/Vacancies

- Posted vacancy - [Stormwater Engineer I](#) - This position reviews sediment and stormwater plans for state and federal projects, guiding the Delegated Agencies, consultants, the regulated community, and public and private agencies, organizations, or individuals.
- Heather Harvey, the Administrative Specialist, has accepted a new position in the Division of Water. Heather's last day is April 21.

### Nonpoint Source Program and Chesapeake Implementation Programs

- The NPS Program and Chesapeake Implementation Program will notify grant applicants of their award status in April through the most recent Request for Proposals (RFP) process that closed last month. The Programs are working on new FY grant work plans.

### Staffing Updates/Vacancies

- Brenda Zeiters, Administrative Specialist II, retired from state service on March 31, 2023. The Program is exploring reclassification options for the position before posting.

### Spotlight

Just in time for Earth Day! The new DNREC Forest Buffer Incentive Program is being launched to the public this month. A formal press release, social media post, and webpage launch will happen in conjunction with the Delaware Community Conservation Assistance Program launch. The incentive program is for urban and agricultural landowners and will pay to install forest buffers along waterways within Delaware's Chesapeake Bay watershed. Eligible landowners that qualify will receive a one-time incentive payment for the land enrolled.



**SUSSEX CONSERVATION DISTRICT**  
**DACD EXECUTIVE DIRECTOR UPDATE**  
**April 2023**

**Updates:**

- **NRCS Contribution Agreement and Inflation Reduction Act Funding-** DACD is working with NRCS and the districts to develop a new contribution agreement that will begin in FY24 (Oct 1, 2023). This agreement will reflect the additional workload associated with the significant influx of Inflation Reduction Act funding from FY23 through FY26. NRCS asks each district to consider taking on new work deliverables for conservation technicians, including structural project designs and checkouts. Details remain to be worked out, but draft work plans are due to NRCS by June 15. DACD will also seek a reduced matching rate, from 50% to 25%, given the anticipated funding amounts compared to usual budgets.
- **NACD Fly-In-** The District Coordinators joined Kasey Taylor and Madison Walter from NCCD to participate in NACD’s Fly-In on March 22. The team met with staff from Representative Blunt Rochester’s office and Senator Coons’ offices to discuss Farm Bill appropriations, urban agriculture, and other priorities. Jen Nelson joined the team for the last meeting of the day with Senator Carper and his staff. After the Fly-In, Jen was asked to review draft legislation for the “Increasing TSP Act,” which would streamline the application process for Technical Service Providers and create third-party certifying entities for new TSPs. DACD was supportive of using certifications such as CCA to make an easier path to certification but expressed concern about third-party certification entities having the potential to undermine the current locally led stakeholder processes within the Partnership.
- **Bond Bill Hearings-** David Baird provided public comment on behalf of DACD at the DDA hearing in the morning in support of DDA’s cover crop funding request. In the afternoon, Kevin Donnelly provided public comment for DACD at the DNREC hearing to support RC&D, tax ditch funding, and conservation cost-share. Following this report is a handout distributed to the Joint Finance Committee outlining our requests.
- **DACD 2022 Annual Report-** A draft is complete and under review by the districts. Jen will revise the template asking for information within the month and share it with the districts to make it easier to report for next year’s annual report.

**Important Dates:**

<i><b>DATE</b></i>	<i><b>EVENT</b></i>
<i>April 27</i>	Delaware Envirothon
<i>May 2</i>	Governors Conservation Awards at the Delaware Ag Museum
<i>July 15 - 19</i>	NACD Summer Meeting in Bismarck, ND
<i>Feb 10 – 14, 2024</i>	NACD Annual Meeting in San Diego, CA

**DACD Legislative Agenda  
Delaware General Assembly-FY2024  
Public Hearing Remarks – March 23<sup>rd</sup>, 2023**

**BOND BILL REQUESTS**

**1. Conservation Cost Share (DNREC)**

FY22 Approved:	\$1,700,000
FY23 Approved:	\$1,700,000
FY24 GRB:	\$1,700,000
<b>FY24 DACD Request:</b>	<b>\$3,000,000+</b>

**DACD supports an increase in the Conservation Cost Share Program.** Funding is requested to expand the Conservation Cost Share program. This program is the State’s principal financial support mechanism for the design and installation costs of practices that provide water quality improvements; provide wildlife habitat; and protect human health, natural resources, water supplies, and Delaware’s farmland soils. The program offers funds as incentives to landowners or users for the public benefit. Landowners that receive benefits must pay a portion of the cost to locate, design, install, and maintain conservation practices and systems. Additionally, the USDA-NRCS Environmental Quality Incentive Program (EQIP) in Delaware will receive an additional \$24.3 million in addition to its usual \$26 million in funding between FY23 and FY26. Increasing the amount of Conservation Cost Share funds available will allow Delaware to take full advantage of this increase in federal funding. Of the amount needed for this program, 70 percent will be divided equally among the three counties to expand their programs. The remaining balance will be directed toward nutrient management efforts statewide.

**2. Tax Ditches (DNREC)**

FY22 Approved:	\$ 900,000
FY23 Approved:	\$1,400,000
FY24 GRB:	\$1,148,000
<b>FY24 DACD Request:</b>	<b>\$1,400,000 minimum</b>

**DACD supports a minimum increase of \$500,000 in Tax Ditch Funding.** Funding is requested for planning, surveying, engineering, permitting, and construction of projects that improve tax ditches, channels, storm drains, and related surface water infrastructure. Some of these funds will respond to drainage concerns from private landowners across the State. This funding allows the drainage program to provide technical and administrative assistance to 234 tax ditch organizations across the State. Of this amount, \$500,000 shall be divided at a rate based on the total number of miles of tax ditches statewide and distributed to the three conservation districts based on the number of miles of tax ditches in each county. This funding shall be used for tax ditch maintenance work to be completed at the direction of the tax ditch organizations and their managers who comply with 7 Del. C. c. 6 41. In FY2021, the Delaware Tax Ditch Program assisted 76 Tax Ditch organizations, processed 51 Court Order changes for tax ditch channel and right-of-way alterations, responded to 518 drainage concerns, and conducted 52 tax ditch organization audits.

**3. Resource, Conservation & Development (DNREC)**

FY22 Approved: \$10,000,000  
FY23 Approved: \$10,000,000  
FY24 GRB: \$ 5,000,000  
**FY24 DACD Request: \$10,000,000 minimum**

**DACD supports an increase over the \$5 million proposed funding in the Resource, Conservation & Development Program for FY23.** Funding is requested to continue the design and construction of Resource, Conservation, and Development (RC&D) projects statewide. RC&D projects were initially established by the Twenty-First Century Fund Investments Act of 1995, resulting from a settlement with the State of New York. The RC&D portion of the act was created to provide funding to enhance the health of communities by improving watershed and drainage issues statewide. These projects are implemented by a partnership between the Department of Natural Resources and Environmental Control (DNREC) and Delaware’s three Conservation Districts. The RC&D Program allows members of the General Assembly to collaboratively work with DNREC and the Conservation Districts to meet the drainage and natural resource needs of the State’s residents.

**4. Cover Crop Investment (DDA)**

FY22 Approved: \$ 3,190,000  
FY23 Approved: \$ 5,190,000  
FY24 GRB: \$ 5,190,000  
**FY24 DACD Request: \$ 5,190,000**

**Research shows that cover crops are the best tool in Delaware – environmentally and economically – to reduce agricultural nutrient runoff and help improve water quality. In FY23, 127,037 acres of cover crops were planted at an estimated cost of \$7.015 million in the Conservation Districts’ Cover Crop Program. While the number of acres planted has continued to increase annually, it falls short of the 220,000 acres of cover crop commitment made by the State toward meeting its water quality goals. Funding is requested to continue the state’s cover crop program to improve water quality and soil health. These funds help to offset the costs for farmers to plant cover crops (these crops are not harvested and thus do not provide any income for the farmer).** Furthermore, cover crops help to mitigate climate change by sequestering carbon, improving soil health, improving the resiliency of fields to pests, and reducing the amounts of fertilizers and pesticides required. Additional funding will help Delaware reach its nutrient reduction goals for the Chesapeake Bay, Inland Bays, and Delaware River and Bay. These additional state funds could also be used as a match to U.S. Environmental Protection Agency 319 grant funds, U.S. Department of Agriculture Natural Resources Cost Share Regional Conservation Partnership Program awards, National Fish and Wildlife Foundation grants, and other conservation grants for new alternative uses for manure, innovative renewable energy projects, infrastructure for drainage projects and irrigation to improve climate change resiliency and even new sources of farmland preservation funds.

## OPERATING BUDGET REQUESTS

### 1. District Nutrient Management Planners

FY22 Approved:	\$ 180,000
FY23 Approved:	\$ 180,000
FY24 GRB:	\$ 180,000
<b>FY24 DACD Request:</b>	<b>\$ 280,000 minimum</b>

Section 213 of the Governor’s Recommended Budget states, “Section 1 of this Act appropriates the Department of Natural Resources and Environmental Control, Office of Natural Resources, Division of Watershed Stewardship (40-03-04) for Contractual Services. Of that amount, \$180.0 shall be used for additional field staff personnel to prepare nutrient management plans.”

These funds are used to provide the state match for Federal Non-Point Source funding that provides for the cost of the preparation of nutrient management plans by District Nutrient Management Planners. For the past 5-7 years, the conservation districts have subsidized the cost of providing this service. Additional funding would fully cover the service’s cost by increasing the State’s share of the cost. DACD is requesting that this amount be increased to at least \$280,000.

**SUSSEX CONSERVATION DISTRICT**  
**AGRICULTURAL CONSERVATION PROGRAM REPORT**  
**April 2023**

TO BE DISTRIBUTED AT OR BEFORE THE BOARD MEETING.



## SUSSEX CONSERVATION DISTRICT

### DISTRICT COORDINATOR'S REPORT

April 25, 2023

#### **CIB Releases State of the Bays Report**

The Delaware Center for the Inland Bays released its [2021 State of the Bays Report](#) earlier this week. This report, which was delayed by a year due to COVID, highlights the condition of the Bays through six key areas, Watershed Condition, Managing Nutrient Pollution, Water Quality, Living Resources, Human Health Risks, and Climate. The report gave an overall grade of D for the State of the Bays, the same ranking as in the last report in 2016.

#### **Equipment Activity in Full Swing**

Our Equipment operation continues to take advantage of the excellent weather and is working on RC&D projects on Johnson Rd and Green Branch in the Laurel/Gumboro area, along with the Fitzgerald Black Duck Project in Lincoln. Additionally, we held a preconstruction meeting for Manchester Manor, east of Laurel, where the District is administering an RC&D project for DNREC, where Common Sense Solutions is the contractor. This continues our trend from 2022, when SCD completed 25 RCD projects totaling \$2.35 million.

#### **SCD Assists with Tornado Damage Cleanup**

The EF3 tornado that touched down in Sussex County last weekend impacted several tax ditch systems in the County. Wes Allen and Stephen Gissy immediately went to work assessing the damage in the area and developed a plan to address the damage to the Tax Ditches. Work to re-open the channels and the clear right-of-way was estimated to be between \$35,000-\$40,000. We have documented the damage and repairs and will submit those to Sussex County for inclusion in their request for disaster funding. If funding does come through, there is a chance we will be reimbursed; if not, DNREC's RC&D program will be able to cover 80-90% of the cost, with the District's cost share covering the remaining. [Here is a video of the efforts undertaken by SCD Staff.](#)

#### **Expedited Sediment and Stormwater Plan Review Bill**

Jessica Watson and I met with Rep. Bill Bush and Rep. Ron Gray to discuss HB101, which calls for the creation of an expedited plan review process that would give applicants the ability to have their stormwater plans reviewed in 10 working days and pay for the additional costs associated with the review. There is a large amount of support for the "Ready in Six" bills intended to speed up the permitting process for projects in Delaware. Rep. Bush has agreed to have SCD, KCD, and other delegated agencies at the table as discussions continue. He expects this to occur in late April/early May. Additionally, I met with the Sussex Economic Development Action Committee to discuss our concerns with the current bill. They are willing to be part of the discussion that allows the bill's intent to be met while addressing our concerns.

#### **SCD Staffing Needs Being Evaluated in Advance of Increased NRCS Funding**

As previously discussed, the additional funding made available to NRCS through the Inflation Reduction Act also includes increased technical assistance funding to deliver the funds to the public. NRCS has indicated their desire for SCD to bring on two conservation technicians under our new contribution agreement with the agency. These positions would be field-oriented positions that would assist with the survey, design, permitting, and inspection of NRCS-EQIP projects. Internally, we are discussing whether these are the best positions for Sussex and, if so, how the positions could support the additional conservation work we are doing through our Conservation Cost Share, RC&D, and other programs.

#### **Delmarva Land & Litter Collaborative (DLLC) meets in Delaware.**

DLLC held its quarterly meeting on Thursday, April 20, at the CIB office at the Indian River Inlet. One of the primary discussions at the meeting focused on opportunities, challenges, and barriers to conservation delivery on Delmarva. This discussion included the process for determining priorities, the various

organizations involved in conservation, and partnerships. Additional information can be found on the [DLLC website](#).

**Upcoming Events:**

- The next board meeting will be held on Tuesday, May 23, at 7:00 p.m., at 23818 Shortly Road, Georgetown, DE.
- Governor's Conservation Awards, May 2, 2023, to be held at the Delaware Ag Museum.

**SUSSEX CONSERVATION DISTRICT**  
**ITEMS REQUIRING BOARD ACTION**

ITEM: Cost-Share Payments—Large Animal Mortality

ITEM NO: 1a

DATE: April 25, 2023

PRESENTER: David Baird

DESCRIPTION: Cost-Share payment for Large Animal Mortality to John Kohout.

March	
Total Cost- \$8,205	Cows: 9
SCD Cost- \$8,205	Horses: 11
SCD Admin- \$1,380	

RECOMMENDATION: Approve cost-share for payments for Animal Mortality.

MOTION: Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_, to approve cost-share payments to John Kohout. Motion \_\_\_\_\_.

**SUSSEX CONSERVATION DISTRICT**  
**ITEMS REQUIRING BOARD ACTION**

ITEM: Annual Adoption of SCD Sec. 125 Benefits Plan

ITEM NO: 2

DATE: April 25, 2023

PRESENTER: David Baird

BACKGROUND: IRS Regulations require the Board of Supervisors to adopt the District's Sec 125 Benefits Plan annually. The plan covers the Health, Dental, Vision, 401k, and other supplemental benefits the District offers. There are no changes proposed to the plan as part of this action.

The following Section 125 items are available to employees for the 7/1/23 – 6/30/24 plan year:

- Cash – (Employee elects no salary reductions for the section 125 plan)
- The employees' health insurance premiums
- The employee's dental insurance premiums
- The employee's vision insurance premiums
- The employee's AFLAC health & accident insurance premiums
- Medical Flexible Spending Accounts – FSA's
- Dependent Care Flexible Spending Accounts – FSA's

RECOMMENDATION: Adopt the plan as presented for the period July 1, 2023-June 30, 2024.

MOTION: Moved by \_\_\_\_\_ and second by \_\_\_\_\_ to approve the Section 125 Benefits Plan for the 7/1/2023 through 6/30/2024 plan year. Motion \_\_\_\_\_.

**SUSSEX CONSERVATION DISTRICT  
ITEMS REQUIRING BOARD ACTION**

ITEM: Sussex County Tax Ditch Warrant Increases

ITEM NO: 3

DATE: April 25, 2023

PRESENTER: David Baird

BACKGROUND: See information on the following pages.

RECOMMENDATION: Approve the Tax Ditch Warrant Increases as presented.

MOTION: Moved by \_\_\_\_\_ and seconded by \_\_\_\_\_ to approve the tax ditch warrant increases as presented. Motion. \_\_\_\_\_.

**April 2023 Sussex Conservation District Board Meeting**

**Item Requiring Sussex Conservation District Board Action –**

**Sussex County Tax Ditch Warrant Change –**

- The following Tax Ditches are requesting an **Increase** in their maintenance tax. The increase in funds is necessary to complete known maintenance needs over the next few years. Their current collection rate is not adequate to meet the anticipated costs. The Delaware Department of Natural Resources (DNREC), Division of Watershed Stewardship, Tax Ditch Program recommends approval of these requests. Each of these Tax Ditch organizations have on file with our office a copy of their most recent meeting minutes which include the warrant rate change approved by the taxables present, confirmation of bonding, and their audited 2022 Financial Statement (with Pass or Pass with Immaterial Deficiencies Rating).

<b>Tax Ditch</b>	<b>Current Rate &amp; Type</b>	<b>Proposed Rate &amp; Type</b>	<b>Motion by</b>	<b>Seconded by</b>	<b>Approved Yes or No</b>
Holly Branch Ditch #1	6% AM	8% AM			
Marshyhope *Dual County*	10% AM	12% AM			
New Ditch	16% AM	22% AM			
Phillips	6% AM	8% AM			
Williams Canal*	10% AM	10% AM			

AM = Adjusted Maintenance

M = Maintenance

\*Williams Canal Tax Ditch, D-11 through D-22 (separate assessment lists) was combined by vote at their 2/9/23 Annual Meeting. COC #14 effective 3/22/23 is on file with the Court regarding this matter. This request to update their warrant is to allow the filing of a new warrant for D-11 with the County Tax Office and the withdraw of warrants for D-12 through D-22.

**SUSSEX COUNTY TAX DITCHES REQUESTING WARRANT CHANGES  
APRIL 2023 BOARD MEETING**

TAX DITCH NAME & #	CURRENT RATE	PROPOSED RATE	BALANCE ON HAND as of 12/31/22	2022 ASSESSMENT BASE	APPROX. AMOUNT COLLECTED @ NEW RATE	DITCH MILES (ORIG.)	CURRENT MTG MIN & AUDITED FIN. REPT ON FILE	BONDED Y/N	RECOMMEND APPROVAL
Holly Branch Ditch #1 D-173	6% AM	8% AM	\$19,333.62	\$74,997.84	\$5,999.83	11.1 (10.49)	Yes - 3/4/23 mtg min w/rate chg & audited 2022 financial stmt - pass 3/17/23	Y exp. 8/25/23	Yes
Marshyhope D-11 Kent D-91 Sussex	10% AM	12% AM	\$68,593.57	\$71,898.26 K <u>\$12,567.16 S</u> \$84,465.42	\$8,627.79 K <u>\$1,508.06 S</u> \$10,136.85	12.8 (12.9)	Yes - 1/30/23 mtg min w/rate chg & audited 2022 financial stmt - pass 3/23/23	Y exp. 1/1/24	Yes
New Ditch D-123	16% AM	22% AM	\$46,123.81	\$113,747.48	\$25,024.45	29.4 (26.6)	Yes - 3/1/23 mtg min w/rate chg & audited 2022 financial stmt - pass 3/14/23	Y exp. 3/30/24	Yes
Phillips	6% AM	8% AM	\$27,295.23	\$27,189.20	\$2,175.14	8 (6.8)	Yes - 1/21/23 mtg min w/rate chg & audited 2022 financial stmt - pass 3/31/23	Y exp. 1/10/24	Yes
Williams Canal D-11	10% AM	10% AM	\$20,234.25	\$15,754.60	\$1,575.46	8.9 (6.6)	Yes - 2/9/23 mtg min w/combine assessments of D-11 through D-22 into on assessment as D-11.	Y exp. 9/25/23	Yes