



Sussex County Council Public/Media Packet

**MEETING:
June 9, 2015**

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MICHAEL H. VINCENT, PRESIDENT
SAMUEL R. WILSON JR., VICE PRESIDENT
ROBERT B. ARLETT
GEORGE B. COLE
JOAN R. DEAVER



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Sussex County Council

A G E N D A

JUNE 9, 2015

10:00 A.M.

Call to Order

Approval of Agenda

Approval of Minutes

Reading of Correspondence

Public Comments

Delaware Technical & Community College – Starry Starry Night Presentation

Todd Lawson, County Administrator

1. Tribute – Sussex County Habitat for Humanity
2. Update on the EPA's rule relating to the "Waters of the U.S."
3. Administrator's Report

Gina Jennings, Finance Director

1. Quarterly Pension Review
2. Audit RFP Award
3. Discussion and Possible Introduction of a Proposed Ordinance entitled "AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO \$850,000 OF GENERAL OBLIGATION BONDS OF SUSSEX COUNTY IN CONNECTION WITH THE CONSTRUCTION AND EQUIPPING OF THE CONCORD ROAD WASTEWATER EXPANSION AND AUTHORIZING ALL NECESSARY ACTIONS IN CONNECTION THEREWITH"



Andrea Wall, Manager of Accounting

1. Federal Payment in Lieu of Taxes

Brandy Nauman, Housing Coordinator & Fair Housing Compliance Officer

1. Fair Housing Update

Julie Cooper, Project Engineer

1. Henlopen Pumping Stations Electrical Cable Replacement, Project 14-12
 - A. Bid Rejection

Grant Requests

1. Town of Greenwood for the Police Department's National Night Out Event
2. Georgetown Playground & Park for metal benches
3. Georgetown Little League Baseball for field improvements
4. Georgetown Historical Society for project costs
5. Town of Blades for the Police Department's National Night Out Event
6. Lewes Historical Society for operating expenses
7. Coastal Concerts for program costs

Introduction of Proposed Zoning Ordinances

Council Members' Comments

12:00 Noon – Workshop with the Sussex Conservation District to discuss Drainage

Guidelines – Sussex County West Complex

Adjourn

Sussex County Council meetings can be monitored on the internet at www.sussexcountype.gov.

In accordance with 29 Del. C. §10004(e)(2), this Agenda was posted on June 2, 2015 at 8:55 p.m., and at least seven (7) days in advance of the meeting.

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

Agenda items listed may be considered out of sequence.

#

SUSSEX COUNTY COUNCIL - GEORGETOWN, DELAWARE, MAY 19, 2015

A regularly scheduled meeting of the Sussex County Council was held on Tuesday, May 19, 2015, at 10:00 a.m., in the Council Chambers, Sussex County Administrative Office Building, Georgetown, Delaware, with the following present:

Michael H. Vincent	President
Samuel R. Wilson, Jr.	Vice President
George B. Cole	Councilman
Joan R. Deaver	Councilwoman
Robert B. Arlett	Councilman
Todd F. Lawson	County Administrator
Gina A. Jennings	Finance Director
J. Everett Moore, Jr.	County Attorney

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

**Call to
Order**

Mr. Vincent called the meeting to order.

**M 199 15
Amend
and
Approve
Agenda**

A Motion was made by Mr. Wilson, seconded by Mr. Cole, to amend the Agenda by deleting "Approval of Minutes" and to approve the Agenda, as amended.

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Arlett, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea**

**Public
Comments**

Public Comments

Michael Horne, representing the Bethany Beach Landowners Association, commented on the recent decision by Judge Brady on the special use exception for a 100 foot cell tower application by AT&T.

Richard Heubeck, a resident of Mallard Lakes, commented on the Substantial Damage Claim filed by 24 homeowners in Mallard Lakes due to flood damage from Superstorm Sandy.

Greg Cox, a resident of Sea Pines Village, read a letter that was sent to Jamie Sharp (Assistant County Attorney) from their resident attorney, David Gerk. Mr. Cox stated that he was asked by the Board of Directors of Sea Pines Village to read the letter regarding to the recent decision by Judge Brady on the special use exception for a 100 foot cell tower application by AT&T.

**Public
Hearing/
Proposed
Ordinance/
Temporary
Removable
Vendor
Stands**

A Public Hearing was held on the Proposed Ordinance entitled “AN ORDINANCE TO AMEND CHAPTER 115, ARTICLE X, § 69 AND § 72; ARTICLE XI, § 77 AND § 80 AND; ARTICLE XIA, § 83.2 AND § 83.6 OF THE CODE OF SUSSEX COUNTY RELATING TO TEMPORARY REMOVABLE VENDOR STANDS”.

Synopsis: There have been several proposed temporary removable vendor stands (including “food trucks”) that have sought approval in Sussex County, and until now there was no clear path under the Zoning Code governing the approval process. Instead, approvals have been sought by default under the Conditional Use “catch-all” category of “residential, business, commercial or industrial uses when the purpose of this chapter are more fully met by issuing a conditional use permit.” As a result of this, existing stands run the risk of violation, and those seeking approval face uncertainty about how to proceed under the Code. With this amendment, such stands in the B-1, C-1 and CR-1 districts can receive over-the-counter approval if certain specific requirements are satisfied. In those districts, if the Director still has concerns about the proposal, the owner of the stand can seek a Special Use Exception from the Sussex County Board of Adjustment. This amendment will not affect temporary removable farm stands that are permitted uses in the AR-1 District under Section 115-20.A.(3).

Vince Robertson, Assistant County Attorney, presented the Proposed Ordinance and explained its purpose and process.

Mr. Robertson explained that, for a food vendor to receive expedited approval under this Proposed Ordinance:

- **The property must be zoned C-1, CR-1 or B-1**
- **The activity must be temporary and removable, including food trucks.**
- **There can only be one stand per individual parcel of land.**
- **The size of the stand must be no wider than 8 feet 6 inches nor longer than 45 feet. This is consistent with DelDOT’s criteria for roadway use.**
- **The activity must be approved, in writing, by the property owner.**
- **A Plan showing the location of the vendor must be provided by the applicant.**
- **The vendor cannot be permanently connected to utilities, including water, sewer, electric or gas.**
- **The vendor cannot interfere with vehicular or pedestrian movement on the property.**

Mr. Robertson reported that the Planning and Zoning Commission held a Public Hearing on this application on May 7, 2015 at which time the Commission recommended approval with a recommendation that the six (6) month time limit be replaced with specified dates, so that the first

**Public
Hearing/
Proposed
Ordinance/
Temporary
Removable
Vendor
Stands
(continued)**

paragraph of Chapter 115 Article X Section 69, Chapter 115 Article XI Section 77, and Chapter 115 Article XIA Section 83.2, should state:

“Temporary removable vendor stands, including but not limited to “food trucks” and similar vehicles or trailers, located on the premises between March 15 and November 15 of each year for the sale of food, agricultural products, or other food related goods. Such temporary removable vendor stands must comply with all of the following requirements.”

Mr. Robertson reported that these dates were proposed by an attorney who has represented several vendor stand applications and is familiar with their needs. The recommendation of the Commission was favorably received by Staff and the Commission, since it sets identical timeframes for all vendors approved under this process rather than requiring Planning and Zoning to determine when each one must start and end based upon independent six month time frames that are attached to each use.

Mr. Robertson stated that Staff recommended additional amendments to the Proposed Ordinance:

- **Add a new “I” to Section 1, 2 and 3 which states that “The approval of the temporary removable vendor stand shall be valid for one year.”**
- **Require an application fee of \$100.00 to cover costs incurred by the County.**

The Council discussed the Proposed Ordinance and the proposed amendments.

Mr. Robertson noted that these regulations do not have any effect on produce stands that are already permitted in the AR-1 District.

Public comments were heard.

Dan Kramer commented on the Proposed Ordinance’s requirement for a State of Delaware business license.

Lou DiAmico stated that he is the owner of a concession trailer/barbeque and he thanked the Council for the ordinance amendment.

There were no additional public comments and the Public Hearing was closed.

**M 200 15
Adopt
Proposed
Amend-
ments**

A Motion was made by Mrs. Deaver, seconded by Mr. Cole to adopt the following proposed amendments to the Proposed Ordinance entitled “AN ORDINANCE TO AMEND CHAPTER 115, ARTICLE X, § 69 AND § 72; ARTICLE XI, § 77 AND § 80 AND; ARTICLE XIA, § 83.2 AND § 83.6 OF THE CODE OF SUSSEX COUNTY RELATING TO TEMPORARY

**M 200 15
Adopt
Proposed
Amend-
ments to
Proposed
Ordinance
Regarding
Temporary
Removable
Vendor
Stands
(continued)**

REMOVABLE VENDOR STANDS”.

1. Amend Section 1 (Paragraph 2) as follows: “Temporary removable vendor stands, including but not limited to “food trucks” and similar vehicles or trailers, located on the premises between March 15 and November 15 for the sale of food, agricultural products, or other food related goods. Such temporary removable vendor stands must comply with all of the following requirements:”
2. Amend Sections 1, 2, and 3 to add a new section “I” to state “The approval of the temporary removable vendor stand shall be valid for one year.”
3. Amend Sections 1, 2, and 3 to add a new section “J” to state “The application for a temporary removable vendor stand shall be in a form established by the Director. The fee for filing the application shall be \$100.00.”

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Arlett, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea**

**M 201 15
Adopt
Ordinance
No. 2397**

A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to Adopt Ordinance No. 2397 entitled “AN ORDINANCE TO AMEND CHAPTER 115, ARTICLE X, § 69 AND § 72; ARTICLE XI, § 77 AND § 80 AND; ARTICLE XIA, § 83.2 AND § 83.6 OF THE CODE OF SUSSEX COUNTY RELATING TO TEMPORARY REMOVABLE VENDOR STANDS”, as amended.

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Arlett, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea**

**Community
Action
Month**

The Council presented to Bernice Edwards, Executive Director, First State Community Action Agency, a Proclamation entitled “PROCLAIMING THE MONTH OF MAY AS COMMUNITY ACTION MONTH”.

**Planning &
Zoning
Land Use
Application
Docket/
County
Website**

Mr. Lawson presented the new Planning and Zoning Land Use Application Docket, an update to the County’s website and designed to be a one-stop-shop for planning and zoning information. This new section on the County’s website contains every Planning and Zoning application from 2015 back to 2010, including applications for Conditional Uses, Change of Zones, Subdivisions, Variances, and Special Use Exceptions. Each corresponding page will contain information on the application including the hearing dates, minutes, audio, legal notice, and approved Ordinance. In addition, there will be a corresponding map link to the County’s new GIS

**Planning &
Zoning
Land Use
Application
Docket/
County
Website
(continued)**

maps showing where an application is located.

Mr. Lawson stated that the site is currently live and can be viewed at <http://www.sussexcountyde.gov/land-use-application-docket>.

Mr. Lawson commented that this portal puts parcel information, detailed maps, hearing audios and minutes, and other items related to a property in one easy-to-navigate page on the County's website. He noted that this is a monumental leap forward in the service that the County provides to the public.

Mr. Lawson also provided an update on the Planning and Zoning mapping project whereby GIS experts at Salisbury State are drawing the entire County's property lines and zoning layers. The County's new GIS mapping site which will go live this summer.

**Adminis-
trator's
Report**

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

1. Delaware State Police Activity Report – March 2015

Please direct your attention to the new format from the Delaware State Police illustrating their activity for March. Per the attached report, there were 66 violent crime arrests with 49 clearances; 655 property crimes with 227 clearances; and 11,369 total traffic charges with 7,773 corresponding arrests. Of those traffic arrests, 206 were for DUI. Finally, there were 1,082 total vehicle crashes investigated in March. In total, there were 197 troopers assigned to Sussex County for the month of March.

2. Projects Receiving Substantial Completion

Per the attached Engineering Department Fact Sheets, Millville by the Sea – Lakeside Village and The Landings at Pepper Creek (a/k/a/ The Marina at Pepper's Creek) – Phase 3-3 received Substantial Completion effective May 14, 2015.

3. Memorial Day Holiday

Please note, County offices will be closed on Monday, May 25th, to observe the Memorial Day holiday. In addition, Council will not meet on Tuesday, May 26th. The next regularly scheduled Council meeting will be held on Tuesday, June 2nd.

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

**CAFR
Award**

Mrs. Jennings presented that, for the thirteenth consecutive year, Sussex County Government has been awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers

**CAFR
Award
(continued)**

Association for its Comprehensive Annual Financial Report (CAFR). This award is the highest form of recognition in government accounting and financial reporting and its attainment represents a significant accomplishment by a government and its management. The CAFR has been judged by an impartial panel to meet the high standards of the program including demonstrating a constructive “spirit of full disclosure” to clearly communicate its financial story.

Mrs. Jennings stated that the award reflects the collaborative efforts of many County employees.

**Legislative
Update**

Hal Godwin, Deputy County Administrator, presented the following legislative update:

House Bill 85 – “AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO STATE TAXES”

Synopsis: This bill allows school taxes and property taxes to be collected by tax intercept.

Mr. Godwin reported that this bill is in the House Education Committee and that he has contacted the Committee Chair and asked that the Committee deal with this bill.

Mr. Godwin noted that the Council previously gave direction to support this legislation.

Senate Bill 54 – “AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO RIGHT-TO-WORK ZONES AND THE GROSS RECEIPTS TAX”

Synopsis: This Act allows the Director of the Delaware Economic Development Office to create right-to-work zones as part of its inducements to bring new businesses to Delaware and requires these zones to be offered for manufacturing businesses hiring at least 20 employees. It also exempts those manufacturing businesses from their gross receipts taxes for their first 5 years.

On April 5th, the Council voted to oppose this bill.

This bill has been tabled in Committee.

House Bill 87 – “AN ACT TO AMEND TITLES 22 AND 9 OF THE DELAWARE CODE RELATING TO RIGHT-TO-WORK ZONES”.

Synopsis: This Act would allow each municipality and each county to create right-to-work zones. Representative Dukes asked for the Council’s position on this proposed legislation. Representative Dukes is one of the

**Legislative
Update
(continued)**

sponsors of the Bill. It was noted that this is empowering legislation for the creation of right-to-work zones.

On May 5th, the Council voted to support this legislation with a vote of 4 Yeas, 1 Nay (Deaver).

Mr. Godwin reported that this bill was discussed in Committee on May 7th and tabled; since that time, Representative Dukes was successful in adding an amendment to the bill which would make this bill not a statewide bill, but a bill that only applies to Sussex County and its municipalities.

House Bill 124 – “AN ACT PROPOSING AN AMENDMENT TO THE DELAWARE CONSTITUTION RELATING TO THE REALTY TRANSFER TAX”

Synopsis: The Delaware Farmland Preservation Fund was created under the Delaware Agricultural Lands Preservation Act in order to conserve, protect, and encourage improvement of agricultural lands within the State. The Legislature has previously expressed its desire that \$10 million in receipts from the State Realty Transfer Tax be allocated annually to this fund in order to accomplish its goals. This Act is the first leg of a constitutional amendment that will make this allocation binding on all future administrations and General Assemblies, thus allowing this essential program to continue protecting one of our State’s most important resources.

This Bill has been released from Committee.

House Bill 140 – “AN ACT TO AMEND TITLES 21 AND 30 OF THE DELAWARE CODE RELATING TO TAXES AND FEES SUPPORTING THE TRANSPORTATION TRUST FUND”

Synopsis: This bill increases several revenue sources for the Transportation Trust Fund. The motor vehicle document fee is increased from 3.75% to 4.25%. The fee for late renewal of a driver’s license is increased from \$1.15 to \$10, and the fee for late renewal of vehicle registration is increased from \$10 to \$20. The fees for reinstatement of a suspended or revoked driver’s license are increased from \$25 to \$40 and \$143.75 to \$200, respectively. The fees for issuance of duplicate documents is raised, with the fee for duplicate driver’s license increased from \$10 to \$20, for duplicate titles from \$25 to \$50, for duplicate vehicle validation stickers from \$1 to \$5, and for duplicate registration cards from \$2 to \$10. The fee for a vehicle temporary tag is increased from \$10 to \$20. The fee for sale of driver’s licenses records is increased from \$15 to \$25. The fee to transfer a specific tag number from vehicle to vehicle is increased from \$10 to \$20. The fee to issue a title for a vehicle is increased from \$25 to \$35. The fee for issuance of a lien on an existing title is increased from \$10 to \$20. The effective date for these increases is generally October 1, 2015 to allow time for computer

Legislative Update (continued) reprogramming and effective implementation.
This Bill has passed the House.

House Bill 103 – “AN ACT TO AMEND TITLES 9 AND 25 OF THE DELAWARE CODE RELATING TO TAX LIENS”

Synopsis: This bill removes a conflict in the Delaware Code relating to the duration of tax liens.

Mr. Godwin noted that this is a housekeeping bill.

Mr. Godwin reported that the General Assembly is in recess until June 2, 2015.

Old Business/CZ 1767 Under Old Business, the Council considered the Proposed Ordinance entitled “AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A B-1 NEIGHBORHOOD BUSINESS DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN LEWES AND REHOBOTH HUNDRED, SUSSEX COUNTY, CONTAINING 2.867 ACRES, MORE OR LESS” (Change of Zone No. 1767) filed on behalf of Adel M. Baghouli (Tax Map I.D. No. 334-10.00-31.05 and 31.06) (911 Address: 28990 Lewes–Georgetown Highway, Lewes).

The Planning and Zoning Commission held a Public Hearing on this application on March 26, 2015 at which time action was deferred. On April 23, 2015, the Commission recommended that the application be denied for the following reasons:

1. **Mr. Johnson** does not believe this site is appropriate for B-1 zoning and the permitted uses that are allowed in that zoning district, which includes banks, laundries, gas stations, restaurants, retail shopping centers, and other uses.
2. The rezoning is incompatible with the surrounding zoning, which is all AR-1, subject in some cases to limited conditional uses. While there is some commercial or business zoning in the area, it is all on the north side of Route 9. There is no commercial or business zoning on the south side of Route 9 in the vicinity of this parcel. As a result, rezoning the property to B-1 would be inconsistent with the surrounding properties on the south side of Route 9.
3. **Mr. Johnson** does not believe the Applicant made an adequate record to support the change in zone. The Applicant stated that he desires the B-1 zoning because he currently lives on the property and would like to operate his business there. He has requested the additional

**Old
Business/
CZ 1767
(continued)**

property next to his house to be rezoned to B-1 without any real justification for the request. Because the location of the property does not support a B-1 use and the Applicant has not created an adequate record to justify the rezoning, it should be denied.

4. This property is part of a prior application that was also denied by the Planning and Zoning Commission and County Council in CU #1790. Many of the reasons for that denial still apply today such as poor traffic visibility along this section of Route 9.
5. The traffic that could be generated at this location after a rezoning to B-1 is not compatible with existing roadways and traffic conditions on Route 9.
6. The application does not promote the health, safety and general welfare of the neighborhood or community.

The Council held a Public Hearing on the application on May 5, 2015 at which time the Council deferred action and left the record open for the sole purpose of staff reporting on what B-1 zonings and C-1 zonings exist in the area and also, what Conditional Uses exist in the area; and to allow time for review of the Proposed Findings of Fact submitted by the Applicant's Attorney.

Mr. Lank reviewed a map showing the B-1 and C-1 zonings and Conditional Uses in the immediate area (Route 5 to Five Points at Route 1) of the application site.

Mr. Moore read the Proposed Findings of Fact previously submitted by the Applicant.

**M 202 15
Adopt
Proposed
Ordinance

DENIED**

A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to adopt the Proposed Ordinance entitled "AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A B-1 NEIGHBORHOOD BUSINESS DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN LEWES AND REHOBOTH HUNDRED, SUSSEX COUNTY, CONTAINING 2.867 ACRES, MORE OR LESS" (Change of Zone No. 1767) filed on behalf of Adel M. Baghouli.

Motion Denied: 4 Nays, 1 Yea.

Vote by Roll Call: Mrs. Deaver, Nay; Mr. Cole, Nay;
Mr. Arlett, Yea; Mr. Wilson, Nay;
Mr. Vincent, Nay

**Woodland
Park
Project**

Juel Gibbons, Project Engineer, presented the bid results for the Woodland Park Project, Contract 12-27. Four bids were received with the low bidder's price being \$204,494.00. Ms. Gibbons reported that the County has had to explore other options to maintain this as a viable project. The Sussex Conservation District (SCD) was approached and they have provided a proposal for the site work (construction of the stone dust trail) at a cost of \$99,995.00. In comparison, the price for the site work by the low bidder is \$158,284.00. The Engineering Department's estimate of the cost of the other elements (kiosk, fencing, etc.) is approximately \$45,000, which when added to the SCD site work proposal provides a total of \$145,995. It is proposed that these non-site work items be sourced via letter bids. Ms. Gibbons stated that this represents the most effective approach since, with the District's involvement, the entire project would be about \$60,000 less than the most competitive bid received. Ms. Gibbons reported that the Engineering Department recommends that the bids received be rejected since all are substantially higher than the \$142,900 amount approved by Council at its July 15, 2014 meeting; and that the site work be contracted with the Sussex Conservation District.

**M 203 15
Reject
Bids and
Contract
Work/
Woodland
Park
Project**

A Motion was made by Mr. Cole, seconded by Mrs. Deaver, based upon the recommendation of the Sussex County Engineering Department, that all bids opened on April 9, 2015 for Contract 12-27, Woodland Park Project, be rejected, and further, that the Engineering Department move forward to contract the site work with the Sussex Conservation District at an estimated amount of \$99,995.00, with the non-site work items to be contracted via letter bids at an estimated amount of \$45,000.

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Arlett, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea

**Grant
Requests**

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

**M 204 15
Countywide
Youth
Grant**

A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to give \$2,000.00 (\$1,000.00 from the Countywide Youth Grant Account and \$1,000 from the Human Service Grant Account) to Del-Mar-Va Council, Boy Scouts of America for program expenses.

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Arlett, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea

M 205 15 Councilmanic Grant **A Motion was made by Mr. Cole, seconded by Mr. Arlett, to give \$1,000.00 from Mr. Cole's Councilmanic Grant Account to the Rehoboth Beach Main Street for the July 4th fireworks display.**

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Arlett, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea**

M 206 15 Councilmanic Grant **A Motion was made by Mr. Arlett, seconded by Mr. Cole, to give \$1,000.00 (\$500.00 each from Mr. Vincent's and Mr. Arlett's Councilmanic Grant Accounts) to the Town of Laurel for the Laurel Independence Day Committee's fireworks display.**

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Arlett, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea**

M 207 15 Councilmanic Grant **A Motion was made by Mr. Cole, seconded by Mr. Arlett, to give \$700.00 (\$500.00 from Mr. Vincent's Councilmanic Grant Account, \$100.00 from Mr. Arlett's Councilmanic Grant Account, and \$100.00 from Mrs. Deaver's Councilmanic Grant Account) to the Eastern Shore AFRAM Festival for event expenses.**

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Arlett, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea**

M 208 15 Councilmanic Grant **A Motion was made by Mrs. Deaver, seconded by Mr. Wilson, to give \$7,000.00 from Mrs. Deaver's Councilmanic Grant Account to the City of Lewes for the Lewes Historic Byways project expenses.**

Motion Adopted: 4 Yeas, 1 Nay.

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Arlett, Nay; Mr. Wilson, Yea;
Mr. Vincent, Yea**

Council Members' Comments

Council Members' Comments

Mrs. Deaver commented on the recent event at Broadkill Beach highlighting the beach replenishment project. (The Army Corps of Engineers will be using dredged sand from the Delaware River's main

**Council
Members’
Comments
(continued)**

shipping channel to restore the badly eroded and storm-damaged shoreline at Broadkill Beach.) Mrs. Deaver expressed appreciation for the federal funding that makes this project possible.

Mr. Arlett stated that the Council should consider the comments received on this date regarding the AT&T cell tower application.

Mr. Arlett commented on various events he attended during the past week.

**M 209 15
Go Into
Executive
Session**

At 12:25 p.m., a Motion was made by Mr. Wilson, seconded by Mr. Cole, to recess the Regular Session and go into Executive Session for the purpose of discussing matters relating to pending/potential litigation.

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Arlett, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea

**Executive
Session**

At 12:29 p.m., an Executive Session of the Sussex County Council was held in the Basement Caucus Room for the purpose of discussing matters relating to pending/potential litigation. The Executive Session concluded at 12:38 p.m.

**M 210 15
Reconvene
Regular
Session**

At 12:40 p.m., a Motion was made by Mr. Wilson, seconded by Mr. Cole, to come out of Executive Session and to reconvene the Regular Session.

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Arlett, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea

**M 211 15
Appeal
Decision
of the
Superior
Court/
AT&T**

A Motion was made by Mr. Cole, seconded by Mr. Arlett, to appeal the decision of the Superior Court in Case No. 11-296 (AT&T v. Sussex County Board of Adjustment) for the following reasons:

**MOTION
DENIED**

- The Applicant applied on multiple occasions to place a telecommunications tower on a subject property. After a public hearing on the latest application, the Board of Adjustment denied the application. Neighbors opposed the application each time the matter came before the Board of Adjustment and they spent a considerable amount of time and money arguing against the proposed tower.
- The decision of the Superior Court to modify the decision instead of affirming or reversing the Board of Adjustment’s decision differs from any prior decisions of the Court in its treatment of Board of Adjustment cases. The decision concerning Sussex County should come from its government and not a court. The modification in this case has

M 211 15 **the court making the ultimate decision and not the County. This sets a**
(continued) **bad precedent.**

Motion Denied: **3 Nays, 2 Yeas.**

Vote by Roll Call: **Mrs. Deaver, Nay; Mr. Cole, Yea;**
 Mr. Arlett, Yea; Mr. Wilson, Nay;
 Mr. Vincent, Nay

M 212 15 **At 12:46 p.m. a Motion was made by Mr. Wilson, seconded by Mr. Cole, to**
Recess **recess until 1:30 p.m.**

Motion Adopted: **5 Yeas.**

Vote by Roll Call: **Mrs. Deaver, Yea; Mr. Cole, Yea;**
 Mr. Arlett, Yea; Mr. Wilson, Yea;
 Mr. Vincent, Yea

M 213 15 **A Motion was made by Mrs. Deaver, seconded by Mr. Wilson, to reconvene**
Reconvene **at 1:30 p.m.**

Motion Adopted: **5 Yeas.**

Vote by Roll Call: **Mrs. Deaver, Yea; Mr. Cole, Yea;**
 Mr. Arlett, Yea; Mr. Wilson, Yea;
 Mr. Vincent, Yea

Rules of **Mr. Moore read the Rules of Procedure for Public Hearings on zoning**
Procedure **applications.**

Public **A Public Hearing was held on the Proposed Ordinance entitled “AN**
Hearing/ **ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN AN**
CU 2014 **AR-1 AGRICULTURAL RESIDENTIAL DISTRICT FOR A**
 LANDSCAPING AND SITE WORK BUSINESS TO BE LOCATED ON A
 CERTAIN PARCEL OF LAND LYING AND BEING IN INDIAN RIVER
 HUNDRED, SUSSEX COUNTY, CONTAINING 5.2594 ACRES, MORE
 OR LESS” (Conditional Use No. 2014) filed on behalf of Jay Beach (Tax
 Map I.D. 234-5.00-44.06) (911 Address – None Available).

The Planning and Zoning Commission held a Public Hearing on this
application on April 9, 2015 at which time action was deferred. On April
23, 2015 the Commission recommended that the application be approved
with the following conditions:

- a. The residence must be located in front of all accessory buildings on**
the property. No accessory buildings or storage areas shall be located
forward of the rear wall of the residence.
- b. As stated by the Applicant, he will reside on this property during the**

**Public
Hearing/
CU 2014
(continued)**

- operation of this use. The Applicant provided testimony that it will be operated much like a home occupation. As a result, the Conditional Use shall expire if the Applicant no longer resides at the property.
- c. All equipment, machinery and vehicles associated with the business must be kept inside a wood or vinyl fenced and locked area so that it is screened from view of neighboring or adjacent properties and roadways.
 - d. In addition to being located behind the residence, all equipment, storage and service buildings shall be constructed in the middle and northeast corner of the property away from the neighbors to the South as illustrated by the Applicant and be at least 200 feet from Beaver Dam Road. These structures must also be enclosed within the fenced area.
 - e. There shall not be any dirt, tree stumps, stones, mulch, or other materials stored on the property.
 - f. There shall not be any retail sales conducted from the property.
 - g. One unlighted sign, not to exceed 32 square feet per side, shall be permitted.
 - h. There shall not be any storage of junked, inoperable, unregistered or untitled vehicles or equipment on the property.
 - i. Any security lighting on the property shall be downward screened so that it does not shine on neighboring properties or roadways.
 - j. All equipment repairs and maintenance must be performed inside of a structure on the premises.
 - k. All parking areas for employees shall be shown on the Final Site Plan and clearly marked on the site.
 - l. All areas for parking equipment must be shown on the Final Site Plan and clearly marked on the site within the fenced in area.
 - m. All oils, fluids, hazardous substances, etc. associated with the business must be stored inside of a structure and disposed of in accordance with applicable laws and regulations.
 - n. The project shall be subject to all DelDOT entrance and roadway improvement requirements.
 - o. A revised Preliminary Site Plan must be submitted to the Planning and Zoning Commission depicting these conditions of approval or noting them upon it.
 - p. The Final Site Plan shall be subject to the review and approval of the Sussex County Planning and Zoning Commission.

(See the minutes of the meeting of the Planning and Zoning Commission dated April 9 and 23, 2015.)

Lawrence Lank, Director of Planning and Zoning, read a summary of the Commission's Public Hearing and recommended action.

The Council found that Jay Beach and his son were present on behalf of the application.

**Public
Hearing/
CU 2014
(continued)**

Jay Beach stated that he proposes a site work business on the site for his son; that his son started the business three years ago; that he believes the site is a perfect location; that it is located on a busy road; that the property borders a farm market/garden center to the south, equipment storage across the road at another site work company location, and a residence to the north; that no work was performed on the site prior to submitting an application; that currently they are only stockpiling dirt; that the business will have little impact on neighbors; that there will be no employees, only his son; that there are only a few pieces of equipment; that work is done offsite; that after talking with the Sussex Conservation District, he understands that he must stay under an acre of disturbed soil to qualify for a standard sediment and stormwater plan; that he wants to stay under an acre; that only one acre of the 5.25 acre parcel of land will ever be disturbed; that when they first brought soil to the site, they disturbed less than 5,000 square feet and needed no permits; that they will be needing approximately 200 loads of dirt for construction of a pole barn, driveway, and parking area, all of which will be above grade; that 200 loads of dirt could cost \$20,000; that because his son is in the business and there is a lot of construction going on, they are able to get dirt cheap or free, but they have to take it on demand, they cannot delay; that this is the reason they brought dirt to the site now; that he has permission from the Sussex Conservation District to stockpile the dirt; that once the construction is over, there will not be traffic on the site like that again; that it is a construction site and the dirt is strictly for building; that it will be a small business; that it will be a quiet site; that he plans to live on the site; that Beaver Dam Road is a busy road; that within a 5 mile area from the application site, there are six site work companies and six landscaping companies, some located on very small roads; that the proposed use is appropriate for the area; that an application was recently approved (October 2014) on Camp Arrowhead Road for an excavating company (Ordinance No. 2371 - CU 1995); that a garden center application (Ordinance No. 2388 – CU 2006) was approved for an adjacent property in March 2015; that he wants to put his residence in the back/center of the property; that he proposes that the equipment would be located by the shop which is off to the north; that he could put a 3 to 4 foot earth berm (with beach grass and shrubbery on it) across the front of the property along Beaver Dam Road; and that along the northern and southern borders of the property, he would put Leyland Cypress trees.

Mr. Beach commented on the conditions recommended by the Commission:

Regarding Condition a, he would like to put his residence in the back/center of the property.

Regarding Condition b, amend it to state that the current owner will reside on the site, instead of the applicant.

**Public
Hearing/
CU 2014
(continued)**

Regarding Condition c, a stockade fence would make the site look like a construction site and that he prefers a buffer of trees and an earth mound instead of a stockade fence.

Regarding Condition d, he realizes it was on his site plan submitted to the Commission but he did not know it would be a setback requirement and that he would not be able to add to the front of the building in the future. He would like the Council to reconsider this since he wants to add an office to the front of the building in the future.

Regarding Condition e, he would like to have stone or mulch on the site; however, no large stock piles or tree stumps.

Mr. Beach noted that he submitted pictures of bordering properties, a revised site plan, an application for standard plan approval (Sussex Conservation District), Stormwater Assessment Study, GIS, and septic plot plan.

In response to questions, Mr. Beach stated that the dirt brought to the site is from the Lewes Public Library construction site; that it is his understanding that a portion of the Lewes Library site was a brownfield site; that the contractor in charge of the Lewes Library project hauled the dirt; that they received it from the library site without knowing about the brownfield site; that a federal agency was involved; and that proper paperwork was not filed by the contractor.

Mr. Moore commented that the Council could have a condition of approval requiring sufficient paperwork to satisfy that there was no tainted dirt on the property.

Public comments were heard.

Tom Kucharik, an adjacent property owner, spoke in opposition to the project. He stated that he operates a farm and a greenhouse business on the site where he lives; that his business is agriculture related; that the Applicant told him they were going to have a little business – landscaping and site work; that big dump trucks brought dirt to the site; that the dirt came from the Lewes Library site, a brownfield site; that he called DNREC and DNREC looked into it and halted delivery of the soils; that initial screenings showed elevated levels of arsenic and mercury in the soil; that this triggered a risk assessment and DNREC determined that it posed no harm; that the Applicant then filed for a permit to stockpile and this would allow the Applicant to create a stockpile one acre in size, 20 feet in the air; that it is windy in the area with no trees and the dirt and dust will be a nuisance; that the proposal is not a landscape business; that it would be a heavy equipment, dirty, noisy business – an industrial site; that the Commission’s proposed 16 conditions show that there is concern; that if the Applicant builds up his land, the other properties around the site will flood;

**Public
Hearing/
CU 2014
(continued)**

and that this application will be detrimental to his farm and greenhouses.

Mr. Kucharik submitted letters from neighbors living directly behind the proposed site (Maria Andrews, James Andrews, and Paul Bourbonnais) in opposition to the application. The letters were made a part of the record.

Mr. Kucharik also submitted pictures and copies of text messages with Mr. Beach.

Joseph Morris of Beaver Dam Road, adjacent property owner, stated that the property has been agricultural / residential since 1848; that he has concerns about Mr. Beach's plans for the property; that a family member was told by Mr. Beach that he was going to move his horse farm onto this property; that he was told by Mr. Beach that he was simply going to build a residence; that there was no mention of a commercial business on the property; that the Applicant has told many different stories; that the Applicant wants to put his sewer and leach field right up next to his property line, which is not correct or appropriate; that the Applicant states that his engineer says it has to be placed there; that the Applicant is not planning a landscape business; that it will be a construction site and excavation business; that the Applicant should have to build his home on the site first and put screening up; that the proposed use is not a quiet use; that the Applicant has brought dirt in and there is concern about contamination of the soil; that run-off will create leaching into the ground and will contaminate wells; that he is concerned about the stewardship of the land; and that it is unknown if the business across the road that the Applicant has referred to is a permitted use.

Matthew Cottrell of Beaver Dam Road stated that he is curious about the site across the road from where the proposed use is; that there is a lot of heavy equipment on that site (Kuhn Construction); that he researched the site in the Planning and Zoning Office and found that there has never been an application for a Conditional Use there and no one is living there; and that it would set a bad precedent to use that site as an example for Mr. Beach's application.

Mike Miller of Jimtown Road commented on the proposed landscape business; that it sounds like the applicant wants a full-blown business on the site; that the son has never spoken and if it is to be the son's business, he should speak on what he is planning on doing; and that if the Conditional Use is approved, the property could be sold and someone else could run the business.

There were no further public comments and the Public Hearing was closed.

**M 214 15
Defer
CU 2014**

A Motion was made by Mr. Cole, seconded by Mr. Arlett, to defer action on Conditional Use No. 2014 filed on behalf of Jay Beach, and to leave the record open for the purpose of obtaining information from DNREC, Sussex

**M 214 15
Defer
Action on
CU 2014
and
Leave
Record
Open
(continued)**

Conservation District, and any other appropriate agencies concerning the soils brought to the property; following receipt of the information by the Planning and Zoning Office, a report will be made to Council during public session, after which time the record will remain open for 15 days for written public comment on the information received.

Motion Adopted: 4 Yeas, 1 Absent.

Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea; Mr. Arlett, Yea; Mr. Wilson, Yea; Mr. Vincent, Absent

**Request for
Modified
Conditions**

Mr. Cole also requested staff/legal to prepare a modified list of proposed conditions based on the Applicant's testimony on this date.

Mr. Vincent left the meeting during following public comment on this Public Hearing. Mr. Wilson presided over remainder of the meeting.

**Public
Hearing/
CZ 1764**

A Public Hearing was held on the Proposed Ordinance entitled "AN ORDINANCE TO MODIFY CONDITION NUMBERS 1, 4, 13, AND 17 IMPOSED ON ORDINANCE NO. 1770 FOR CHANGE OF ZONE NO. 1554, THE APPLICATION OF MARINE FARM, LLC FOR THE COASTAL CLUB, A MR-RPC MEDIUM DENSITY RESIDENTIAL DISTRICT – RESIDENTIAL PLANNED COMMUNITY, AND TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM A MR-RPC MEDIUM DENSITY RESIDENTIAL DISTRICT – RESIDENTIAL PLANNED COMMUNITY TO A MR MEDIUM DENSITY RESIDENTIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN LEWES AND REHOBOTH HUNDRED, SUSSEX COUNTY, FOR A 13.425 ACRES, MORE OR LESS, PORTION OF THE PROPERTY" (Change of Zone No. 1764) filed on behalf of Coastal Club, LLC (Tax I.D. No. 334-11.00-5.00, 395.00 and 396.00) (911 Address: None Available).

The Planning and Zoning Commission held a Public Hearing on this application on April 9, 2015 at which time action was deferred. On April 23, 2015, the Commission recommended that the application be approved with conditions.

(See the minutes of the meeting of the Planning and Zoning Commission dated April 9 and 23, 2015.)

Lawrence Lank, Director of Planning and Zoning, read a summary of the Commission's Public Hearing and recommended action.

Mr. Lank distributed Exhibit Books and Exhibit Packets submitted by the Applicant.

**Public
Hearing/
CZ 1764
(continued)**

The Council found that Preston Schell and Blake Thompson, Principals, were present with James Fuqua, Attorney; and Zac Crouch, Professional Engineer.

Mr. Fuqua stated that they are applying to rezone a 13.4 acre portion of the property from MR-RPC to MR by abandoning the RPC overlay, and to amend or modify four of the Conditions of Approval relating to C/Z #1554; that the MR/RPC zoning was approved by the Sussex County Council in April 2005 with 18 Conditions of Approval; that there has been a change in ownership over the last 10 years; that the original project was known as the Marine Farm; that the original project went into default; that Coastal Club, LLC is the current owner and developer of the property; that the applicants purchased the property from the lender and have started developing Phase One of the project; that the request for rezoning is for a 13.4 acre portion of the property that fronts Beaver Dam Road and is separated by a branch and wetlands from the larger portion of the site; that a wastewater treatment facility was originally intended for the project; that the project will now be served by Sussex County sanitary sewer; that the sanitary sewer system is now under construction, therefore there is no need for a private sewerage treatment facility; that this rezoning will not impact the original RPC; that there will be little to no impact on the density of the project; that the MR zoning will remain with the 13.4 acre portion of the property; that in 2007, two years after the original approval, a request was applied for by Marine Farm (at the request of some residents) to amend the Conditions of Approval on behalf of the residents of Jimtown Road as the Conditions of Approval related to these same items; that the Planning and Zoning Commission recommended that the request be denied, and not long after the developers withdrew their requests; that the original Conditions of Approval reference “if desired by the residents of Jim Town” which was not clear; that the current developers of the project desired to get the opinion of the residents of Jimtown and asked for assistance from the County and the First State Community Action Agency; that in 2014 the First State Community Action Agency assisted the developers by holding a public meeting to ballot the residents to determine if street lighting and sidewalks were supported by the residents; that it was determined that 44 residents could vote; that 29 of the residents were property owners; that letters were sent to the 29 property owners; that it was reported that in reference to street lighting there were ten (10) votes in support and four (4) votes in opposition; that in reference to sidewalks there were eleven (11) votes in support and three (3) votes in opposition; that since only 14 residents voted it was not clear what the majority of the residents want; that after 10 years, the question of the desire of the residents is still not a decided issue; that it was never the intent of the original developer or the current developers to get out of building sidewalks or street lighting; that they are seeking guidance from the County; that ballots were issued to the property owners; that letters were sent out requesting a response on the ballots; that staff of First State Community Action Agency talked to residents in the area in July 2014 and asked the residents to communicate; that there appeared to be

**Public
Hearing/
CZ 1764
(continued)**

some strong support and some strong negativity; that all responses received were from property owners; that some want sidewalks and some don't; and that any one resident can refuse to grant an easement for a sidewalk on their property.

Mr. Crouch presented 3 scenarios for sidewalks and stated that they have found that the pavement is higher at the crown of the road than the properties; that the ditches may have to be moved; that either a drainage easement or the sidewalks will be on private properties; that the ordinance references that sidewalks shall be located on one side of Jimtown Road, not both sides, therefore, the question remains as to which side will the sidewalks be built upon; that the developers are happy to install both sidewalks and street lighting, and are only asking for direction; and that the southwesterly side of Jimtown Road seems to be the least impacting on the residents. Mr. Crouch presented exhibits showing existing conditions of the roads and ditches and topographical issues that need to be addressed if sidewalks are placed. Mr. Crouch noted that some of the property owners do not want sidewalks on their land or do not want to give up land for sidewalks.

Mr. Crouch commented that Mike Miller (a Jimtown resident), Jeff Reed of DelDOT and Senator Lopez met on May 18th in Jimtown and that the resulting comment was why can't the road be lowered by 2 or 3 feet. Mr. Crouch responded to that comment.

Mr. Fuqua stated that the Applicant is proposing that the pedestrian walkway be on the southwest side of the street where there would be less impact; that the Planning and Zoning Commission recommended the northeast side of the street; that there are more houses on the northeast side that complicates the easements; that it can be a traditional sidewalk or a pedestrian bike lane along Jimtown Road; that it can be in the right-of-way or an easement; and that they need the property owners to grant easements so the developer can construct an improvement on that property.

Mr. Fuqua distributed a summary of the Applicant's response to the Planning and Zoning Commission's recommendations (six separate Motions):

Motion No. 1

Modify Condition No. 4 to state *"The development shall be served by central sewer as part of a Sussex County Sewer District"*.

- This is acceptable to the Applicant.

Public
Hearing/
CZ 1764
(continued)

Modify Condition No. 17A to state:

“At its sole cost and expense, Developer will provide the properties of Jintown with lateral and gravity connections to a Sussex County Sewer District, whereby capacity is allocated in accordance with the Goslee Creek Planning Study. The Jintown service area is described as those properties with frontage on Jintown Road that are located between the existing bridge at Goslee Creek and the intersection of Beaver Dam Road

At its sole cost and expense, the Developer will complete construction of a sanitary sewer transmission system of sufficient size to convey the Jintown sewerage through the Coastal Club sanitary sewer system to the Sussex County sewer system within three (3) years of the commencement of construction on the Coastal Club site. Based upon the established date of construction commencement (May 23, 2014), the Developer must complete the Jintown transmission system by May 22, 2017.

At its sole cost and expense, Developer will engineer and construct a sanitary sewer collection system within Jintown Road from the bridge to the intersection of Jintown and Beaver Dam Roads, and connect it to the Coastal Club transmission system. The home, lot or parcel owners will not be responsible for any System Connection Charges (SCC's) if connected to the Central Sewer within three (3) years from the date of substantial completion of the Sewer System. The Developer shall be responsible for paying the SCC for any existing home connecting during the three (3) year period. No home, lot or parcel owners of Jintown shall be required by Sussex County to hook up to the central sewer unless they choose to do so.

Each resident of Jintown that chooses to hook up to the Coastal Club sanitary sewer system, with such hookup being solely at the discretion of each individual property owner, will pay the use rates set by Sussex County.”

- This is acceptable to the Applicant.

Motion No. 2

Modify Condition No. 17(C) to state *“Within two (2) years of the commencement of construction (May 23, 2014), Coastal Club, LLC at its sole cost and expense will provide for the installation of all streetlights required by DelDOT together with streetlights on each telephone pole along Jintown Road between the existing bridge at Goslee Creek and the intersection with Beaver Dam Road. Additionally, all street light rental or service charges (for these streetlights only) will be borne by Coastal Club, LLC, its successors or assigns.”*

- This is acceptable to the Applicant.

Public
Hearing/
CZ 1764
(continued)

Motion No. 3

Modify Condition 17(D) to state *“Within three (3) years of the commencement of construction (May 23, 2014), Coastal Club, LLC at its sole cost and expense shall provide a sidewalk within the Jimtown Road right of way on the northeast side of Jimtown Road from the existing bridge over Goslee Creek to the intersection of Jimtown Road and Beaver Dam Road in accordance with the approval of DelDOT and the Sussex Conservation District.”*

- The Applicant proposes that Conditions 17(D) be modified as follows: *Within three (3) years of the commencement of construction (May 23, 2014), Coastal Club, LLC at its sole cost and expense shall provide a sidewalk or pedestrian/bike lane within the Jimtown Road right of way or on easements granted by property owners, on the southwest side of Jimtown Road from the existing bridge over Goslee Creek to the intersection of Jimtown Road and Beaver Dam Road in accordance with the approval of DelDOT and the Sussex Conservation District.*

Motion No. 4

Modify Condition No. 1 to state *“The maximum number of dwelling units shall not exceed 630 of which at least 412 shall be located on single family lots. The 20 lots with roadway connection to Jimtown Road shall be eliminated. The roadway connection to Jimtown Road shall be eliminated.”*

- This is acceptable to the Applicant.

Motion No. 5

Recommend denial of part of CZ #1764 relating to the removal of the Residential Planned Community overlay from 13.4 acres of land that was originally part of the Coastal Club RPC. (The property should remain subject to the MR/RPC as originally contemplated for the Coastal Club residential project.)

- The Applicant proposes that *“The 13.4 acre site was the planned location of a wastewater treatment plant which is no longer necessary due to the development’s location in a Sussex County Sewer District. The 13.4 acre parcel is therefore removed from the RPC designation but shall revert to its original AR-1 zoning designation.”*

Motion No. 6

“The former 42-acre “Wildlife Habitat Area” shall remain an open, natural area in perpetuity, with uses limited to trails and other passive recreational uses. There shall not be any residences, structures, pool, clubhouse, or similar

Public
Hearing/
CZ 1764
(continued)

amenities constructed within this area.”

- The Applicant agrees with the following additional language: “, except elevated community garden plots, improvements associated with the community garden (such as storage buildings, gazebos, a community farmer’s market and similar improvements) and a replica lighthouse.”

Public comments were heard.

Michael Miller, a resident and property owner in Jimtown, stated that, 10 years ago when the application was approved, the sewer was to be completed for the Jimtown residents within three years; that all the improvements should have been completed by now; that there are many more developments in the area than 10 years ago; that Jimtown is a cut-through; that the new developer (Coastal Club) is now asking for a change in requirements; that the Applicant is now proposing uses in the area that was designated as the Bald Eagle preservation area (42 acre eagle wildlife habitat conservation area); that during the public meeting, the Applicant said they wanted to remove the area since the eagle is not there and that they did not want to build anything on it; that it was stated that 44 residents live in Jimtown; that in the vote for streetlights (10 yes votes and 4 no votes), one of the 10 represents his vote although he owns 4 properties; that other people only got one vote but own more properties; that the vote should reflect more votes in favor of streetlights; that the developer says they still do not know how the residents want them to proceed; that the majority says they want the streetlights and the sidewalks; that it is time for the streetlights and sidewalks to be installed; that the one year time frame should not be extended to two years; if they went by the ordinance, there would be 27 new poles erected with streetlights (from Beaver Dam to the bridge); that he proposes a total of 21 streetlights on the entire length of Jimtown Road, from Robinsonville Road to Beaver Dam Road, which is a distance of 2,700 feet; that 15 of the 21 streetlights would be on existing poles; that this would still be less than the 27 required by the ordinance; that there is more traffic on this road in comparison to 10 years ago; that they were never supposed to vote on sewer; that was never question to be brought to the residents; that only the question of streetlights and sidewalks was to be brought to the residents; that the residents of Jimtown want access to sewer; that the 3-year stipulation is too long; that they have already waited 10 years; that he would like to know what the plan is and what the schedule is; that regarding sidewalks, the ordinance states that “if desired by the residents of Jimtown”, within one year of commencement of construction, Marine Farm (now Coastal Club) at its sole cost and expense will provide a sidewalk; that there was never a dollar figure placed on how it would get done; that the votes that came in were on the side where most homes are located in Jimtown (the northeast side); that the residents voted that they want the sidewalks and they want the sidewalks on their side; that the Jimtown residents are to get to decide where they want the sidewalks;

**Public
Hearing/
CZ 1764
(continued)**

that the plans laid out by the Applicant are for sidewalks on the other side of the road; that Senator Lopez and Jeff Reed of DelDOT came out and toured Jimtown; that he questioned if the road can be graded down; that there is a 50 foot right-of-way on Jimtown Road; that the drainage ditches could be covered; and that there is space for pavement, curbing with eyelets, and guttering with sidewalks.

Reverend Wendell Hall, Sr., resident and property owner on Jimtown Road, stated that Jimtown is a historical community; that more developments in the area are bringing more traffic; that they are trying to get the best they can to minimize the impact; that in regard to Reese's Lane, it is important that it be maintained only for emergency access or something of that nature and not an access of 600 homes coming through Jimtown Road; that in regard to sewer, he proposes that the money it costs for residents to be hooked up be put in an escrow account so that the current homeowners would be able to access the funds for connection at their leisure; that in regard to the sidewalk issue, it was proposed to be on the side of the street where most of the houses are; that there are 16 houses on the east side and 9 houses on the west side; that half of the property on the west side is farm land; that the sidewalks should be located on the side where the people who access them the most live; and that he is for the improvements of Jimtown.

Roslyn Allen Echols stated that she owns interest in a property on Jimtown Road; that the majority of property owners in Jimtown are still not interested in sidewalks, streetlights, sewer, or water; that she has objections to First State Community Action Agency being hired to come to Jimtown to conduct a poll as to whether or not the individuals in Jimtown want streetlights or sidewalks; that her first objection to this is that it was said to find out the will of the people; that the people have already turned in a petition stating that they did not want sewer, sidewalks, streetlights, or water; that she questions if Reese's Lane (part of Condition 17) has been transferred; that in accordance with the Ordinance that was passed, Reese's Lane would go to the property owners and the easement rights would be transferred to the individuals abutting the lane; that it was to be transferred, without stipulation; that she questions how the easement rights "to Mr. and Mrs. Reese and the parties abutting the driveway" can be given to another party when it was not specified in the ordinance; that there is an issue regarding the sewer and Reese's Lane; that, in regards to sewer, residents of Jimtown were told that they were covered under Marine Farm's application to have the sewer lines going down the street and they would have to connect; that it is her understanding from the Public Service Commission, that the application only covers the lots that were in Marine Farm and she questions how the individuals in Jimtown can be made to connect to a sewer; that they were supposed to have a choice; that how could they even be made to choose when they were not covered under the PSC application; that this is a misrepresentation of their choices then and now; that the citizens of Jimtown are not insular and they understood their

**Public
Hearing/
CZ 1764
(continued)**

choices; that their petition in opposition was based on knowledge and information provided; that they declined sewer service because some of the individuals in the town were disabled and did not have the income; that they contacted several organizations to get information about loans and grants for individual septic systems; that accepting the sewer service would put them at risk of losing their homes; that they looked at the November 18th letter, which was part of the ordinance and gave them a choice as to whether or not to connect; that they have been given no accurate information about sewer service costs; that they have had their wells checked and they do not want water service; that they do not want streetlights which will cause light pollution and may cause more crime; that they do not need streetlights; that in regard to ditches and Mr. Miller's presentation on ditches, Ms. Echols stated that the ditches have been cleaned and the broken conduit's replaced and that they had little to no standing water; that they want their earlier petition in opposition respected and their will respected; that they do not want letters to the Planning and Zoning Director taken out; and that they want the letter of November 18th to be a matter of record stating that they are in the same position as 10 years ago.

Gaye Allen, a resident of Maryland, stated that she owns 3 parcels of land in Jimtown; that she concurs with Rose Allen Echols' comments; that she does not want to give any portion of her land toward having sidewalks installed; and that she does not see a need for sidewalks.

Mr. Moore commented on Ms. Echols comment on Reese's Lane and stated that this matter is being researched and Council will be advised.

There were no additional public comments.

At the request of Mr. Moore, Michael Izzo, County Engineer, responded to a question as to when the sewer hook-up would take place. Mr. Izzo stated that the original application that was approved in 2005 allowed for a three year period; and that when the Department submitted comments on the revised application, they mimicked the original application, which said 3 years from the original date that construction commences. That this date has been established as May 23, 2014; therefore, sewer would have to be completed by May 22, 2017. Mr. Izzo advised that a Concept Plan has been approved; and that sewer would extend down Reese's Lane to Jimtown Road to the Beaver Dam Road intersection.

The public record and Public Hearing were closed.

**M 215 15
Defer
Action/
CZ 1764**

A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to defer action on Change of Zone No. 1764) filed on behalf of Coastal Club, LLC.

Motion Adopted: 4 Yeas, 1 Absent.

**M 215 15
(continued)**

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Arlett, Yea; Mr. Wilson, Yea;
Mr. Vincent, Absent**

**Public
Hearing/
CZ 1768**

A Public Hearing was held on the Proposed Ordinance entitled “AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A MR-RPC MEDIUM DENSITY RESIDENTIAL DISTRICT – RESIDENTIAL PLANNED COMMUNITY FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BALTIMORE HUNDRED, SUSSEX COUNTY, CONTAINING 49.66 ACRES, MORE OR LESS” (Change of Zone No. 1768) filed on behalf of Convergence Communities (Tax Map I.D. No. 134-17.00-12.00) (911 Address: None Available).

The Planning and Zoning Commission held a Public Hearing on this application on April 9, 2015 at which time the Commission deferred action for further consideration and for review of the amenities.

(See the minutes of the Planning and Zoning Commission dated April 9, 2015.)

Lawrence Lank, Director of Planning and Zoning, read a summary of the Commission’s Public Hearing.

The Applicant provided copies of an Exhibit Book and Exhibit Booklet, which were distributed to the Council.

Spencer Van Schaack, the Applicants’ representative, was present with James Fuqua, Attorney, and Zac Crouch, Professional Engineer. They stated that they are proposing to develop this 49.66 acre site with 164 residential units (120 single family dwellings and 44 townhouse units); that the site is located north of Muddy Neck Road and to the rear of the Ocean View Beach Club development which is currently under construction; that the Ocean View Beach Club development is a Residential Planned Community (RPC) approved by the Town of Ocean View for 300 residential units (150 single family dwellings and 150 multi-family dwellings) and a .6 acre parcel of commercial use within the Town of Ocean View; that residential developments surround the property with Ocean Way Estates Subdivision to the north and west and the Assawoman Canal and Sea Colony West RPC to the east, with Clearwater RPC, South Hampton RPC, Waterside RPC, and Bethany Meadows, and many other developments in the area; that Convergence Communities are purchasing the property from the Trustees of the Protestant Episcopal Church of Delaware, except for a 5.25 acre parcel with an access easement which is intended for a church in the future; that the property was originally gifted to the Trustees by Mary Lighthipe; that the Trustees entered into an agreement with Martha’s Light, LLC who applied for a Conditional Use for a continuing care

**Public
Hearing/
CZ 1768
(continued)**

retirement facility; that the facility was never built and the applicants are now applying for this Residential Planned Community; that water will be provided by Tidewater Utilities, Inc.; that central sewer will be provided by Sussex County; that the site is located in the Millville Fire Company service area; that there are no endangered species or critical animal habitat, archaeological sites, or National Register listed sites associated with the property; that Delmarva Power will provide electrical service; that access is proposed through the Ocean View Beach Club which is being developed by the same developers; that the same entrance from Muddy Neck Road will be utilized; that Convergence Communities is the developer of both sites; that this proposal is an additional phase of the Ocean View Beach Club; that the recreational amenities that will be built in the Ocean View Beach Club include an 8,000 square foot clubhouse consisting of a fitness center, spa, and indoor swimming pool; that there will also be an outdoor swimming pool, multi-use sports courts, community walking trails, and gardens; that these amenities will serve both projects; that in the proposed development will be areas containing open space for small park areas and tot lots and a right-of-way along the Assawoman Canal for a proposed canal trail; that according to the Strategies for State Policies and Spending documents the site is located in an Investment Level 2 Area, where growth is anticipated; that this is a highly dense area; that the parcel is in the Environmentally Sensitive Development Area, a growth area; that DNREC asked that there be a connection to the Assawoman Canal which is part of the Ocean View Beach Club; that 5 parcels are interconnected to reach out to the Assawoman Canal; that stormwater management facilities and erosion and sedimentation control facilities will be improved per the requirements of the Sussex Conservation District; that the existing ditches will remain and be cleaned out; that the pipes in the ditches will be cleaned out and regraded and the 12-inch pipe will be replaced with a 36-inch pipe; that they are planning on using retention ponds and bio-swales in the design; that a 20-foot wide landscape buffer will surround the project; that this is an infill residential project; and that the use is in character with the area.

In response to questions, Mr. Fuqua noted that the Ocean View Beach Club is in the Town of Ocean View; that this application is located outside of the Town and is in the County's jurisdiction; that calls for police will most likely go to the Town and to the State Police; that it is a possibility they will seek annexation in the future; that annexation is an option for a property owner; and that it was a business decision to not seek annexation. Mr. Crouch noted that the streets in the Ocean View Beach Club will be owned by the Town of Ocean View and the streets in the proposed project will be owned by the HOA and will be built to County specifications.

Mr. Fuqua submitted proposed Findings of Fact and Conditions of Approval.

**Public
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(continued)**

Mr. Fuqua stated that Colby Cox is the managing partner of Convergence Communities and he has authorized Mr. Fuqua to represent that Convergence Communities or its successors will voluntarily donate \$500 to the Sussex County Land Trust from the initial sale of each home in the new development. The money would be collected and paid at settlement.

There were no public comments.

The public record and Public Hearing were closed.

**M 216 15
Defer
Action on
CZ 1768**

A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to defer action on Change of Zone No. 1768 filed on behalf of Convergence Communities.

Motion Adopted: 4 Yeas, 1 Absent.

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Arlett, Yea; Mr. Wilson, Yea;
Mr. Vincent, Absent**

**M 217 15
Adjourn**

A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to adjourn at 6:55 p.m.

Motion Adopted: 4 Yeas, 1 Absent.

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Arlett, Yea; Mr. Wilson, Yea;
Mr. Vincent, Absent**

Respectfully submitted

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



PROCLAMATION

WHEREAS, Habitat for Humanity promotes home ownership through advocacy, education and partnership with families in need to build simple, decent, affordable and sustainable housing; and

WHEREAS, Habitat for Humanity is dedicated to eliminating substandard housing and homelessness worldwide, and invites people from all faiths and walks of life to join them in their home building efforts; and

WHEREAS, through volunteer labor and donations of money and materials, Habitat for Humanity builds and rehabilitates houses with the help of the homeowner families; and

WHEREAS, Habitat houses are sold to partner families at no profit, financed with affordable, not for profit loans, and the homeowners monthly mortgage payments are used to build more Habitat homes; and

WHEREAS, Sussex County Habitat for Humanity, founded in 1991, has engaged more than 13,000 volunteers and continues to create strong homeowners and stable neighborhoods; and

WHEREAS, Sussex County Habitat for Humanity dedicated its 100th home in the Sussex County area; and

NOW, THEREFORE, the Sussex County Council commends Sussex County Habitat for Humanity for the completion of 100 homes and proclaims June 9, 2015 as a time for all Sussex Countians to celebrate Habitat's contribution to Sussex County and to affordable housing.

Michael H. Vincent, President


TODD F. LAWSON
COUNTY ADMINISTRATOR
(302) 855-7742 T
(302) 855-7749 F
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Sussex County
DELAWARE
sussexcountype.gov

Memorandum

TO: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable Samuel R. Wilson, Jr., Vice President
The Honorable Robert B. Arlett
The Honorable George B. Cole
The Honorable Joan R. Deaver

FROM: Todd F. Lawson
County Administrator 

RE: **UPDATE ON EPA RULE RELATING TO THE "WATERS OF THE U.S."**

DATE: June 5, 2015

During Tuesday's meeting, I am scheduled to provide you an update on the federal rule relating to the "Waters of the U.S.", of which the final rule was released just last week.

The rule is officially known as the Definition of "Waters of the United States" (WOTUS) and comes under the authority of the Clean Water Act. The rule was written in conjunction with the Environmental Protection Agency (EPA) and the Army Corps of Engineers (Corps), and the first draft proposal was released in April 2014. Since then, the draft rule gained significant attention from both proponents and opponents alike.

The National Association of Counties (NACo) was very much involved in the opposition of the proposal. NACo's summary of the final rule is attached. In addition, in October 2014, the Delaware Association of Counties passed a resolution opposing the expansion of the Clean Water Act, a copy of which is also attached.

With the final rule now released, the only recourse (if you oppose the rule) is to seek to have the rule repealed through an act of Congress. There is currently a bill, H.R. 1732 (Rep. Shuster – PA), that would repeal the new rule. The bill has passed the House of Representatives and awaits Senate consideration.

If you have any questions, please let me know.

TFL/sww

Attachments



Definition of “Waters of the United States” Under the Clean Water Act

Summary of Final Regulation Published by EPA and Corps

(As of June 2, 2015)



Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
“Waters of the U.S.” (WOTUS) Definition	40 CFR 230.3(s) The term “waters of the United States” means:	Define “waters of the United States” for all sections (including sections 301, 311, 401, 402, 404) of the CWA to mean:	For purposes of the Clean Water Act, 33 U.S.C. 1251 <i>et. seq.</i> and its implementing regulations, subject to the exclusions in paragraph (2) of this section, the term “waters of the United States” means:	NOTE: This rule will be finalized 60 days after publication in the Federal Register
Traditional Navigable Waters	All waters which are currently used, were used in the past, or may be susceptible to use in interstate or foreign commerce, all waters which are subject to the ebb and flow of the tide;	(1) All waters which are currently used, were used in the past, or may be susceptible to use in interstate or foreign commerce, including all waters which are subject to the ebb and flow of the tide;	(i) All waters which are currently used, were used in the past, or may be susceptible to use in interstate or foreign commerce, including all waters which are subject to the ebb and flow of the tide;	NO CHANGE These waters are referred to as traditionally navigable waters of the U.S. For the purposes of CWA jurisdiction, waters are considered traditional navigable waters if: <ul style="list-style-type: none"> • They are subject to section 9 /10 of the 1899 Rivers and Harbors Appropriations Act • A federal court has determined the water body is navigable-in-fact under law • Waters currently used (or historically used) for commercial navigation, including commercial waterborne recreation (boat rentals, guided fishing trips, etc.)

Definition of “Waters of the United States” Under the Clean Water Act

Summary of Final Regulation Published by EPA and Corps

(As of June 2, 2015)



Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
Interstate Waters	All interstate waters, including interstate “wetlands”;	(2) All interstate waters, including interstate wetlands;	(i) All interstate waters ¹ , including interstate wetlands;	NO CHANGE
Territorial Seas	The territorial seas ² ; and	(6) The territorial seas;	(iii) The territorial seas;	NO CHANGE
Impoundments	All impoundments of waters otherwise defined as waters of the U.S. under this definition;	(4) All impoundments of a traditional navigable water, interstate water, the territorial seas or a tributary;	(iv) All impoundments of waters otherwise identified as “waters of the U.S.” under this section;	NO SIGNIFICANT CHANGE Impoundments such as berms, dikes, levees and dams may be considered jurisdictional because they are subject to “seepage”
Tributaries	Tributaries of waters for navigable and interstate, territorial seas and impoundments of waters	(5) All tributaries of a traditional navigable water, interstate water, the territorial seas or impoundment;	(v) All tributaries of waters identified on pages 15-16 of this chart	NEW LANGUAGE The final rule defines, for the first time, the definition of a tributary: <ul style="list-style-type: none"> • <i>A tributary has a bed, bank and ordinary high water mark</i> • <i>A tributary contributes flow, directly or indirectly, to a WOTUS</i> The rule states that “a tributary can be a natural, man-altered or man-made water and includes waters such as rivers, streams, canals, and <u>ditches</u> ” and <u>can flow perennially, intermittently or ephemeraly</u> Refer to tributary definition on pages 15-16 of the chart

¹ Waters, such as lakes, ponds, streams, tributaries, etc.) are considered “interstate waters” if they flow across state boundaries, even if they are not considered “navigable” and do not connect to a WOTUS

² Territorial seas are defined as “the belt of the seas measured from the line of the ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, and extending seaward a distance of three miles”

Definition of “Waters of the United States” Under the Clean Water Act

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Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
Adjacent	Wetlands adjacent to waters (other than waters that are themselves wetlands) identified in paragraphs (a) through (f) of this definition.	7) All waters, including wetlands, adjacent to a traditional navigable water, interstate water, the territorial seas, impoundment or tributary;	(vi) All waters adjacent to navigable and interstate waters, territorial seas and impoundments , including wetlands, ponds, lakes, oxbows, impoundments and similar waters;	<p>NEW LANGUAGE</p> <p>This is a significant change—current Corps regulations refer to “<i>wetlands adjacent to</i>” WOTUS. The final rule encompasses “<i>all waters adjacent</i>” to WOTUS</p> <p>The entire water is adjacent if any part of the water is bordering, continuous or neighboring. These terms, including significant nexus, are further defined on pages 13-19 of this chart.</p> <p>The term “adjacent” is relevant when assessing 100-year floodplain designations, high tide lines and ordinary high water mark---It may encompass those areas separated by roads, berms and other structures</p>
Regional Consideration Criteria	All other waters such as interstate lakes, rivers, streams (including intermittent streams), mudflats, sandflats, wetlands, sloughs, prairie potholes, wet meadows, playa lakes, or natural ponds the use, degradation, or destruction of which would affect or could affect interstate or foreign commerce including any such waters:	3) And on a case-specific basis, other waters, including wetlands, provided that those waters alone, or in combination with other similarly situated waters, including wetlands, located in the same region, have a significant nexus to a traditional navigable water, interstate water or the territorial sea	<p>(vii) All waters, where they are determined, on a case-specific basis, to have a significant nexus to navigable waters, interstate waters and the territorial sea. These waters are <u>similarly situated and shall be combined, for purposes of a significant nexus analysis</u>, in the watershed that drains to the nearest navigable or interstate waters or territorial seas</p> <p>Waters identified in this paragraph shall not be combined adjacent waters</p>	<p>NEW LANGUAGE</p> <p>Regional water features that have a connection to a WOTUS may be jurisdictional</p> <p>These water features will be aggregated together—it is difficult to exempt one water feature if others are jurisdictional</p> <p>More waters in a broader area will be analyzed together</p>

Definition of “Waters of the United States” Under the Clean Water Act

Summary of Final Regulation Published by EPA and Corps

(As of June 2, 2015)



Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
Regional Consideration Criteria <i>(continued)</i>			<p>when performing a significant nexus analysis</p> <p><u>If waters identified in this section are also an adjacent water, they are considered an adjacent water and no case-specific significant nexus analysis is required</u></p> <p>(A) Prairie potholes³ (B) Carolina bays and Delmarva bays⁴ (C) Pocosins⁵ (D) Western vernal pools⁶ (E) Texas coastal prairie wetlands⁷</p>	<p>This definition is relevant for counties that own facilities and/or infrastructure near these regional water features</p> <p>It will be difficult to do any projects around these waters without getting a federal permit</p>
Commerce Clause Language	(i) Which are or could be used by interstate or foreign travelers for recreation or other purposes; (ii) From which fish or shellfish are or could be taken and sold in interstate or foreign commerce; or (iii) Which are used or could be used for industrial purposes by industries in interstate commerce	(i) through (iii) eliminated	(i) through (iii) eliminated	<p>DELETED</p> <p>The agencies considered this section duplicative language</p>

³ Prairie potholes are primarily freshwater marshes found in the Upper Midwest (especially North Dakota, South Dakota, Wisconsin and Minnesota)

⁴ The Carolina bays (also called Delmarva bays) are ponded, depressions and wetlands found along the Atlantic seaboard

⁵ Pocosins are bog areas, with a shallow water table, that contain evergreen shrubs and trees. They can be found from Virginia to northern Florida

⁶ Western vernal pools are seasonal depression wetlands found on the West Coast and in the northeastern and Midwestern states

⁷ Texas coastal prairie wetlands are freshwater wetlands located along the Texas Gulf Coast

Definition of “Waters of the United States” Under the Clean Water Act

Summary of Final Regulation Published by EPA and Corps

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Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
Floodplain/ High Tide Line/ Ordinary High Water <i>(continued)</i>		<p>The proposed rule used the term “floodplain” to identify waters that would be near (adjacent) to a WOTUS to claim federal jurisdiction</p> <p>Floodplain, under the proposed rule, meant an area bordering inland or coastal waters that was formed by sediment preposition from such water under present climatic conditions and is inundated during periods of moderate to high water flows</p> <p>The proposed rule definition relies heavily on “moderate to high water flows” rather than the Federal Emergency Management Agency’s (FEMA) flood plain definitional terms such as 100 year or 500 year floodplains</p>	<p>(viii) All waters located within a 100-year floodplain of navigable and interstate waters and territorial seas and all waters located within 4,000 feet of the high tide line or ordinary high water mark (OHWM) of navigable waters, interstate waters, territorial seas and impoundments where they are determined on a case-specific basis to have a significant nexus to navigable waters, interstate waters and/or territorial seas</p> <p>For waters determined to have a significant nexus, the entire water is a “water of the U.S.” if a portion is located within the 100-year floodplain of navigable or interstate waters or territorial seas or within 4,000 feet of the high tide line or ordinary high water mark</p> <p>Waters in this section shall not be combined with adjacent waters when performing a significant nexus analysis</p> <p>If waters identified in this paragraph are also an adjacent water, no case-specific significant nexus analysis is required</p>	<p>NEW LANGUAGE</p> <p><u>This language is broad and may have significant impact on county facilities and infrastructure in a 100-year floodplain or near a river, ocean, dam or interstate waters</u></p> <p>It is problematic using the term “100-year floodplain” for jurisdictional purposes:</p> <ul style="list-style-type: none"> • Not all areas of the country have 100-year floodplain maps • In some parts of the country, the 100-year floodplain maps have not been updated—nor are they available • The 100-year flood maps are constantly changing, and the process to revise can be challenging <p>This definition may impact jurisdictional stormwater and wastewater recycling features built in wet areas, such as constructed wetlands and grassy and vegetated swales</p>

Definition of “Waters of the United States” Under the Clean Water Act

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Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
WOTUS Exemptions	8) Waters of the United States do not include:	Waters excluded from the definition of “waters of the U.S.” include:	(2) The following are not “waters of the United States” even where they otherwise meet the definition of “waters of the U.S.”	N/A
Waste Treatment Exemption	Prior converted cropland or waste treatment systems, including treatment ponds or lagoons designed to meet the requirements of the CWA (other than cooling points as defined in 40 CFR 423.11(m) which also meet the criteria of this definition) are not waters of the U.S.	(1) Waste treatment systems, including treatment points or lagoons, designed to meet CWA requirements	(i) Waste treatment systems, including treatment ponds or lagoons designed to meet the requirements of the Clean Water Act	<p>REVISED LANGUAGE</p> <p>The final rule codifies 1986 and 1988 guidance preamble language</p> <p>Even though the preamble gives some guidance, the waste treatment exemption remains unclear</p> <p>Under the final rule, only those waste treatment systems designed to meet CWA requirements would be exempt but for waste treatment systems that were built to address non-CWA compliance issues, it is uncertain whether these systems would also be exempt</p>
Prior Converted Cropland Exemption	(Refer above)	(2) Prior converted cropland	(ii) Prior converted cropland. Notwithstanding the determination of an area’s status as prior converted cropland by any other Federal agency, for the purposes of the CWA, the final authority regarding CWA jurisdiction remains with EPA	EPA is the final decision-maker on what constitutes a prior converted cropland

Definition of “Waters of the United States” Under the Clean Water Act

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Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
Ditch Exemptions		<ul style="list-style-type: none"> Ditches that are excavated wholly in uplands, drain only in uplands, and have less than perennial flow Ditches that do not contribute to flow, either directly or indirectly to a “water of the U.S.” 	<p>(iii) The following ditches <i>(are exempt)</i>:</p> <p>(A) Ditches with ephemeral flow that are not a relocated tributary or excavated in a tributary</p> <p>(B) Ditches with intermittent flow that are not a relocated tributary, excavated in a tributary, or drain wetlands</p> <p>(C) Ditches that do not flow, either directly or through another water, into a navigable and interstate waters and territorial seas</p>	<p>NEW LANGUAGE</p> <p>The final rule proposes to exempt certain types of ditches. However, the language is likely to cause implementation issues</p> <p>The final rule specifically states that ditches are tributaries if they have:</p> <ul style="list-style-type: none"> ○ A bed, banks and ordinary high water mark ○ And connects, directly or indirectly, to a “waters of the U.S.” <p>The final rule and preamble states that tributaries can be natural, man-altered or man-made and includes rivers, streams, canals and ditches that flow perennially, intermittently and ephemeraly</p> <p>The responsibility will be on the local government to prove the ditch is exempt</p> <p>Under the final rule, these types of ditches are clearly jurisdictional:</p> <ul style="list-style-type: none"> ○ Roadside and other ditches that have flow year-round ○ Roadside and other ditches with irregular flow (intermittent) that are a relocated tributary, or are excavated in a tributary, or drain wetlands

Definition of “Waters of the United States” Under the Clean Water Act

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Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
Ditch Exemptions <i>(continued)</i>				<p>○ Ditches, regardless of flow, that are excavated in or relocate a tributary</p> <p>QUESTION: What ditches are not excavated?</p> <p>QUESTION: If a ditch is defined as a tributary and a tributary is defined as a ditch, if a ditch (aka tributary) is excavated, will the ditch still be exempt?</p> <p>QUESTION: Does the definition of tributaries trump the ditch exemption or does the ditch exempt trump the tributaries definition?</p> <p>QUESTION: Even if a ditch is exempt under this exclusion, how does this interpretation impact CWA’s recapture clause⁸?</p>
Other Exemptions		<p>Additionally, the following features are exempted (from the “waters of the U.S.” definition):</p> <ol style="list-style-type: none"> (1) Would exclude artificial areas that revert to uplands if application of irrigation water ceases; (2) Artificial lakes and ponds used solely for stock 	<p>(iv) The following features (are not “waters of the U.S.”):</p> <ol style="list-style-type: none"> (A) Artificially irrigated areas that would revert to dry land should application of water to that area cease; (B) Artificial, constructed lakes and ponds created in dry land such as farm and stock watering ponds, irrigation ponds, 	<p>MODIFIED LANGUAGE</p> <p>Adds the term “dry land” which is undefined in the final regulation—the final rule is even narrower than the proposal</p>

⁸ The “recapture clause” brings a normally exempt ditch back under federal jurisdiction if it constitutes a new use of the wetland and if the activity in the ditch would result in a “reduction in reach/impairment of flow or circulation” of “waters of the U.S.”

Definition of “Waters of the United States” Under the Clean Water Act

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Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
Other Exemptions (continued)		watering, irrigation, settling basins, rice growing; (3) Artificial reflecting pools or swimming pools created by excavating and/or diking in dry land (4) Small ornamental waters created by excavating and/or diking dry land for primarily aesthetic reasons; (5) Water-filled depressions created incidental to construction activity;	settling basins, fields flooded for rice growing, log cleaning ponds, or cooling ponds; (C) Artificial reflecting pools or swimming pools created in dry land; (D) Small ornamental waters created in dry land; (E) Water-filled depressions created in dry land incidental to mining or construction activity, including pits excavated for obtaining fill, sand, or gravel that fill with water;	<p>The agencies note that artificially created ponds can be used for multiple purposes, including farming, animal habitat, water retention, fire control ponds and recreation; many of these ponds are relevant to county governments. The agencies have stated that these types of ponds should <u>generally</u> be exempt</p> <p>However, even if these ponds are excluded as a WOTUS, the discharges from the pond to a WOTUS may be regulated under the CWA's current National Pollution Discharge Elimination System (NPDES) Section 402 permit program</p> <p>It is important to note that while certain ditches and waters may seem to be exempt, they can also serve as a hydrological connection that the agencies may consider jurisdictional under a significant nexus analysis. In addition, these features may be regulated as a point source and regulated under other CWA programs, such as Section 402</p>

Definition of “Waters of the United States” Under the Clean Water Act

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Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
Other Exemptions <i>(continued)</i>		<p>(F) Groundwater, including groundwater drained through subsurface drainage systems; and,</p> <p>(G) Gullies and rills and non-wetland swales</p>	<p><i>(groundwater section moved to section (v))</i></p> <p>(H) Erosional features, including gullies, rills, and other ephemeral features that do not meet the definition of tributary, non-wetland swales, and lawfully constructed grassed waterways; and</p> <p>(I) Puddles</p>	The agencies tried to make it clear that ALL erosional features that are not considered a “tributary” would be excluded from federal permitting authority
Groundwater Exemption		<i>(refer above to (F) Groundwater section)</i>	(v) Groundwater, including groundwater drained through subsurface drainage systems	<p>No change from current rules— Agencies have never interpreted WOTUS to include groundwater</p> <p>However, the exclusion does not apply to surface expressions of groundwater—i.e. where groundwater emerges and becomes a base flow in streams or spring fed ponds</p>
Stormwater and Wastewater Exemptions	N/A	N/A	<p>(vi) Stormwater control features constructed to convey, treat, or store stormwater that are created in <u>dry land</u>.</p> <p>(vii) Wastewater recycling structures constructed in <u>dry land</u>; detention and retention basins built for wastewater recycling; groundwater recharge basins; percolation ponds built for wastewater recycling; and water distributary structures built for wastewater recycling</p>	<p>NEW LANGUAGE Stormwater features and wastewater structures built on <u>dry land</u> are exempt from WOTUS but some features, such as channelized or piped streams, would be jurisdictional</p> <p>But, the term “dry land” is undefined in the final regulation. This is relevant because counties</p>

Definition of “Waters of the United States” Under the Clean Water Act

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Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
Stormwater and Wastewater Exemptions <i>(continued)</i>				<p>may own stormwater features or wastewater structures that are located on “wet” land</p> <p>A key element of the stormwater exclusion is whether the feature conveys, treats, or stores stormwater. Certain features, such as curbs and gutters, may be features of stormwater collection systems “but have never been considered ‘waters of the U.S.’”</p> <p>While the final language carves out an exemption for stormwater and wastewater, the definition is potentially limiting because it is strictly limited to infrastructure on dry land</p> <p>This exemption may not apply to infrastructure in coastal or low-lying areas</p> <p>Additionally, older facilities may have segments of their structures and infrastructure build in wet areas, which would not qualify for the exemption</p> <p>The responsibility is on local governments to prove that these features structures were built on dry land, and thus, are exempt</p>

Definition of “Waters of the United States” Under the Clean Water Act

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Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
Stormwater and Wastewater Exemptions <i>(continued)</i>				<p>The final rule states that if water is removed from one part of a tributary network and moved to another, such as in a aqueduct or canal, it would be regulated</p> <p>But, even if stormwater and wastewater infrastructure is granted an exemption, they may be regulated as a point source under CWA Section 402 permit program</p> <p>QUESTION: Are grassy and vegetative swales, which are used to improve water quality, jurisdictional?</p> <p>QUESTION: What if a facility uses an artificial swamp to improve water quality — i.e. treatment swamps — are these considered jurisdictional?</p> <p>QUESTION: Under the final rule, if stormwater features or wastewater structures are on wet land, they are jurisdictional. However, if only part of the feature is in a 100-year floodplain, will the whole system then fall under federal regulation?</p>

Definition of “Waters of the United States” Under the Clean Water Act

Summary of Final Regulation Published by EPA and Corps

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Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
			In this section, the following definitions apply to terms used in the final rule:	
Adjacent Definition	<p>Under existing regulation for “adjacent wetlands,” only wetlands adjacent to a “water of the U.S.” are considered jurisdictional</p> <p>Adjacent means bordering, ordering, contiguous or neighboring</p>	<p>Adjacent waters are defined as wetlands, ponds, lakes and similar water bodies that provide similar functions which have a significant nexus to “waters of the U.S.”</p> <p>Waters, including wetlands, separated from other waters of the U.S. by man-made dikes or barriers, natural river berms, beach dunes, etc. are “adjacent waters” are jurisdictional</p>	<p>(i) The term <i>adjacent</i> means bordering, contiguous, or neighboring waters next to navigable and interstate waters, territorial seas and impoundments, including waters separated by constructed dikes or barriers, natural river berms, beach dunes, and the like</p> <p>For purposes of adjacency, an open water such as a pond or lake includes any wetlands within or abutting its ordinary high water mark</p> <p>Adjacency is not limited to waters located laterally in navigable and interstate waters, territorial seas, impoundments and tributaries</p> <p>Adjacent waters also include all waters that connect segments of navigable and interstate waters, territorial seas, impoundments and tributaries or are located at the head of a water identified as navigable and interstate waters, territorial seas, impoundments and tributaries of this section and are bordering, contiguous, or neighboring such water</p> <p>Waters being used for established normal farming, ranching, and silviculture activities (33 U.S.C. 1344(f)) are not adjacent</p>	<p>NEW DEFINITION</p> <p>The new definition of adjacency is incredibly broad—this may lead to confusion and inconsistency in the field</p> <p>Adjacent waters include waters separated from other “waters of the U.S.” by constructed dikes or barriers</p> <p><u>Adjacency is not just limited to traditionally navigable and interstate waters, territorial seas, impoundments and tributaries</u></p> <p>Adjacency uses the terms bordering, contiguous or neighboring to determine jurisdiction</p> <p>The term “adjacent waters” is broad in scope. Ponds, wetlands, ditches, lakes and other types of nature or man-made aquatic systems may be jurisdictional if they are near to a WOTUS. This may have implications for counties that own infrastructure near these waters</p>

Definition of “Waters of the United States” Under the Clean Water Act

Summary of Final Regulation Published by EPA and Corps

(As of June 2, 2015)



Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
Neighboring Definition		<p>Neighboring is defined as:</p> <ul style="list-style-type: none"> Including waters located within the riparian area or floodplain of a “water of the U.S.” or waters with a confined surface or shallow subsurface hydrological connection¹² to a jurisdictional water; Water must be geographically proximate to the adjacent water; <p>Waters outside the floodplain or riparian zone are jurisdictional if they are reasonably proximate</p>	<p>(ii) The term <i>neighboring</i> means:</p> <p>(A) All waters located within 100 feet of the ordinary high water mark of a water identified as navigable and interstate waters, territorial seas, impoundments and tributaries are jurisdiction. The entire water is neighboring if a portion is located within 100 feet of the ordinary high water mark;</p> <p>(B) All waters located within the 100-year floodplain of a navigable and interstate waters, territorial seas, impoundments and tributaries and not more than 1,500 feet from the ordinary high water mark of such water. The entire water is neighboring if a portion is located within 1,500 feet of the ordinary high water mark and within the 100-year floodplain;</p> <p>(C) All waters located within 1,500 feet of the high tide line of navigable waters, interstate waters and territorial seas, and all waters within 1,500 feet of the ordinary high water mark of the Great Lakes. The entire water is neighboring if a portion is located within 1,500 feet of the high tide line or within 1,500 feet of the ordinary high water mark of the Great Lakes</p>	<p>NEW DEFINITION Under the final rule, neighboring is defined for the first time</p> <p>Final rule eliminated the proposed rule’s language on shallow subsurface hydrological connection, which is helpful</p> <p>However, the final rule lays out specific parameters for jurisdiction within the 100-year floodplain and ordinary high water mark—and the implications to counties are broad</p> <p><u>First, if a county owns a non-exempt ditch that runs for miles and only a small portion of the ditch is in the 100-year floodplain, the whole length of the ditch—inside and outside the floodplain—is now jurisdictional</u></p> <p><u>Second, the neighboring definition is broad and may have a significant impact on county facilities and infrastructure in a 100-year floodplain or near rivers, oceans, dams or other tributaries</u></p> <p>This definition may also impact jurisdictional stormwater and wastewater recycling features built in wet areas, such as constructed wetlands and grassy and vegetated swales</p>

Definition of “Waters of the United States” Under the Clean Water Act

Summary of Final Regulation Published by EPA and Corps

(As of June 2, 2015)



Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
Tributary Definition	<p>Tributaries are considered a “water of the U.S.” under existing regulation.</p> <p>Agencies have stated they <i>generally</i> would not assert jurisdiction over ditches (including roadside ditches) excavated wholly in and draining only in uplands and do not carry a relatively permanent flow of water.</p>	<p>Tributaries include, natural and manmade waters, including wetlands, rivers, streams, lakes, ponds, impoundments, canals and ditches if they:</p> <ul style="list-style-type: none"> Have a bed, bank, and ordinary high water mark (OHWM)⁶ <p>Contribute to flow, either directly or indirectly, to a “water of the U.S.” Would excludes ditches that are excavated wholly in uplands, drain only in uplands, and have less than perennial flow⁸</p>	<p>The terms <i>tributary</i> and <i>tributaries</i> each mean a water that contributes flow, either directly or through another water (including an impoundment) identified as navigable waters, interstate waters and/or territorial seas, that is characterized by the presence of the physical indicators of a bed and banks and an ordinary high water mark</p> <p>These physical indicators demonstrate there is volume, frequency, and duration of flow sufficient to create a bed and banks and an ordinary high water mark, and thus to qualify as a tributary</p> <p>A tributary can be a natural, man-altered, or man-made water and includes waters such as rivers, streams, canals, and ditches not excluded under paragraph (2) of this section</p> <p>A water that otherwise qualifies as a tributary under this definition does not lose its status as a tributary if, for any length, there are one or more constructed breaks (such as bridges, culverts, pipes, or dams), or one or more natural breaks (such as wetlands along the run of a stream, debris piles,</p>	<p>NEW DEFINITION</p> <p>The final rule includes <i>for the first time</i> a regulatory definition of a tributary, which specifically defines <u>ditches</u> as jurisdictional tributaries unless specifically exempt</p> <p>Physical characteristics of a tributary include a bed, banks and ordinary high water mark⁹. Additionally, a tributary contributes flow, directly or indirectly, to “waters of the U.S.”</p> <p>A tributary can be perennial, intermittent or ephemeral</p> <p>A water, that is considered a jurisdictional tributary, does not lose its status if there are manmade breaks – bridges, culverts, pipes, or dams – or natural breaks – wetlands, debris piles, boulder fields, streams underground – as long as there is a bed, bank, and OHWM identified upstream of the break. This is problematic for arid and semi-arid areas where banks of the tributary may disappear at times</p>

⁹ NOTE: The term ordinary high water mark is problematic and inconsistently applied in the field. For more information, refer to page 16-17 of this chart

Definition of “Waters of the United States” Under the Clean Water Act

Summary of Final Regulation Published by EPA and Corps

(As of June 2, 2015)



Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
Tributary Definition <i>(continued)</i>			<p>boulder fields, or a stream that flows underground) so long as a bed and banks and an ordinary high water mark can be identified upstream of the break</p> <p><u>A water that otherwise qualifies as a tributary under this definition does not lose its status as a tributary if it contributes flow through a water of the U.S. that does not meet the definition of tributary or through a non-jurisdictional water to a WOTUS</u></p>	<p>There is no limit on the length of the break as long as there is upstream bed, banks and an ordinary high water mark</p> <p>Many county-owned ditches have a bed, bank and ordinary high water mark and flow, directly or indirectly to a WOTUS and may be classified as a tributary which may negate the ditch exemption</p>
Ordinary High Water Mark Definition	<p>Existing Corps regulations define ordinary high water mark as the line on the shore established by the fluctuations of water and indicated by physical characteristics such as a clear, natural line impressed on the banks, shelving, changes in the character of soil, destruction of terrestrial vegetation, the presence of litter and debris, or other appropriate means that consider the characteristics of the surrounding areas. 33 CFR 328.3(e)</p>		<p>(vi) The term <i>ordinary high water mark</i> means that line on the shore established by the fluctuations of water and indicated by physical characteristics such as a clear, natural line impressed on the bank, shelving, changes in the character of soil, destruction of terrestrial vegetation, the presence of litter and debris, or other appropriate means that consider the characteristics of the surrounding areas</p>	<p><u>Note: Under current regulation, the term ordinary high water mark is ambiguous and applied inconsistently in the field</u></p> <p>Many of the ordinary high water mark physical indicators can occur whenever land may have water flowing across it, regardless of flow or duration</p> <p>The standard for ordinary high water mark is currently in flux at the Corps. The Corps is issuing technical manuals that diverge from the current regulatory definition. Rather than clarifying how an ordinary high water mark is determined, codifying this definition is likely to lead to more confusion in the field</p>

Definition of “Waters of the United States” Under the Clean Water Act

Summary of Final Regulation Published by EPA and Corps

(As of June 2, 2015)



Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
Significant Nexus Definition		<p>The term “significant nexus” means that a water, including wetlands, either alone or in combination with other similarly situated waters in the region (i.e. the watershed that drains to the nearest “water of the U.S.”) and significant affect the chemical, physical or biological integrity of the water to which they drain</p> <p>For an effect to be significant, must be more than speculative or insubstantial Other waters, including wetlands, are similarly situated when they perform similar functions and are located sufficiently close together or sufficiently close to a “water of the U.S.” so they can be evaluated as a single landscape unit regarding their chemical, physical, or biological impact on a “water of the U.S.”</p>	<p>(v) The term <i>significant nexus</i> means that a water, including wetlands, either alone or in combination with other similarly situated waters in the region, significantly affects the chemical, physical, <u>or</u> biological integrity of a water identified as navigable waters, interstate waters or territorial seas</p> <p>The term “in the region” means the watershed that drains to the nearest navigable waters, interstate waters or territorial sea</p> <p>For an effect to be significant, it must be more than speculative or insubstantial</p> <p>Waters are similarly situated when they function alike and are sufficiently close to function together in affecting downstream waters. For purposes of determining whether or not a water has a significant nexus, the water’s effect on downstream navigable waters, interstate waters and territorial seas shall be assessed by evaluating the aquatic functions identified in paragraphs (A) through (I) of this paragraph</p> <p>A water has a significant nexus when <u>any single function</u> or combination of functions performed by the water, alone or together with similarly</p>	<p>NEW DEFINITION</p> <p>The final rule’s significant nexus definition is based on Supreme Court Justice Kennedy’s “similarly situated waters” test</p> <p>The significant nexus standard is used to determine connection to “waters of the U.S.”</p> <p>The significant nexus definition used in the final rule diverges from Justice Kennedy’s decision. Justice Kennedy’s opinion included “chemical, physical <u>and</u> biological” to determine jurisdiction</p> <p>However, the final rule uses the “chemical, physical <u>or</u> biological” to determine jurisdiction</p> <p>This will allow the agencies to claim jurisdiction based on just one factor, rather than all three factors—chemical, physical and biological—and will broaden the types of waters that fall under federal jurisdiction</p> <p>QUESTION: Are all of these factors equally important or are some factors more important than others?</p>

Definition of “Waters of the United States” Under the Clean Water Act

Summary of Final Regulation Published by EPA and Corps

(As of June 2, 2015)



Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
Significant Nexus Definition <i>(continued)</i>			<p>situated waters in the region, contributes significantly to the chemical, physical, or biological integrity of the nearest navigable water, interstate water or territorial seas</p> <p>Functions relevant to the significant nexus evaluation are the following:</p> <ul style="list-style-type: none"> (A) Sediment trapping, (B) Nutrient recycling, (C) Pollutant trapping, transformation, filtering, and transport, (D) Retention and attenuation of flood waters, (E) Runoff storage, (F) Contribution of flow, (G) Export of organic matter, (H) Export of food resources, and (I) Provision of life cycle dependent aquatic habitat (such as foraging, feeding, nesting, breeding, spawning, or use as a nursery area) for species located in a water identified in paragraphs (a)(1) through (3) of this section 	

Definition of “Waters of the United States” Under the Clean Water Act

Summary of Final Regulation Published by EPA and Corps

(As of June 2, 2015)



Key Terms	Current EPA/Corps Regulations	Proposed Rule	Final Rule	Preliminary Analysis
“Dry Land” Definition			The term is used but undefined in the final rule	<p>Several exclusions and exemptions use the phrase “dry land.” The agencies state that “dry land” refers to areas of the geographic landscape that are not water features such as streams, rivers, wetlands, lakes, ponds, and the like</p> <p>However, the final rule notes that a WOTUS is not considered “dry land” just because it lacks water at a given time. Similarly, an areas remains “dry land” even if the land is wet after a rainfall</p> <p>The agencies note there is no agreed upon definition, given geographic and regional differences</p> <p>The agencies concluded that further clarity on this issue can be provided during implementation</p>

DELAWARE ASSOCIATION OF COUNTIES

NEW CASTLE



KENT



SUSSEX



DELAWARE ASSOCIATION OF COUNTIES RESOLUTION

OPPOSING EXPANSION OF FEDERAL CONTROL UNDER CLEAN WATER ACT

WHEREAS, the U.S. Environmental Protection Agency (EPA) and the Army Corps of Engineers (Corps) have released a 371-page draft regulation for Definition of Waters of the U.S. under the Clean Water Act; and

WHEREAS, both agencies are seeking a rule change to give the federal government more authority by expanding the definition of "navigable waters" in the Clean Water Act; and

WHEREAS, the rule change proposed by the EPA and Corps would subject almost all physical areas with a connection to downstream navigable waters, including features such as ditches, natural or man-made ponds, and flood plains, to the jurisdiction of the Clean Water Act; and

WHEREAS, the proposed rule change, if adopted, will cause significant harm to local farmers, stall the development of businesses, take control of land use for sustainable food production out of our local providers' hands, and negatively impact County-owned and maintained infrastructure such as roadside ditches and flood-control channels; and

WHEREAS, the cost to our farms, municipalities and taxpayers will be enormous; and

WHEREAS, the Delaware State Farm Bureau opposes the proposed rule change; and

WHEREAS, it is impractical for the federal government to regulate every ditch, pond and rain puddle that may have some tenuous connection, miles away, to a body of water currently defined as "navigable."

NOW THEREFORE, BE IT RESOLVED: that the Delaware Association of Counties hereby strongly opposes the EPA and Corps expansion of the Clean Water Act, as proposed.

BE IT FURTHER RESOLVED: that the Secretary of the Delaware Association of Counties be hereby directed to forward a copy of this resolution to the Environmental Protection Agency, the Army Corps of Engineers, and the National Association of Counties.

Adopted by the Delaware Association
of Counties October 9, 2104

A handwritten signature in blue ink, reading "Betsy J. Gardner".

Betsy J. Gardner
Secretary, DE Association of Counties

GINA A. JENNINGS, MBA, MPA
FINANCE DIRECTOR

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Sussex County

DELAWARE
sussexcountype.gov

Memorandum

TO: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable Samuel R. Wilson, Jr., Vice President
The Honorable Robert B. Arlett
The Honorable George B. Cole
The Honorable Joan R. Deaver

FROM: Gina A. Jennings
Finance Director

RE: **SUSSEX COUNTY PENSION UPDATE**

DATE: June 5, 2015

On Tuesday, I will be discussing the County's pension performance and the Pension Committee's recommendation to invest our remaining Fiscal Year 2015 contribution. Attached for your review are the draft minutes of the May 21, 2015 Pension Committee meeting and the Investment Performance Report as of March 31, 2015.

Pension Performance

Summary of the Pension Investment Analysis

- Market value was \$73,290,810 as of March 31, 2015
- Year-to-date gain of \$5.7 million, or 8.4 percent
- Continued very strong performance when compared to approximately 230 public pension plans monitored by Peirce Park Group
 - 1 Year – Top 7 percent
 - 3 Years – Top 13 percent
 - 5 Years – Top 17 percent

Summary of the OPEB Investment Analysis

- Market value was \$30,798,704 as of March 31, 2015
- Year-to-date return of \$2.2 million, or 7.6 percent
- The fund's performance ranked in the top quarter for the last year

Fiscal Year 2015 Remaining Contribution

Pension

The remaining contribution for the pension fund is \$850,000. Due to the strong performance of our pension fund and to keep our asset allocation in line with the investment policy statement, which is



60 percent equities, 39 percent bonds, and 1 percent cash, the committee's recommendation is to use the \$850,000 to purchase additional bonds in our fixed income portfolio.

OPEB

The remaining contribution for the OPEB fund is \$675,000. Due to the performance and fees of the Target Small Capitalization Fund, the committee reviewed another small cap value portfolio, the Vanguard Small Cap Value Index. Due to the lower fees of .09 percent compared to .68 percent, the committee is recommending a switch of small cap managers during this quarter. Below is the committee's recommendation:

1. Liquidate the Target Small Capitalization Value fund with an approximate value of \$937,927
2. Invest the remaining contribution of \$675,000, plus the redeemed \$937,937, as follows to keep consistent with our investment policy statement of 65 percent equities, 34 percent fixed income, and 1 percent cash:
 - a. \$170,000 in Vanguard Institutional Index
 - b. \$960,000 in Vanguard Small Cap Value Index
 - c. \$455,000 in the County's OPEB Fixed Income Portfolio
 - d. \$27,927 in cash

Please contact me if you have any questions or concerns.

Attachments

pc: Mr. Todd F. Lawson

PENSION FUND COMMITTEE

Minutes of Meeting

May 21, 2015

The Sussex County Pension Fund Committee met on May 21, 2015, at 10:00 a.m. in the County Council Chambers, Georgetown, Delaware. Those in attendance included members: Gina Jennings, Todd Lawson, Karen Brewington, Jeffrey James, David Baker, Hugh Leahy, and Kathleen Ryan. Also in attendance was Michael Shone of Peirce Park Group, the County's Pension Investment Consultant.

On May 13, 2015, the Agenda for today's meeting was posted in the County's locked bulletin board located in the lobby of the County Administrative Offices, as well as posted on the County's website.

Ms. Jennings called the meeting to order.

A Motion was made by Mr. Leahy, seconded by Mr. Lawson, to amend the Agenda by deleting "Pension and OPEB Investment Policy Statements Review".

Motion Adopted: 6 Yea.

Vote by Roll Call: Mr. James, Yea, Ms. Brewington, Yea; Mr. Leahy, Yea;
Ms. Ryan, Yea; Mr. Lawson, Yea; Ms. Jennings, Yea

Ms. Jennings noted that she and Mr. Shone felt discussion of the Investment Policy Statements would best be included as part of the year-end review that will take place during the Committee's meeting in August.

1. Approval of Minutes

The minutes of the February 26, 2015 meeting were approved by consent.

2. Investment Analysis for the Quarter Ended March 31, 2015

Mr. Shone distributed copies of a booklet entitled, "Sussex County Investment Performance Report, March 31, 2015". The report includes information regarding the market environment for the first quarter of 2015, as well as quarterly and annual performances of the Pension and OPEB Plans. Although the report should be referenced for a more detailed analysis, discussion highlights include:

Mr. Shone referred members to Market Environment – 1st Quarter of 2015 (Tab 1).

The most significant news for the first quarter was the growth of the U. S. dollar, primarily, due to interest rates being higher on an inflation-adjusted basis than the rest of the world; foreign investors sought the higher yields offered by U. S. Treasuries. The impact of this results in lower costs for foreign goods, which is a positive factor from an inflation perspective. However, from a manufacturing perspective, the cost of U. S. goods would be more expensive and negatively impact the manufacturing industry. From an investment perspective, earnings from overseas investments would be devalued and adversely impact international investments. International stocks, however, significantly outperformed U. S. stocks for the first quarter. Oil prices continued to decline as supply outpaced demand; crude oil ended the quarter below \$48 per barrel, down nearly 11 percent from year-end 2014.

Mr. Baker entered the meeting.

The U. S. Real Gross Domestic Product grew at .02 percent, well below expectations. Equities outperformed fixed income. The weakest returns for the year were small-cap stocks that were up 8.2 percent, as compared to mid-cap – up 13.7, and large-cap – up 12.3 percent. For the quarter, large-cap was the poorest performer, up only .5 percent. The County is broadly diversified across these asset classes, being slightly weighted in mid-cap stocks.

Mr. Shone directed members to the Pension Fund Performance Report (Tab II).

As of March 31, 2015, the ending market value of the Pension Plan was \$73.3 million and realized a first quarter gain of \$1.7 million, or a 2.4 percent return; and a one-year gain of \$5.7 million (net), or an 8.4 percent return. The County continued to have very strong peer group performance: 1 year – top 7 percent, 3 years – top 13 percent, and 5 years – top 17 percent. Mr. Shone noted that the County's Pension Plan ranked at the top of all public funds of all sizes.

The new Vanguard funds were added to return as small and mid-cap stocks outperformed large-cap; the State Pool continued its strong performance.

At this point in the meeting, Mr. Shone discussed a separate handout entitled, "Sussex County Pension", which addressed an \$850,000 cash excess resulting from the difference between the County's pension contribution and the actual benefit payments. Any investment of this cash would need to take place before June 30, 2015. Discussion was held regarding allocations and targets; possible returns realized (bonds versus equities); current ladder bond investment approach and possibly shortening the average maturity of 4 years; postpone decision to allow further discussion at August meeting – the \$850,000 represents only 1 percent of the total pension fund; rebalancing recommendation is consistent with investment policy; and poor equity returns will have a negative impact on funding levels. Mr. Shone suggested three options: invest in bonds, leave in cash, or invest in equities.

A Motion was made by Mr. Leahy, seconded by Ms. Ryan, that the Sussex Pension Fund Committee recommend to the Sussex County Council to invest the excess \$850,000 Pension Plan contribution with Wilmington Trust Fixed Income.

Motion Adopted: 1 Nay, 6 Yea

Vote by Roll Call: Mr. James, Nay; Ms. Brewington, Yea; Mr. Baker, Yea;
Mr. Leahy, Yea; Ms. Ryan, Yea; Mr. Lawson, Yea;
Ms. Jennings, Yea

With the County's Pension Plan having such a consistent high peer group performance, Mr. Leahy questioned if steps were in place to protect the plan under various market conditions, and suggested further discussion in August.

The ending market value of the Sussex County Pension Plan as of March 31, 2015 was \$73,290,810, which included DuPont Capital Investment - \$14,158,210, Operating Account - \$122,886, State of Delaware Investment Pool - \$45,996,302, Vanguard Extended Market Index - \$3,060,138, Vanguard Mid Cap Value - \$2,576,715, Wilmington Trust Bonds - \$7,376,558, and Wilmington Trust Short Term - \$0.

As of March 31, 2015, Sussex County's Pension Asset Allocation included: State of Delaware Investment Pool – 62.8 percent; Cash – 0.2 percent; Domestic Fixed Income – 10.1 percent; and Domestic Equity – 27.0 percent.

For the year, the Pension Fund realized an 8.4 percent return and ranked in the top 7 percent nationwide.

Mr. Shone referred members to the OPEB Fund Performance Report (Tab III).

As of March 31, 2015, the ending market value of the OPEB Plan was \$30.8 million and realized a first quarter gain of \$544,000, or a 1.9 percent return; and a 1 year gain of \$2.2 million (net), or a 7.6 percent return. During the first quarter, a 65 percent equity target was implemented, and a strong performance was realized by Thornburg Global Opportunities. The first quarter also saw Target Small Capitalization Fund Manager changes. Mr. Shone reminded members that Peirce Park recommended this change because Target originally had a multiple manager approach, but ultimately went to one. International equities outperformed domestic; the County's Plan has a lower target to international equities than similar plans.

Looking ahead, the County may want to consider terminating the Target Small Capitalization Value Fund and replace with an index fund.

The OPEB Plan ranked in the 83rd percentile for the first quarter, and in the 24th percentile for one-year. Thornburg continued to have outstanding performance and ranked in the 6th percentile for the quarter; Thornburg has been taken off Peirce Park's watch list as reported at February's meeting, but Peirce Park will continue to provide close monitoring. American Funds International ranked in the 95th percentile; it was noted that Peirce Park will also monitor this fund as well.

Mr. Baker questioned the "Net Addition/Withdrawals" reflecting negative numbers for the OPEB Plan, which implies that the plan is drawing on principle. With such good returns, Mr. Shone noted that the annual required contribution goes down while benefit payments continue to increase. Mr. Jennings noted that the County made a \$2.2 million contribution with only \$1.6 million in benefit payments; timing may reflect the negative numbers.

3. **FY 2015 Contribution and Rebalancing**

Mr. Shone had been requested to present a possible alternative to the Target Small Capitalization Value fund. The report, "Sussex OPEB – Small Cap Value – May 2015", presents a comparison between Target and Vanguard Small Cap Value Index.

The below manager comparison was provided as of March 31, 2015:

	Target Small Capitalization Value	Vanguard Small Cap Value Index
Subadvisor	QMA	
Location	Newark, NJ	Malvern, PA
Firm Inception	1975	1975
Firm Assets (\$B)	118	3,183
Style	Quantitative & Fundamental, Bottom-Up	Passive
Strategy Inception	1993	1998
Strategy Assets (\$B)	2.1	16.3
Fees (Expense Ratios for Mutual Funds)	0.68%	0.09%
Vehicle	Mutual Fund	Mutual Fund
Preferred Benchmark	Russell 2000 Value Index	CRSP U.S. Small Cap Value Index
# of Holdings	411	826

Cumulative Returns Annualized (%) include:

	Q1	1 Year	3 Years	5 Years	7 Years
Target	2.7	7.3	15.2	13.8	10.6
Vanguard	3.5	10.6	18.3	15.1	11.2
Russell 2000 Value	2.0	4.4	14.8	12.5	8.9

Yearly Returns (%) include:

	2008	2009	2010	2011	2012	2013	2014
Target	-27.5	26.7	23.6	-0.5	14.1	35.9	5.9
Vanguard	-32.1	30.3	24.8	-4.1	18.8	36.6	10.6
Russell 2000 Value	-28.9	20.6	24.5	-5.5	18.1	34.5	4.2

A Motion was made by Mr. Leahy, seconded by Mr. Baker, that the Sussex County Pension Fund Committee recommend to the Sussex County Council to close the Target Small Capitalization Value Fund and transfer all funds to Vanguard Small Cap Value Index.

Motion Adopted: 7 Yea.

Vote by Roll Call: Mr. James, Yea; Ms. Brewington, Yea; Mr. Baker, Yea; Mr. Leahy, Yea; Ms. Ryan, Yea; Mr. Lawson, Yea; Ms. Jennings, Yea

A Motion was made by Mr. Leahy, seconded by Ms. Ryan, that the Sussex County Pension Fund Committee recommend to the Sussex County Council to invest the \$675,000 excess OPEB Plan contribution with Vanguard Institutional Index Fund (\$170,000), Fixed Income (\$455,000), and any remaining funds held in cash.

Motion Adopted: 7 Yea.

Vote by Roll Call: Mr. James, Yea; Ms. Brewington, Yea; Mr. Baker, Yea;
Mr. Leahy, Yea; Ms. Ryan, Yea; Mr. Lawson, Yea;
Ms. Jennings, Yea

Ms. Jennings thanked Mr. Shone for his presentation.

4. **Additional Business**

- A. Mr. Leahy inquired as to the adequateness of the County's pension contribution levels. It was noted that due to new GASB regulations, June 30, 2015 is the new measurement date. Ms. Jennings mentioned that a new actuary study will be performed which will closely review all aspects of the County's Pension Fund. For the current budget year, the County is contributing above the required contribution, or approximately 113 percent. Currently, the County uses the "Projected Unit Credit Cost Method" as their calculation method; for GASB 67 and 68 reporting, the "Entry Age Method" will become the required method. Mr. Shone reiterated that the County's OPEB Plan is one of the highest funded in the country.
- B. As a result of discussion held at February's meeting regarding County paramedics possibly switching to the State's Pension Plan, Mr. James inquired as to their decision. Ms. Jennings explained that she had presented the same report to the paramedics that had been given to both the Pension Committee and Council, with the recommendation not to switch to the State due to the detrimental impact. Ms. Jennings noted that the County Paramedics valued the County's recommendation and were in agreement to remain with the County's Pension Plan.

5. **Adjourn**

At 11:10 a.m., a Motion was made by Mr. James, seconded by Mr. Leahy, to adjourn.

Motion Adopted: 7 Yea.

Vote by Roll Call: Mr. James, Yea; Ms. Brewington, Yea; Mr. Baker, Yea;
Mr. Leahy, Yea; Ms. Ryan, Yea; Mr. Lawson, Yea;
Ms. Jennings, Yea

The next meeting of the Pension Fund Committee is scheduled for August 20, 2015, at 10:00 a.m. in the Sussex County Council Chambers.

Respectfully submitted,

Nancy J. Cordrey
Administrative Secretary



SUSSEX COUNTY

Investment Performance Report

March 31, 2015



PEIRCE PARK GROUP

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II. Pension

III. OPEB



PEIRCE PARK GROUP

PERFORMANCE EVALUATION AND REPORTING SERVICES INFORMATION DISCLAIMER

Peirce Park Group has exercised reasonable professional care in the preparation of this performance report. Depending on the specific client's account, Peirce Park Group may rely on the investment managers to provide individual security holdings, or it may rely on the client's custodian for market values and transaction dates. Custodial information may differ from investment manager records. When we rely on the client's custodian values, **returns are calculated using the custodian's statements. Every effort is made to identify and reconcile discrepancies.** There may be discrepancies in asset values and returns with managers due to different values or methodologies used by the managers and/or custodians. When the manager(s) and the custodian are one and the same, we have no ability to determine the accuracy of the asset values put forth. Information in this report on market indices, security characteristics, and universe comparisons is received from external sources.

Total fund returns are calculated using the modified-dietz method of return, utilizing market values and cash flows from the custodian statements. Time weighted method of calculating returns may be utilized for individual managers if a significant cash flow occurs during the measurement period. There may be discrepancies in asset values and returns with managers, due to different values or methodologies used by the managers and custodians. Information in this report on market indices, security characteristics, and universe comparisons is received from third party vendors. Therefore, we can make no guarantee as to the completeness or accuracy of the report.

Where we use the InvestorForce database, total fund universes are generally comprised using gross of management fee return calculations. When clients have investment managers that provide net of fee return calculations or asset values (e.g. mutual funds), we increase (gross-up) the total fund return by an amount that reflects, as accurately as possible, the internal costs of the manager or fund (internal costs include, but are not limited to, management fees, advisory/sub-advisory fees, administrative fees, interest expenses and fee reimbursements). In determining a manager or fund's cost, we attempt to obtain accurate information that is readily available. Our results may differ from other reported sources such as Morningstar. As such, we can make no guarantee as to the accuracy of fee calculations.

Depending on the client, we may use attribution on segments of the portfolio to help explain sources of return. It is important to note that total fund attribution is calculated using the total fund's policy index. When attribution is used, we analyze each segment and then combine the results to calculate total fund effects. Although the sum of segment benchmarks is very close to the total fund policy index, there may not be an exact match.

The value of securities held by mutual fund investment companies is the market value when market quotations are readily available. When market quotations are not readily available, a fund must use "fair values", as determined in good faith by the fund's board of directors or Fair Valuation Committee. Mutual funds that hold international securities value these holdings using Fair Market Valuation. International markets are closed when U.S. markets are open and trading. Once the international market is closed, there is a static value to the security in that particular market, while the value of that security on the U.S. market may fluctuate, due to supply and demand for the security. Therefore, the valuation of the security in the U.S. market is based on the fluctuations that take place in the U.S. market during the hours that the international market was closed. Benchmarks do not use Fair Market Valuation. Therefore, the difference in returns between benchmarks and mutual funds may be attributable to this phenomenon.

2014-04-24

Information Disclaimer

MARKET ENVIRONMENT



SUMMARY OBSERVATIONS

- The U.S. Dollar appreciated against most currencies as foreign investors sought higher real yields offered by U.S. Treasuries.
- Oil prices continued to decline as supply outpaced demand. Crude oil ended the quarter below \$48/barrel, down nearly 11% from year-end 2014.
- Real GDP came in well below consensus expectations in Q1, growing only 0.2%.
- International economies continued to struggle as well—China's GDP grew at its slowest pace since the Global Financial Crisis (2008-2009).
- Equities outperformed fixed income (Globally).
 - International equities (ACWI ex-U.S.) outperformed domestic stocks (Russell 3000).
- As most interest rates compressed, long-term bonds were the best performing fixed income sector for the fifth consecutive quarter.

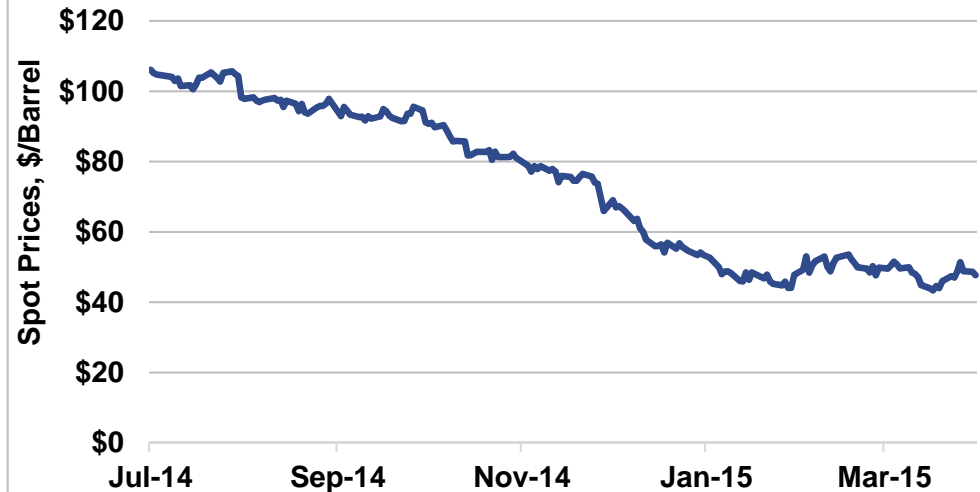


SUMMARY OBSERVATIONS

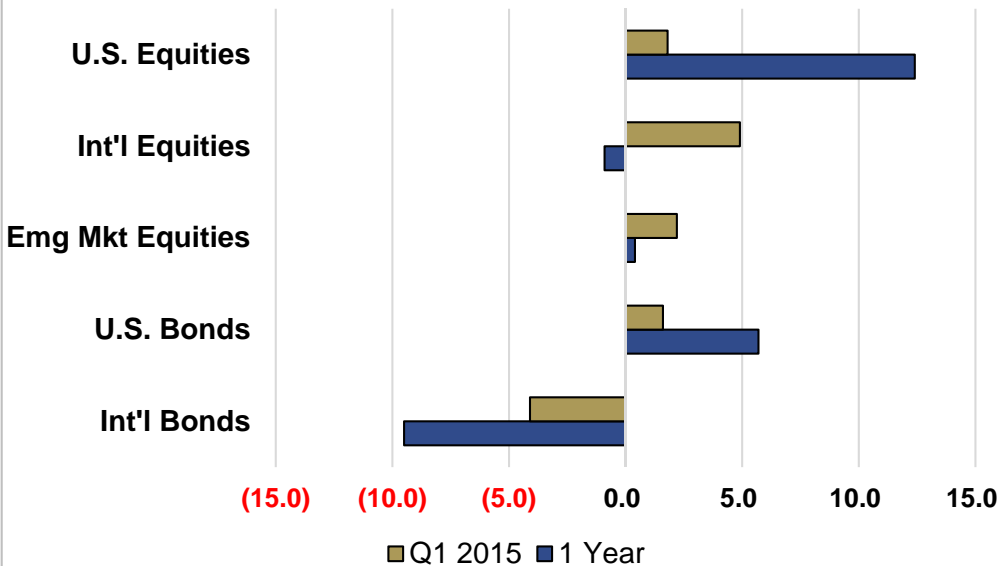
Trade-Weighted Dollar Index



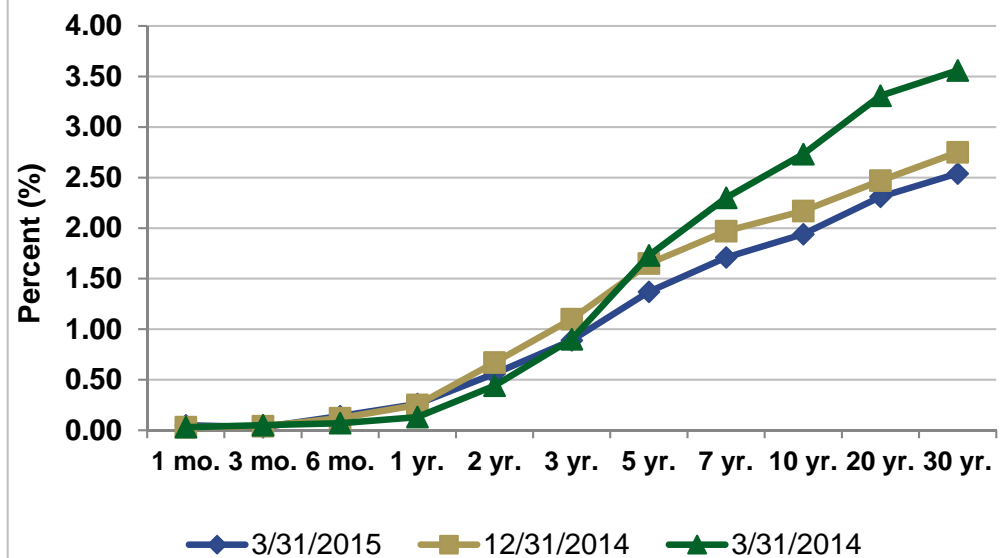
West Texas Intermediate Crude



Asset Class Returns



U.S. Treasury Yields

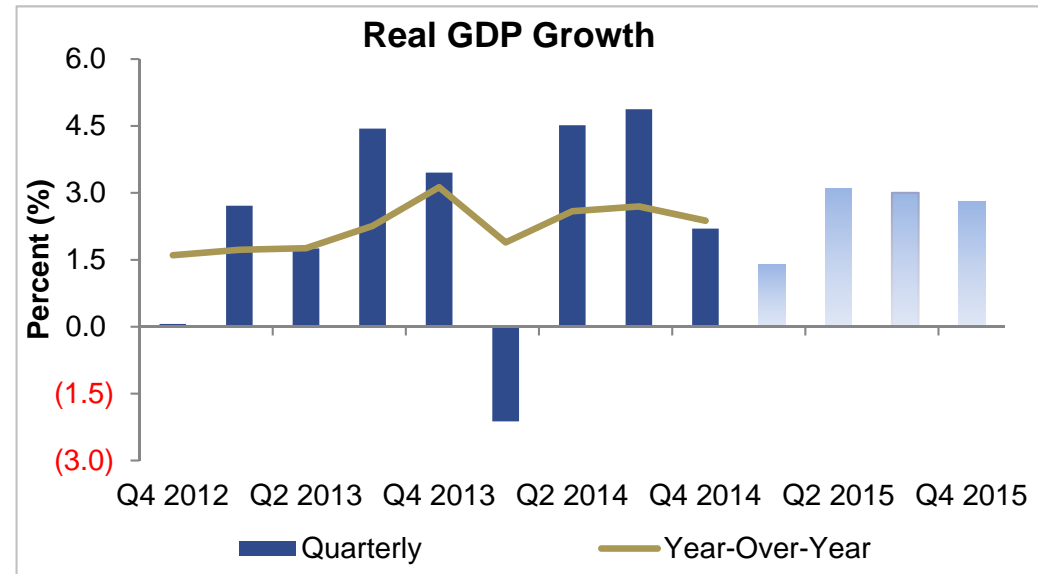


DOMESTIC ECONOMIC GROWTH

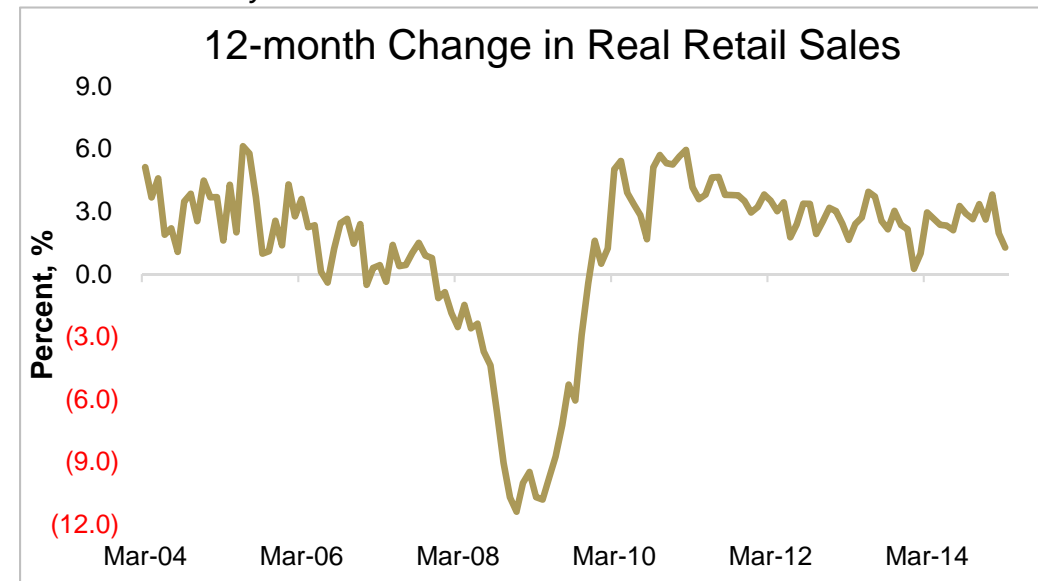
After strong gains in Q2 and Q3 2014, the fourth quarter GDP figure came in weaker than expected at 2.2%. Net exports was the largest detractor from GDP growth, as imports rose almost 9.0% in the quarter. Business fixed investment, meanwhile, grew at a sluggish pace, climbing just 1.9%.

Further, the economic weakness spilled over into the New Year, with the first reading of Q1 GDP showing growth at an anemic 0.2%, compared to expectations as high as 3.0% earlier in the quarter. Many economists and corporate executives have cited another harsh winter as the primary culprit of weak economic data. If recent history is a useful guide, however, economic growth will likely rebound later in 2015. Since 2010, average real GDP growth during the first quarter is just 0.6%, while the average for all other quarters is 2.8%.

Other economic data has consistently come in below expectations during the quarter. The Citigroup Economic Surprise Index, which measures the difference between actual data versus consensus estimates, dipped to its lowest level since mid-2012. Retail sales, for example, were unexpectedly poor during the quarter, leaving annual growth at just 1.3% at the end of March.



Source: Board of Governors of the Federal Reserve System/FRED. Light bars reflect analyst estimates.

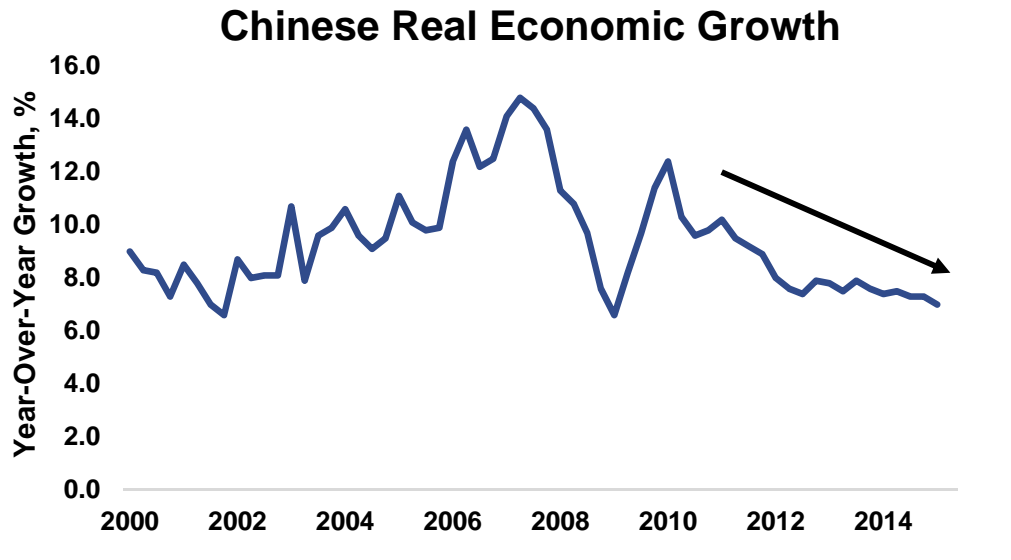


Source: Thomson Reuters Datastream.

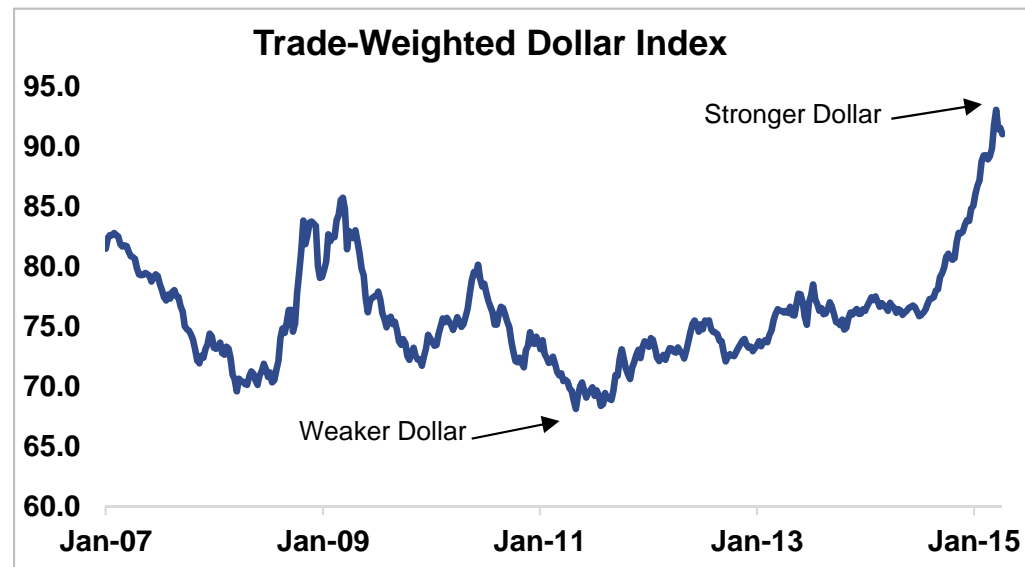
GLOBAL ECONOMIC GROWTH

Despite weak growth in Q4 and even lower forecasts for Q1, the U.S. growth outlook remains favorable compared to global counterparts. GDP growth in China, for instance, fell to a six-year low in the first quarter, with real GDP growing only 7.0% from a year earlier. The Chinese GDP release was also littered with disappointing results for a number of economic indicators, including retail sales, industrial production, and real estate investment—all of which came in below expectations. Market participants now expect further monetary easing on the part of the People's Bank of China (PBoC).

The PBoC is only one of many central banks pursuing stimulative monetary policies to bolster growth, with the European Central Bank (ECB) being the most recent to join the party. The ECB recently implemented a quantitative easing program of €60 billion per month. Along with PBoC and the ECB, the Bank of Japan is also pursuing accommodative monetary policies while the United States remains on the verge of monetary tightening. This divergence in policy, along with relative economic performance, has resulted in a much weaker euro versus the dollar. Indeed, the dollar rose 7.7% this quarter against a basket of major trading partners, finishing the quarter at its highest level since September 2003.



Source: Thomson Reuters Datastream.

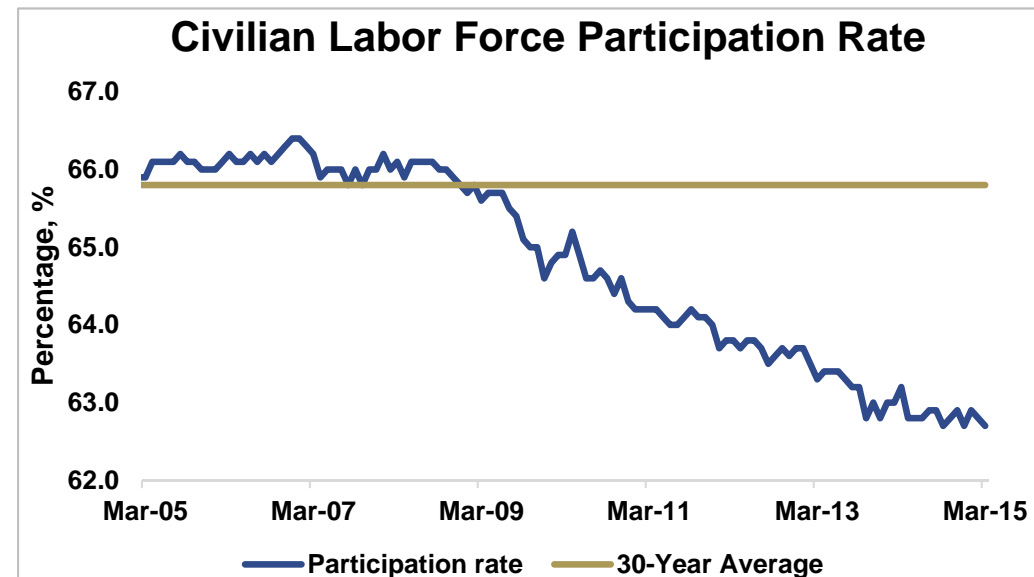


Source: Thompson Reuters Datastream.

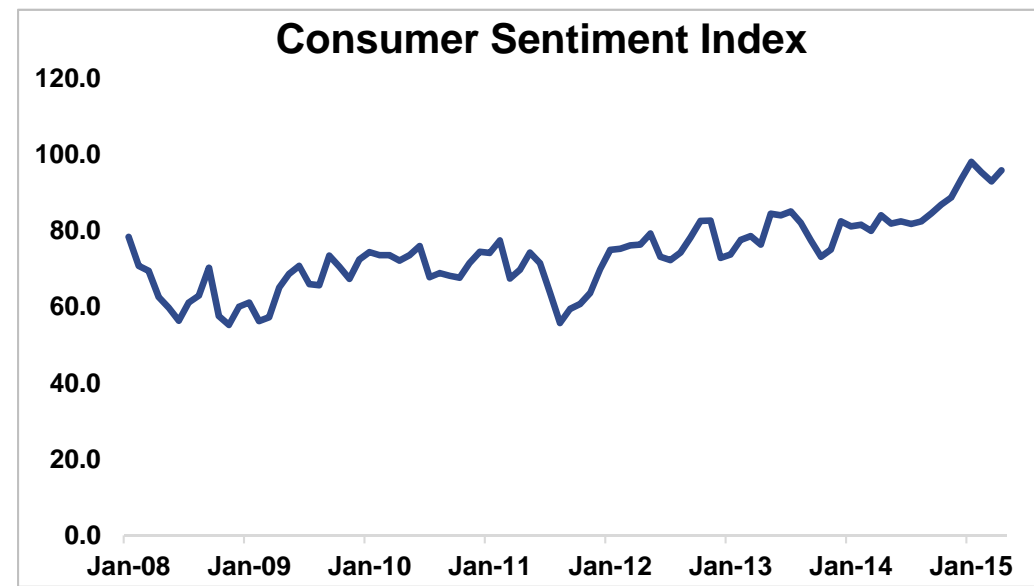
LABOR MARKET AND CONSUMER HEALTH

While unemployment in the U.S. fell to 5.5% in Q1, a level not touched since 2008, non-farm payrolls increased by only 126,000 in March, representing the lowest increase since December 2013. Job growth averaged 197,000 per month during the quarter, much lower than the 324,000 average of Q4 2014. Though some labor data, such as the lower unemployment rate, portend a tightening labor market and perhaps further wage growth, labor force participation hit a 27-year low in March and remains well below pre-crisis levels.

Mixed labor data, however, does not appear to have affected consumer confidence. The University of Michigan Consumer Sentiment Index, which measures the financial position and economic outlooks of U.S. households, climbed above 90 in December and currently sits at 95.9. For the most part, consumers expect income to increase and inflation to remain low, suggesting a 3.3% growth in personal consumption expenditures in 2015, according to the University.



Source: Board of Governors of the Federal Reserve System/FRED.



Source: University of Michigan.

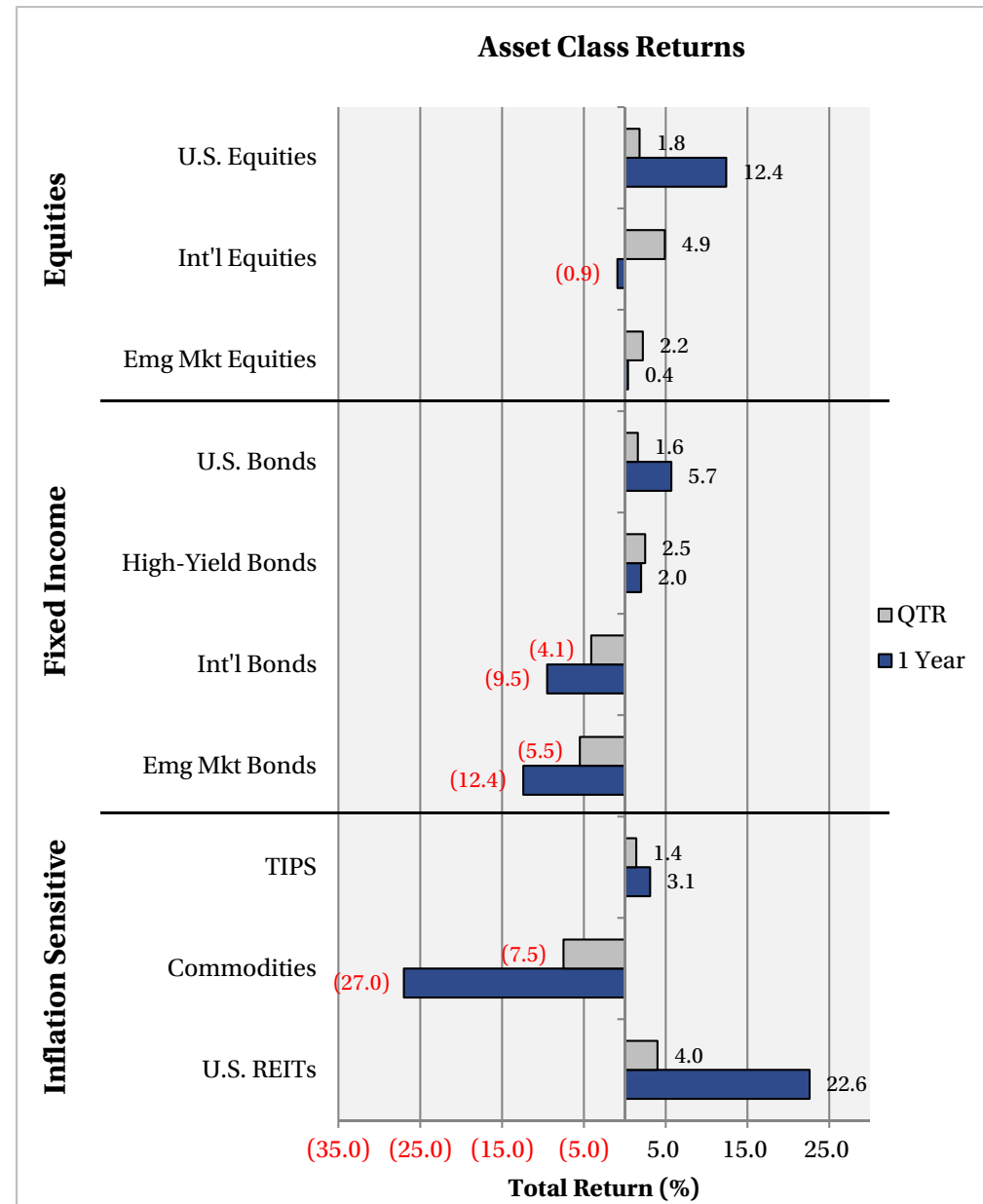


GLOBAL ASSET CLASS PERFORMANCE

Equities posted a positive return in the first quarter of 2015. In a turnaround from last year, international equities led while U.S. equities lagged, as investors favored markets where central banks pursued lower interest rates. Continental European equities, for instance, gained 15.2% in local currency terms in the wake of the ECB's announcement that it would conduct €60 billion in monthly bond purchases. A strengthening U.S. dollar weighed on returns for U.S.-based investors—Continental European equities, for example, returned only 5.5% in USD terms.

Fixed income varied considerably across different markets during the quarter. Domestic bonds, both investment grade and high-yield, benefitted from falling yields and tightening spreads. International developed and emerging market debt finished in the red, with the dollar's appreciation driving losses in these areas.

Inflation-sensitive assets were held back by poor performance among most commodities. REITs, on the other hand, rose 4.0% during the quarter and have been one of the best-performing asset classes over the past 12 months.



Source: Morningstar

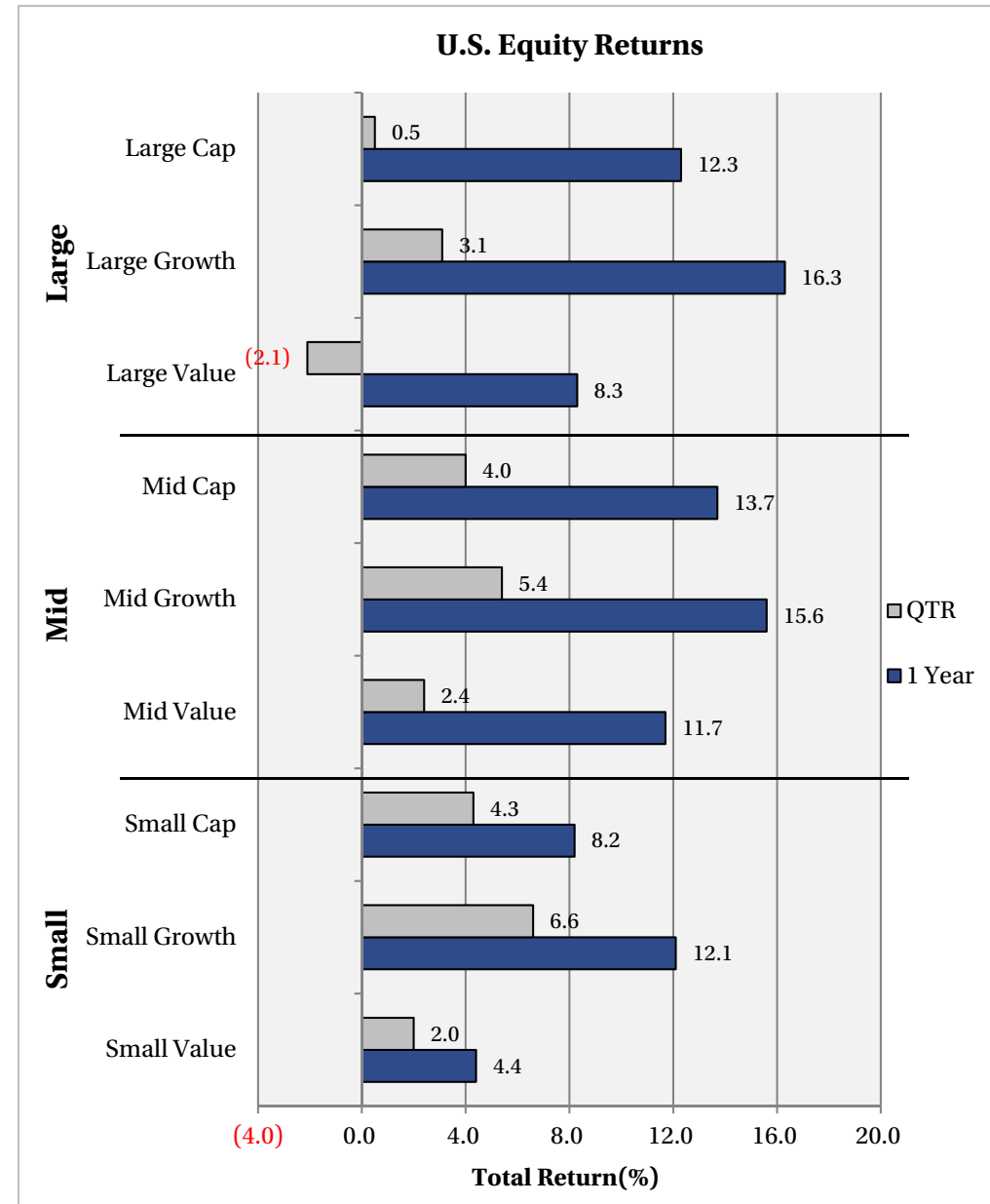


U.S. EQUITIES

The first quarter of 2015 saw growth stocks outperforming value stocks across the capitalization spectrum. The S&P 500 Index finished the quarter up 1.0%, marking its ninth consecutive quarter of positive returns.

Small-cap stocks finished their second straight quarter as the highest-returning domestic segment, continuing their rebound from a particularly poor 2014. Mid-cap stocks slightly trailed small caps during Q1. Conversely, large-cap value stocks were the only style among domestic equities to display a negative return for the quarter. Value stocks, usually characterized by higher dividend yields, may have suffered as their yield advantage became less attractive due to expected interest rate increases.

Going forward, market participants remain fixated on Federal Reserve (Fed) actions. While the Fed removed the word “patient” from its most recent minutes, the timing of its first short-term rate hike is uncertain.



Source: Russell

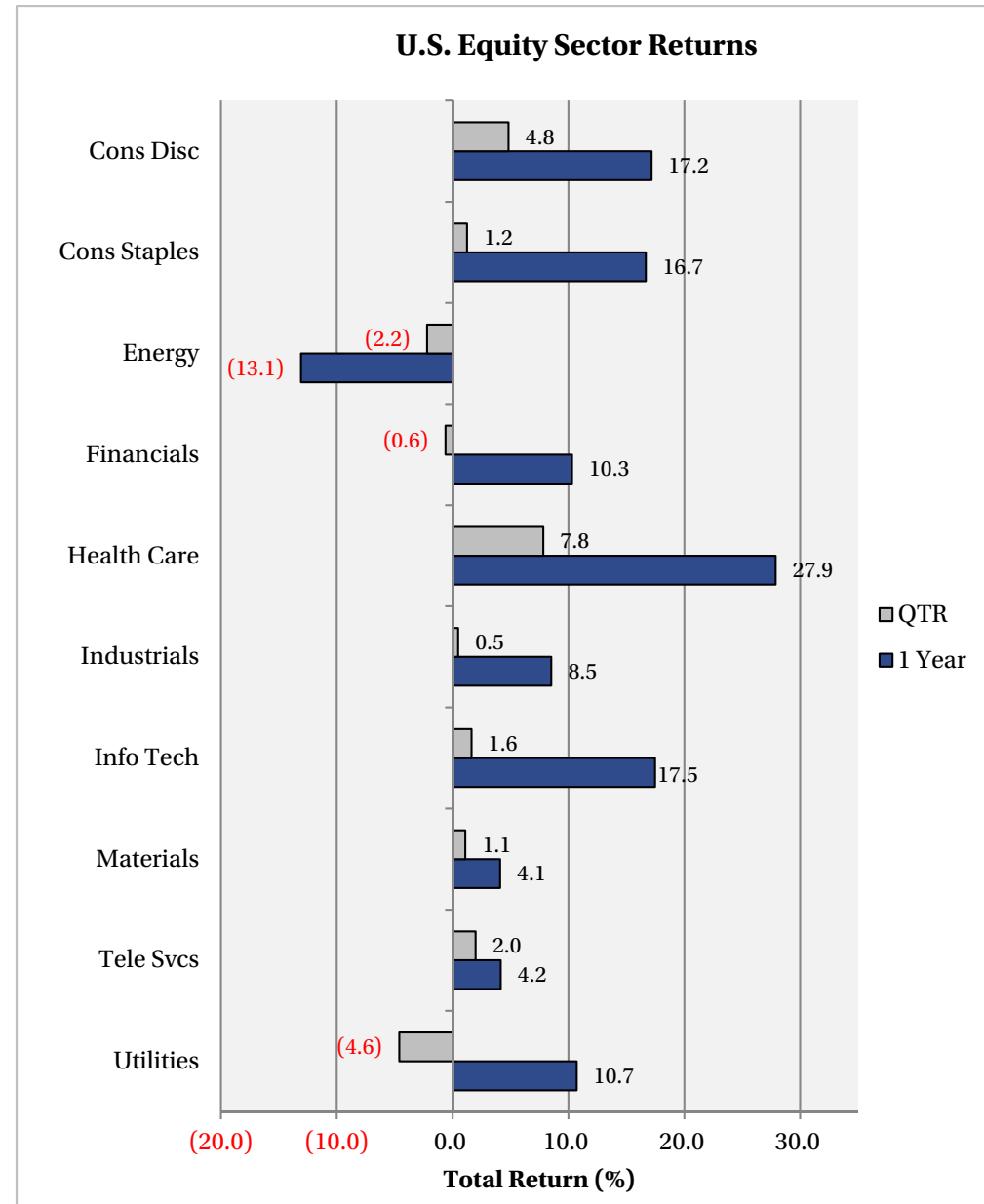


U.S. EQUITY SECTORS

Sector performance in 2015 has been highly indicative of investor preference for growth versus value equities. For example, the value-laden sectors of utilities, energy, and financials each produced negative returns. “Growthier” sectors, on the other hand, such as consumer discretionary and healthcare, showed the largest gains.

Of course, other factors such as the strong greenback and the further decline in energy commodities have meaningful implications for performance disparities across sectors. For instance, U.S. households have been a beneficiary of low oil prices, leaving investors to favor the consumer discretionary sector.

While the Q4 earnings season had no shortage of disappointing misses and downward revisions, widespread M&A activity acted to lift equity returns, especially within the healthcare sector. For example, Salix Pharmaceuticals was seated at the center of a bidding war between Endo Pharmaceuticals and Valeant Pharmaceuticals, eventually accepting an \$11.1 billion offer from the latter. AbbVie, a leader in biopharmaceuticals, also announced an offer to acquire Pharmacyclics at the beginning of March—a deal valued at over \$21 billion.



Source: MSCI

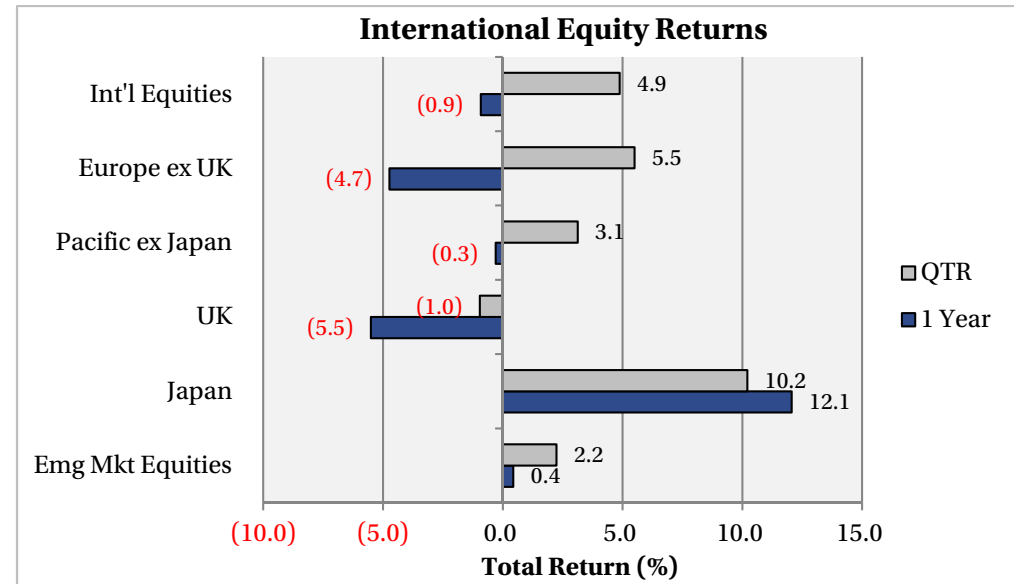


INTERNATIONAL EQUITIES

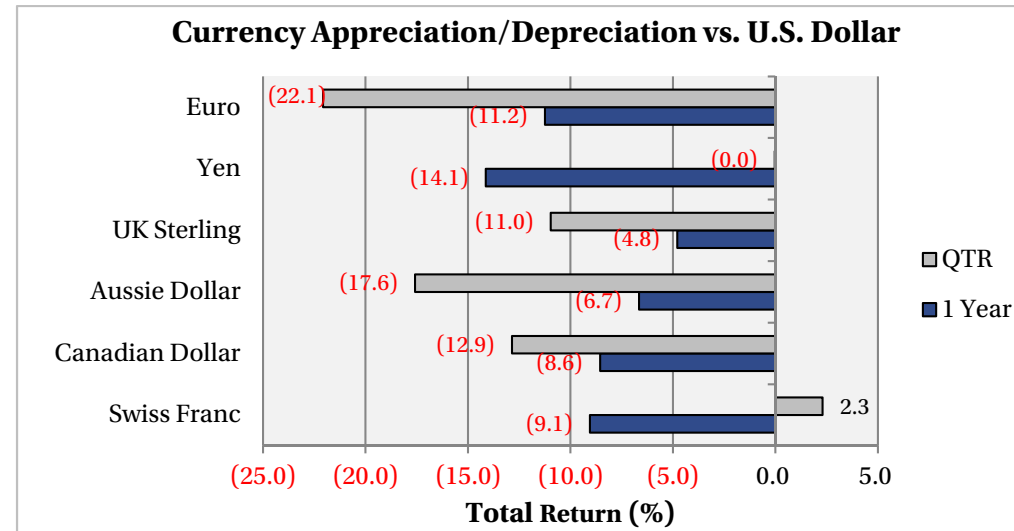
In a reversal from last quarter, many international equity markets outperformed the U.S. market despite the continued appreciation of the dollar. The largest returns were seen in Japan, where investors ignored weak economic data and instead focused on Bank of Japan's current quantitative easing (QE) program.

In the Eurozone, equities also rallied on the announcement of the ECB's QE program. Promising earnings announcements also helped support higher stock prices as exporters enjoyed the demand boost from a weaker euro.

U.S. dollar strength continued uninterrupted during Q1, appreciating against a slew of currencies during the quarter. The euro dropped over 20% against the dollar, due in part to the ECB's new bond-buying program. On the other hand, the Swiss Franc, which abandoned its fixed peg to the euro in January, was one of only a few currencies to gain some ground on the dollar during the quarter.



Source: MSCI Net total return indices reinvest dividends after deducting withholding taxes, using (for international indices) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.



Source: Markov Processes International

Note: Negative returns reflect depreciation against the U.S. dollar and vice versa.

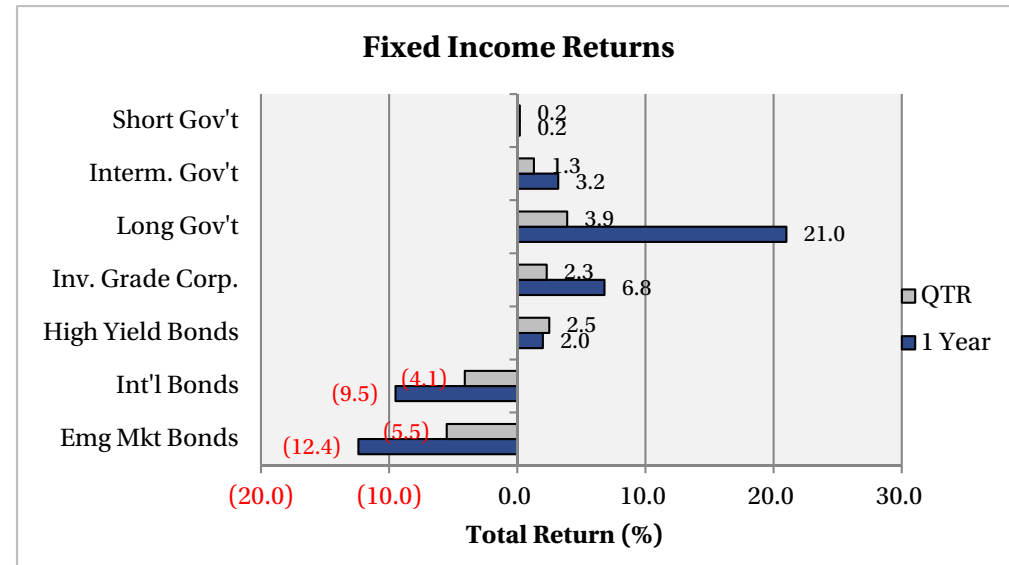


FIXED INCOME

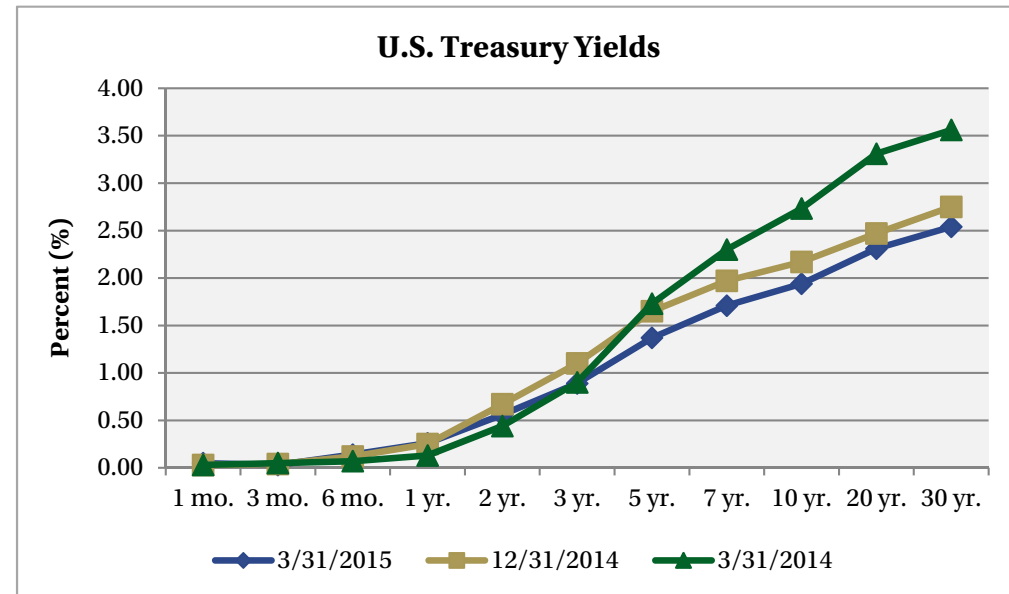
Despite increased volatility surrounding potential rate hikes in the U.S., domestic fixed income had a solid beginning to 2015. The broad bond market returned 1.6%, though returns ranged as high as 3.9% for long-term government debt, also the best sector over the last year, to as low as 0.2% for short duration government bonds.

After underperforming their safer counterparts for the last three quarters, high-yield bonds managed to top investment grade corporates in the first quarter. While spread compression helped lift returns for below-investment grade issues, the yield component of return was the primary driver of outperformance.

Globally, the majority of central banks have continued to assume an accommodative stance, leading to widespread declines in benchmark yields. Even the 10-year U.S. Treasury yield dropped by 0.25% last quarter amid poor economic data and dovish Federal Open Market Committee minutes. Both served to push the market's expectation of a rate-hike further down the road.



Source: Morningstar



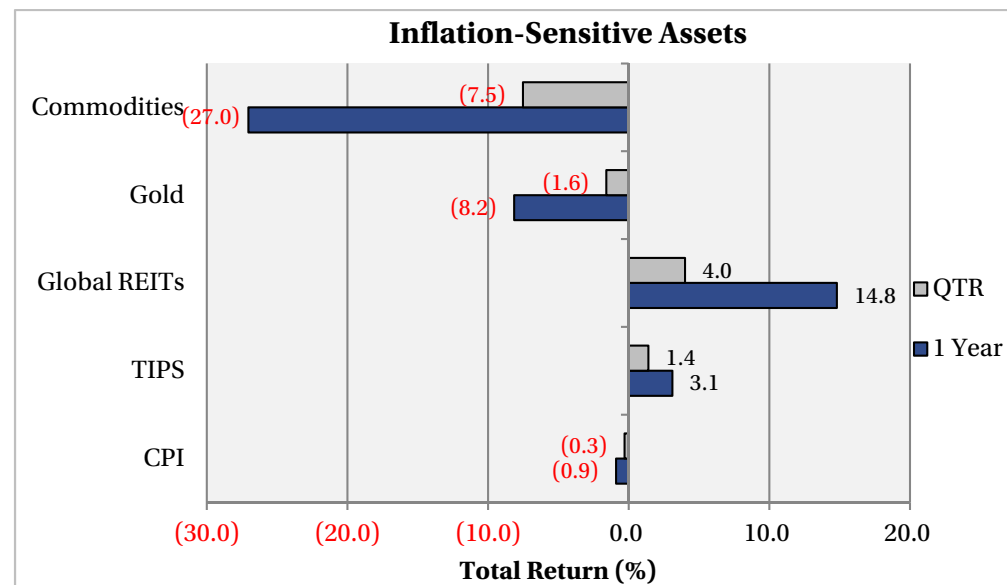
Source: U.S. Department of the Treasury

INFLATION-SENSITIVE ASSETS

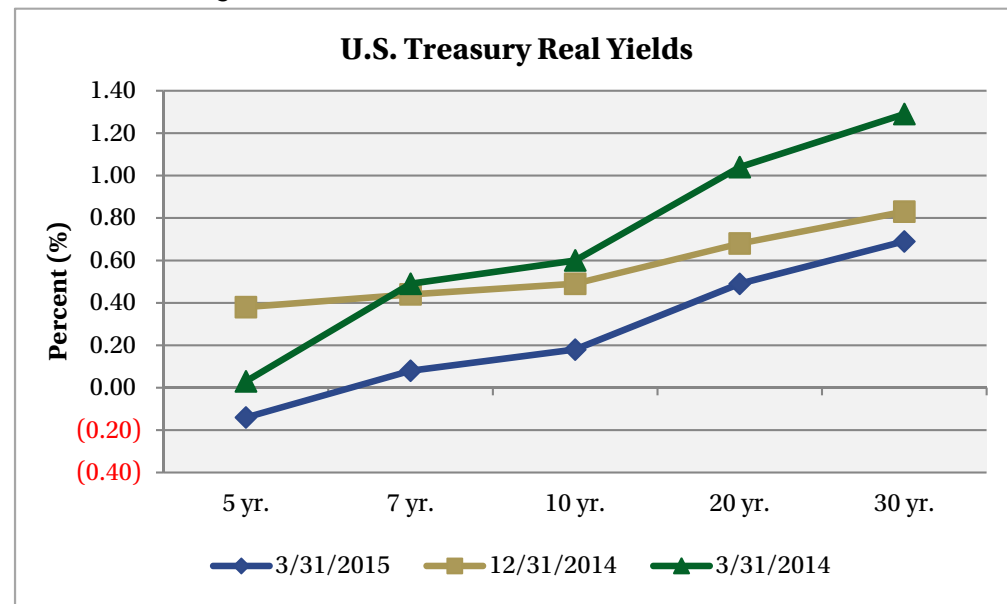
Commodities continued their downward trend that began in the second half of 2014. Once again, crude oil and other energy-related commodities posted double-digit losses for the quarter. Industrial metals, agriculture, and livestock commodities fared poorly as well.

Real estate has persisted as one of the top-performing asset classes, both globally and within the U.S. Global REITs posted a 4.0% return last quarter, as U.S. and Japanese REITs, which together comprise more than 58% of the index, generated returns of 4.0% and 3.4%, respectively.

Among TIPS, real-yields fell across the curve, with shorter-term rates experiencing the largest declines. The five-year real yields dipped into negative territory for the first time since October 2014. This drop in real yields resulted in a modest positive return for TIPS investors.



Source: Morningstar



Source: U.S. Department of the Treasury



U.S. SIZE, STYLE, AND SECTOR PERFORMANCE

DOMESTIC EQUITY	<u>QTR</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
S&P 500 Index	1.0	12.7	16.1	14.5	8.0
Russell 3000 Index	1.8	12.4	16.4	14.7	8.4
Russell 3000 Growth Index	4.1	15.8	16.5	15.7	9.4
Russell 3000 Value Index	(0.5)	8.9	16.3	13.7	7.2
Russell TOP 200 Index	0.5	12.3	15.7	14.1	7.7
Russell TOP 200 Growth Index	3.1	16.3	15.9	15.4	9.1
Russell TOP 200 Value Index	(2.1)	8.3	15.5	12.8	6.2
Russell 1000 Index	1.6	12.7	16.5	14.7	8.3
Russell 1000 Growth Index	3.8	16.1	16.3	15.6	9.4
Russell 1000 Value Index	(0.7)	9.3	16.4	13.8	7.2
Russell Mid-Cap Index	4.0	13.7	18.1	16.2	10.0
Russell Mid-Cap Growth Index	5.4	15.6	17.4	16.4	10.2
Russell Mid-Cap Value Index	2.4	11.7	18.6	15.8	9.6
Russell 2000 Index	4.3	8.2	16.3	14.6	8.8
Russell 2000 Growth Index	6.6	12.1	17.7	16.6	10.0
Russell 2000 Value Index	2.0	4.4	14.8	12.5	7.5
DOMESTIC EQUITY BY SECTOR (MSCI)					
Consumer Discretionary	4.8	17.2	20.8	20.1	10.2
Consumer Staples	1.2	16.7	16.1	15.3	11.0
Energy	(2.2)	(13.1)	3.4	7.4	7.4
Financials	(0.6)	10.3	16.8	10.9	2.1
Health Care	7.8	27.9	27.8	20.9	12.3
Industrials	0.5	8.5	17.5	15.3	8.8
Information Technology	1.6	17.5	14.2	14.8	10.3
Materials	1.1	4.1	11.9	11.2	8.4
Telecommunication Services	2.0	4.2	11.3	12.6	7.7
Utilities	(4.6)	10.7	13.1	13.3	8.7



REGIONAL PERFORMANCE ACROSS MARKETS

INTERNATIONAL/GLOBAL EQUITY	QTR	1 Year	3 Year	5 Year	10 Year
MSCI EAFE (Net)	4.9	(0.9)	9.0	6.2	5.0
MSCI EAFE Growth (Net)	5.9	1.1	9.0	7.0	5.6
MSCI EAFE Value (Net)	3.9	(2.9)	9.0	5.3	4.2
MSCI EAFE Small Cap (Net)	5.6	(2.9)	10.7	8.8	6.2
MSCI AC World Index (Net)	2.3	5.4	10.8	9.0	6.4
MSCI AC World Index Growth (Net)	4.4	9.6	11.8	10.4	7.4
MSCI AC World Index Value (Net)	0.2	1.3	9.7	7.6	5.5
MSCI Europe ex UK (Net)	5.5	(4.7)	10.8	6.1	5.2
MSCI United Kingdom (Net)	(1.0)	(5.5)	6.6	6.8	4.4
MSCI Pacific ex Japan (Net)	3.1	(0.3)	6.6	5.9	8.7
MSCI Japan (Net)	10.2	12.1	9.4	5.9	3.5
MSCI Emerging Markets (Net)	2.2	0.4	0.3	1.8	8.5
FIXED INCOME					
Merrill Lynch 3-month T-Bill	0.0	0.0	0.1	0.1	1.5
Barclays Intermediate Government/Credit	1.5	3.6	2.3	3.5	4.3
Barclays Aggregate Bond	1.6	5.7	3.1	4.4	4.9
Barclays Short Government	0.2	0.2	0.3	0.5	2.2
Barclays Intermediate Government	1.3	3.2	1.5	2.8	4.0
Barclays Long Government	3.9	21.0	7.6	10.5	7.8
Barclays Investment Grade Corporates	2.3	6.8	5.2	6.5	5.9
Barclays High Yield Corporate Bond	2.5	2.0	7.5	8.6	8.2
JPMorgan Global ex U.S. Bond	(4.1)	(9.5)	(3.4)	0.6	2.7
JPMorgan Emerging Market Bond	(5.5)	(12.4)	(4.4)	0.5	5.5
INFLATION SENSITIVE					
Consumer Price Index	(0.3)	(0.9)	0.7	1.5	1.9
BC TIPS	1.4	3.1	0.6	4.3	4.6
Commodities	(7.5)	(27.0)	(11.5)	(5.7)	(3.6)
Gold	(1.6)	(8.2)	(11.3)	0.6	9.8
REITs	4.0	22.6	14.1	15.6	9.5
FTSE EPRA/NAREIT Global REITs	4.0	14.8	11.8	11.0	-

Source: Russell, S&P, MSCI, Merrill Lynch, Barclays Capital, FTSE

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PENSION



OBSERVATIONS FOR SUSSEX COUNTY PENSION

- Market value March 31, 2015: \$73.3 million
- 1st quarter gain: +\$1.7 million 1st quarter return: 2.4% (gross)
- 1 Year gain: +\$5.7 million 1 Year return: 8.4% (gross)
- Continued very strong peer group performance
 - 1 Year – Top 7%
 - 3 Years – Top 13%
 - 5 Years – Top 17%
- New Vanguard funds added to return as Small and Mid-Cap stocks outperformed Large-Cap
- State Pool – continued strong performance



LOOKING AHEAD FOR SUSSEX COUNTY PENSION

- Invest “excess” cash



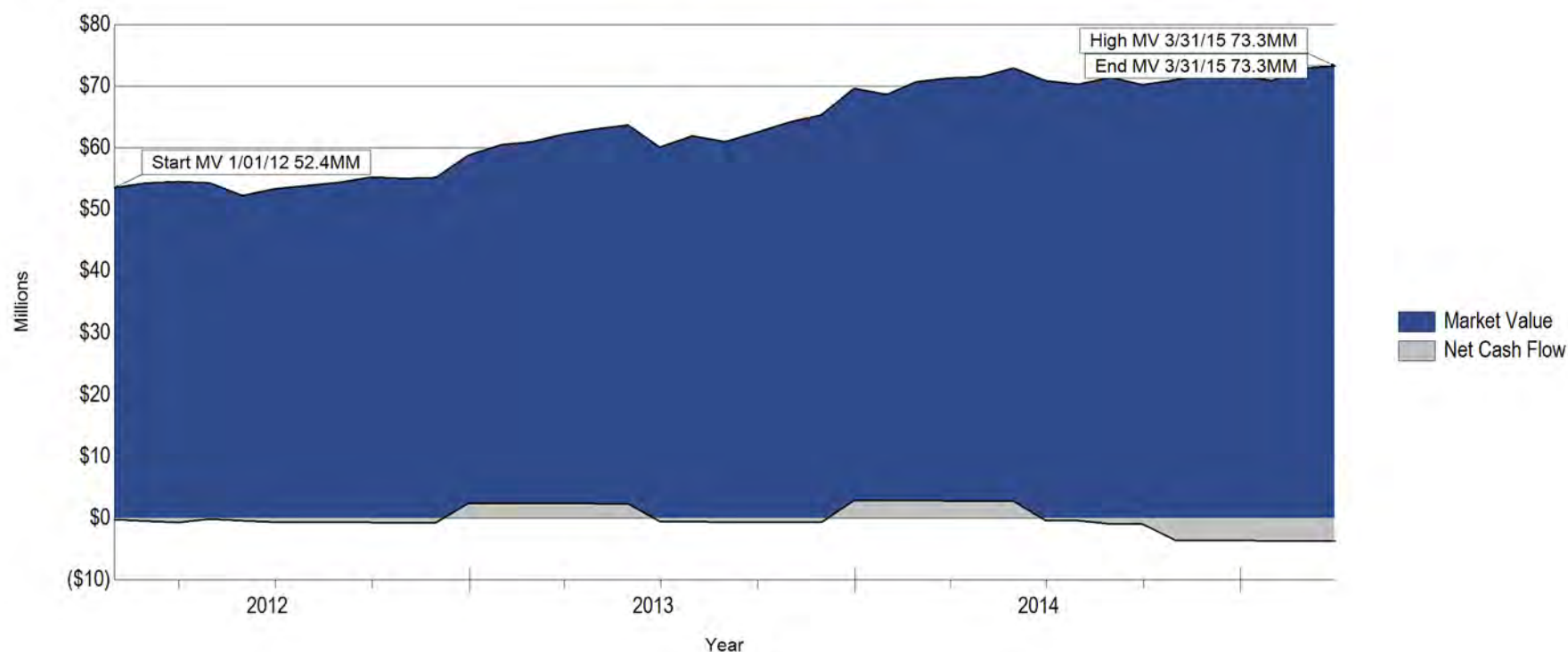
Sussex County Pension Total Fund Composite

Summary of Cash Flows

As of March 31, 2015

Sources of Portfolio Growth	First Quarter	One Year	Three Years
Beginning Market Value	\$71,652,479.3	\$71,322,868.6	\$54,521,415.1
Net Additions/Withdrawals	-\$18,011.9	-\$3,706,600.2	-\$614,030.0
Investment Earnings	\$1,656,342.4	\$5,674,541.3	\$19,383,424.6
Ending Market Value	\$73,290,809.7	\$73,290,809.7	\$73,290,809.7
Time Weighted Return	2.4%	8.4%	10.8%

Market Value History
3 Years 3 Months Ending March 31, 2015



Sussex County Pension
Total Fund Composite

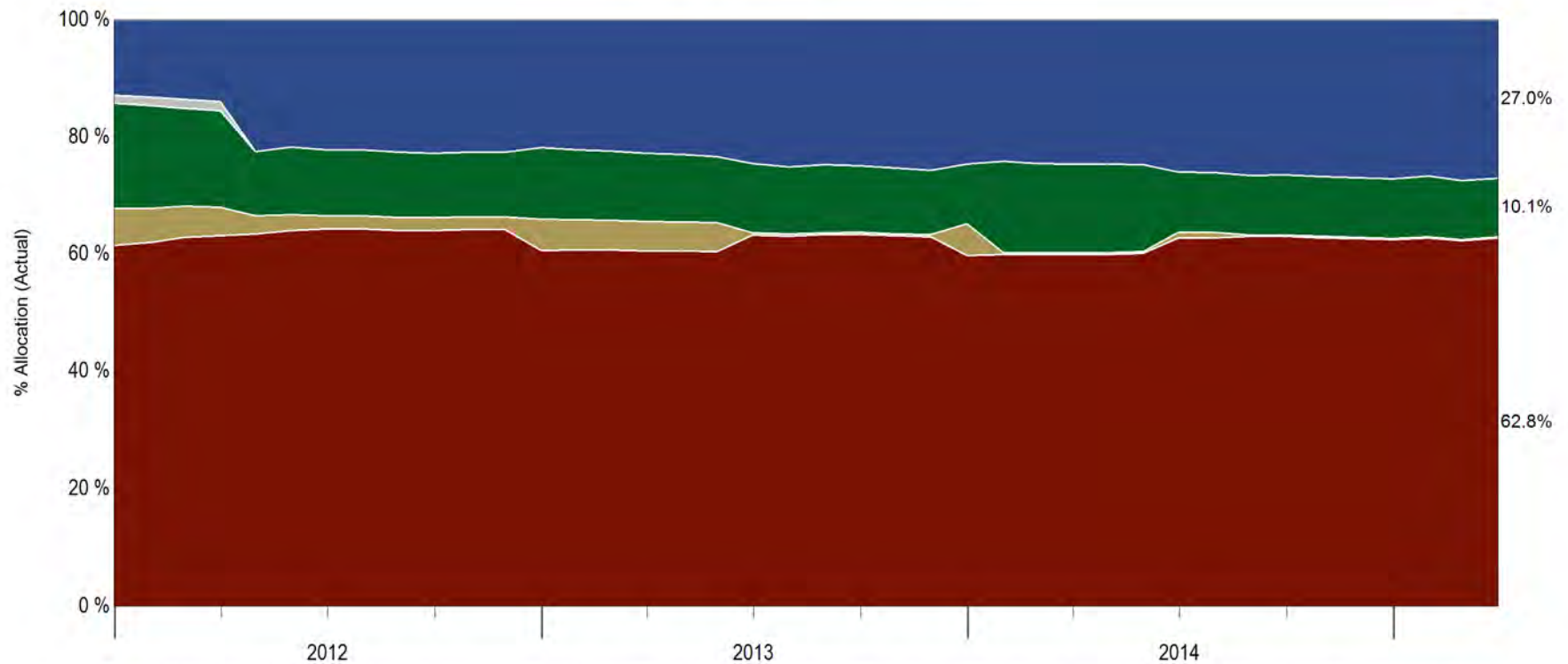
As of March 31, 2015

	Quarter Ending March 31, 2015			
	Beginning Market Value	Net Cash Flow	Net Investment Change	Ending Market Value
Dupont Capital Investment	\$14,015,785	-\$6,190	\$148,615	\$14,158,210
Operating Account	\$138,035	-\$15,168	\$19	\$122,886
State of Delaware Investment Pool	\$44,795,354	\$3,346	\$1,197,602	\$45,996,302
Vanguard Extended Market Index	\$2,906,176	\$0	\$153,962	\$3,060,138
Vanguard Mid Cap Value	\$2,511,992	\$0	\$64,723	\$2,576,715
Wilmington Trust Bonds	\$7,285,137	\$0	\$91,421	\$7,376,558
Wilmington Trust Short Term	\$0	\$0	\$0	\$0
Total	\$71,652,479	-\$18,012	\$1,656,342	\$73,290,810

Sussex County Pension Total Fund Composite

As of March 31, 2015

Asset Allocation History
3 Years 3 Months Ending March 31, 2015



	2011	2012	2013	2014	2015
Domestic Equity	13.9	22.2	22.8	21.8	22.8
Global Equity	1.5	--	--	--	--
Domestic Fixed Income	16.5	11.3	11.0	12.3	11.6
Cash	4.9	2.3	2.2	5.3	5.0
State of Delaware Investment Pool	63.2	64.3	64.1	60.7	60.6

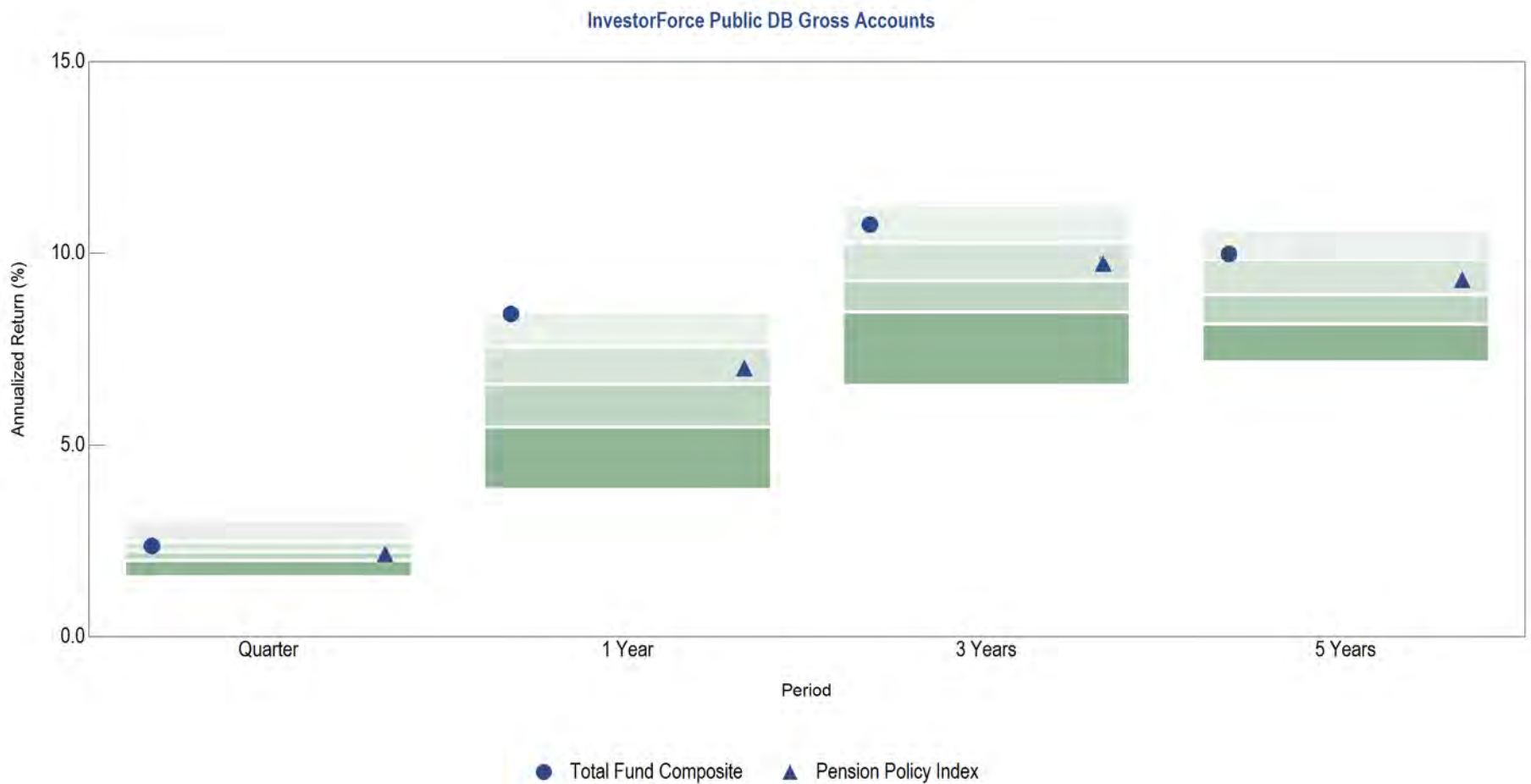
Domestic Equity Global Equity Domestic Fixed Income Cash State of Delaware Investment Pool

Sussex County Pension Total Fund Composite

Total Plan Performance

As of March 31, 2015

	2015 Q1	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	Return	Since
Total Fund Composite	2.4%	35	8.4%	7	10.8%	13	10.0%	17	11.4%	Jan-09
<i>Pension Policy Index</i>	<i>2.2%</i>	<i>56</i>	<i>7.0%</i>	<i>41</i>	<i>9.7%</i>	<i>40</i>	<i>9.3%</i>	<i>39</i>	<i>11.5%</i>	<i>Jan-09</i>



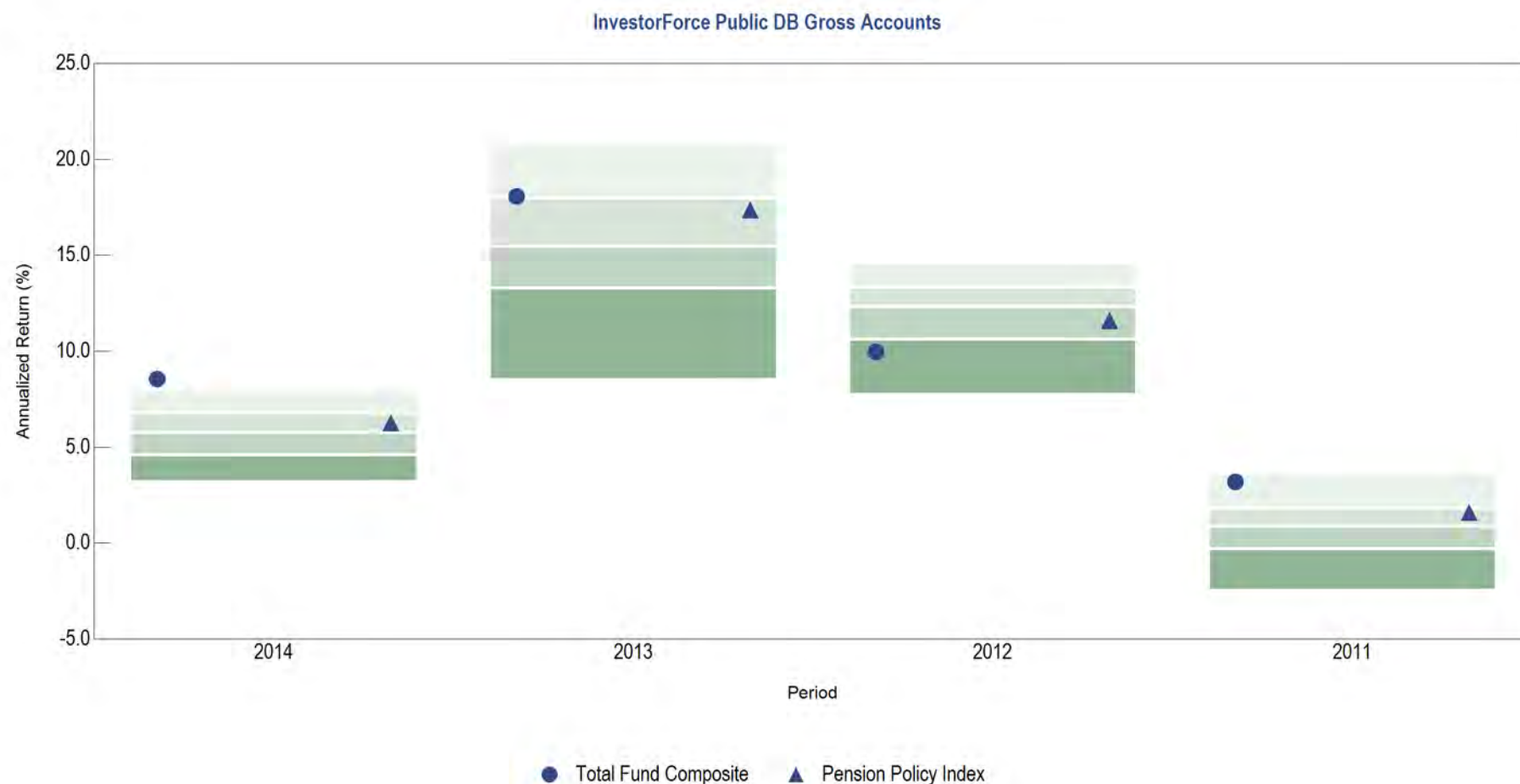
Current Policy Index: 46% Russell 3000 / 40% Barclays Intermediate Gov't/Credit / 14% MSCI EAFE (Net)

Sussex County Pension Total Fund Composite

Total Plan Performance

As of March 31, 2015

	2014	Rank	2013	Rank	2012	Rank	2011	Rank
Total Fund Composite	8.5%	3	18.1%	24	10.0%	82	3.2%	7
<i>Pension Policy Index</i>	6.3%	39	17.4%	32	11.6%	68	1.6%	32



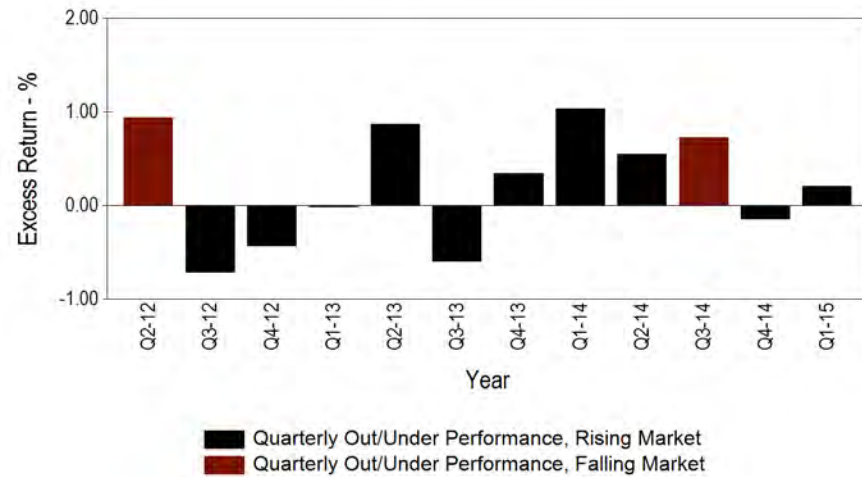
Current Policy Index: 46% Russell 3000 / 40% Barclays Intermediate Gov't/Credit / 14% MSCI EAFE (Net)

Sussex County Pension Total Fund Composite

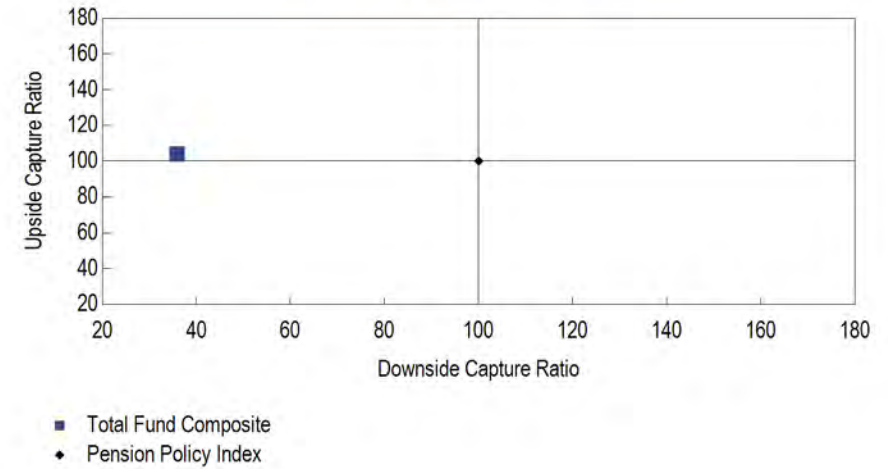
Total Plan Information

As of March 31, 2015

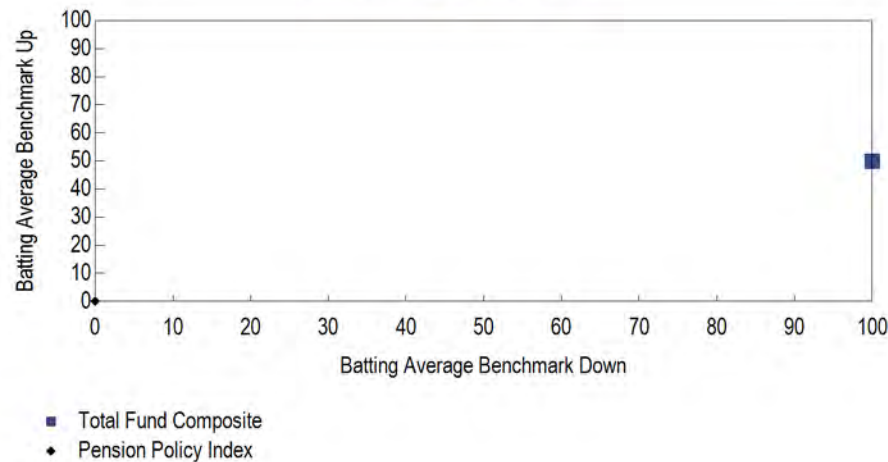
Quarterly Excess Performance



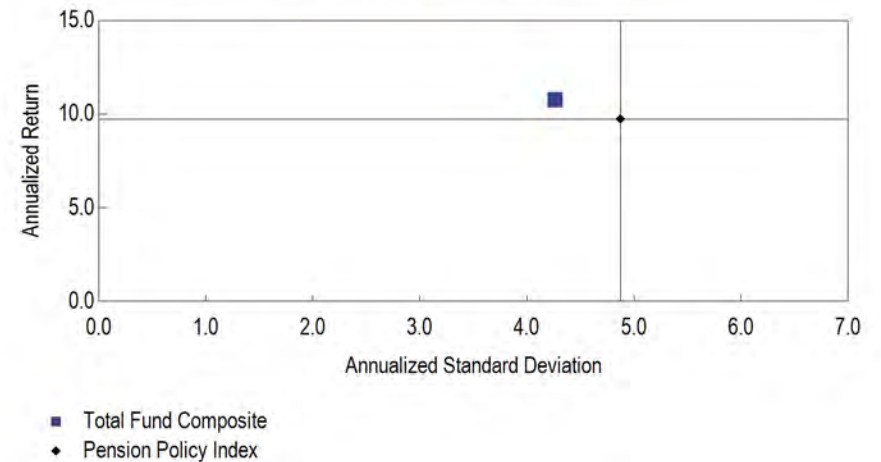
Upside Capture Ratio vs. Downside Capture Ratio
3 Years Ending March 31, 2015



Batting Average Benchmark Up vs. Batting Average Benchmark Down
3 Years Ending March 31, 2015



Annualized Return vs. Annualized Standard Deviation
3 Years Ending March 31, 2015



Sussex County Pension
Total Fund Composite

Performance Summary

As of March 31, 2015

	% of Portfolio	2015 Q1	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	Return	Since
Total Fund Composite	100.0%	2.4%	35	8.4%	7	10.8%	13	10.0%	17	11.4%	Jan-09
<i>Pension Policy Index</i>		2.2%	56	7.0%	41	9.7%	40	9.3%	39	11.5%	Jan-09
Dupont Capital Investment	19.3%	1.1%	63	13.5%	31	16.9%	30	--	--	18.9%	Jul-10
S&P 500		1.0%	67	12.7%	40	16.1%	47	--	--	18.3%	Jul-10
Vanguard Extended Market Index	4.2%	5.3%	31	10.4%	34	17.6%	25	16.1%	24	7.7%	Oct-14
S&P Completion Index TR		5.3%	31	10.2%	37	17.4%	27	15.9%	28	7.7%	Oct-14
Vanguard Mid Cap Value	3.5%	2.6%	60	12.6%	16	19.0%	11	15.7%	14	2.6%	Dec-14
Spliced Mid Cap Value Index		2.6%	59	12.6%	16	18.9%	11	15.7%	15	2.6%	Dec-14
Wilmington Trust Bonds	10.1%	1.3%	--	3.1%	--	1.8%	--	--	--	2.1%	Sep-10
Barclays Int Govt.		1.3%	--	3.2%	--	1.5%	--	--	--	1.9%	Sep-10
Operating Account	0.2%	0.0%	--	0.1%	--	0.1%	--	--	--	0.1%	Sep-11
91 Day T-Bills		0.0%	--	0.0%	--	0.0%	--	--	--	0.0%	Sep-11
State of Delaware Investment Pool	62.8%	2.7%	16	7.8%	21	10.5%	19	10.4%	7	--	
Balanced Pooled Fund Policy Index		2.1%	58	6.6%	50	8.9%	60	8.7%	59	--	

Current Policy Index: 46% Russell 3000 / 40% Barclays Intermediate Gov't/Credit / 14% MSCI EAFE (Net)

Please note: All returns shown are gross of fees, including mutual funds. Mutual fund rankings are calculated using gross of fee returns. It is important to note the mutual fund universes use net of fee returns. Therefore rankings will be higher due to this fee advantage. All returns over one year are annualized.

Please note: All returns shown are gross of fees, including mutual funds. All returns over one year are annualized.

Sussex County Pension
Total Fund Composite

As of March 31, 2015

Account	Fee Schedule	Market Value As of 3/31/2015	% of Portfolio	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Dupont Capital Investment	0.35% of First \$25.0 Mil, 0.30% of Next \$25.0 Mil, 0.25% Thereafter	\$14,158,210	19.3%	\$49,554	0.35%
Vanguard Extended Market Index	0.10% of Assets	\$3,060,138	4.2%	\$3,060	0.10%
Vanguard Mid Cap Value	0.09% of Assets	\$2,576,715	3.5%	\$2,319	0.09%
Wilmington Trust Bonds	0.20% of Assets	\$7,376,558	10.1%	\$14,753	0.20%
Wilmington Trust Short Term	No Fee	\$0	0.0%	--	--
Operating Account	No Fee	\$122,886	0.2%	--	--
State of Delaware Investment Pool	0.68% of Assets	\$45,996,302	62.8%	\$312,775	0.68%
Investment Management Fee		\$73,290,810	100.0%	\$382,461	0.52%

Please note: Expense Ratio of 0.68% was provided to Peirce Park Group by the Delaware Public Employees' Retirement System.

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U.S. EQUITIES



Sussex County Pension Dupont Capital Investment

As of March 31, 2015

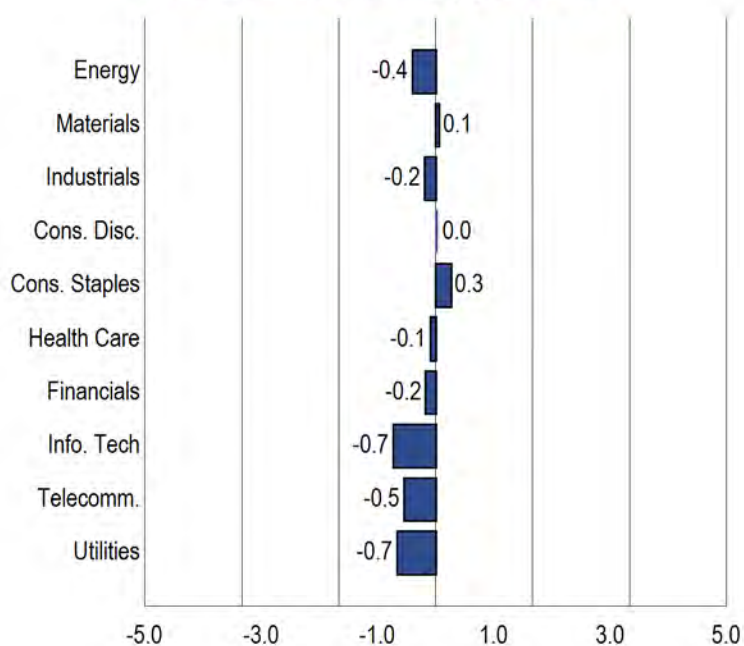
Manager Summary

- Strategy seeks to systematically identify companies with sustainable earnings power trading at reasonable valuations.
- Quantitative approach looks for companies with the strongest relative value within their industries through a combination of valuation, quality and momentum characteristics.
- Focuses on companies that are under-priced relative to their long-term intrinsic value and supported by sustainable, high quality earnings and realistic cash flows expectations.
- Enhanced index portfolio of 100 to 200 securities, targets a tracking error between 1.5% and 2.25 relative to the S&P 500.

Characteristics

	Portfolio	S&P 500
Number of Holdings	160	502
Weighted Avg. Market Cap. (\$B)	132.61	126.10
Median Market Cap. (\$B)	41.88	18.61
Price To Earnings	20.58	21.87
Price To Book	4.05	4.44
Price To Sales	2.82	2.95
Return on Equity (%)	18.70	19.37
Yield (%)	2.04	2.01
Beta (holdings; domestic)	1.02	0.97

Sector Over/Under Allocation (%) vs S&P 500



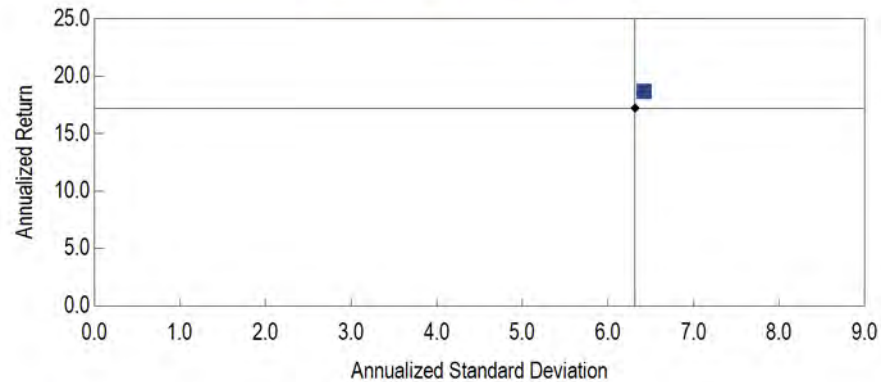
Top Ten Holdings

APPLE	4.4%
PFIZER	2.3%
SPDR S&P 500 ETF TST.	2.1%
WELLS FARGO & CO	2.0%
JOHNSON & JOHNSON	1.9%
JP MORGAN CHASE & CO.	1.8%
MICROSOFT	1.8%
EXXON MOBIL	1.6%
GILEAD SCIENCES	1.5%
WALT DISNEY	1.4%
Total For Top Ten Holdings	20.7%

Sussex County Pension Dupont Capital Investment

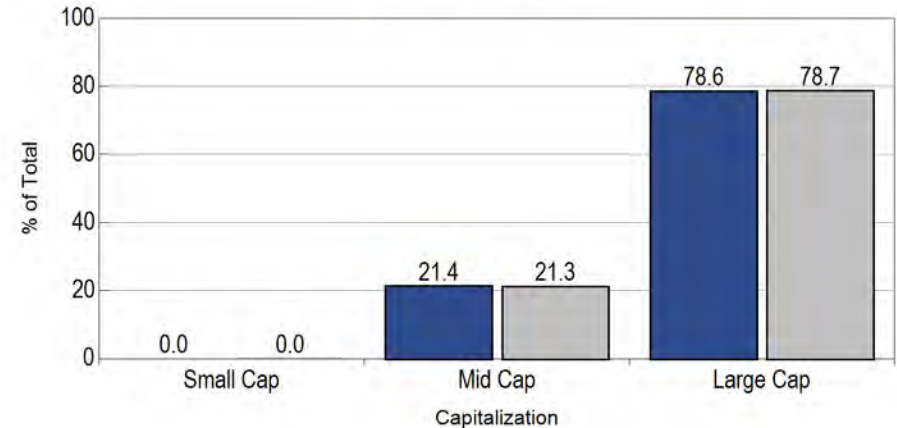
As of March 31, 2015

Annualized Return vs. Annualized Standard Deviation
2 Years Ending March 31, 2015



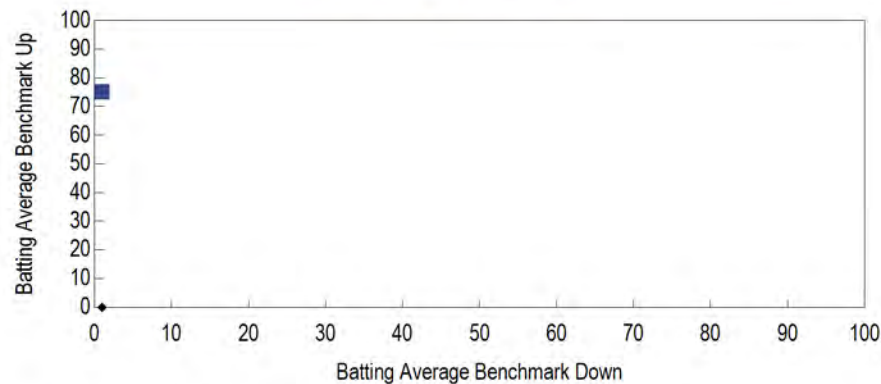
- Dupont Capital Investment
- ◆ S&P 500

Market Capitalization
As of March 31, 2015



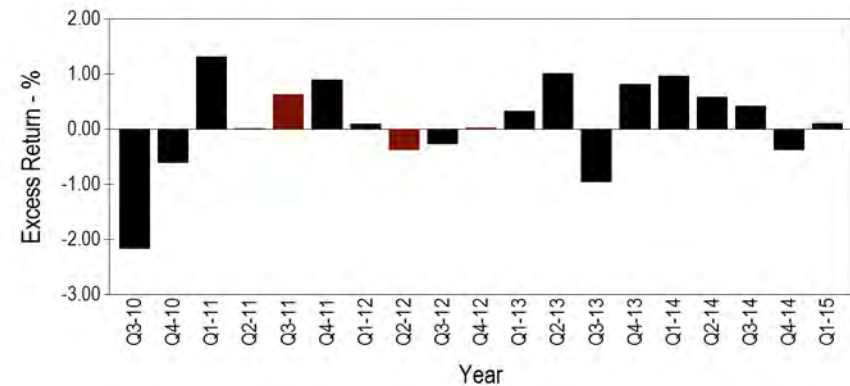
- Dupont Capital Investment
- S&P 500

Batting Average Benchmark Up vs. Batting Average Benchmark Down
2 Years Ending March 31, 2015



- Dupont Capital Investment
- ◆ S&P 500

Quarterly Excess Performance



- Quarterly Out/Under Performance, Rising Market
- Quarterly Out/Under Performance, Falling Market

Sussex County Pension

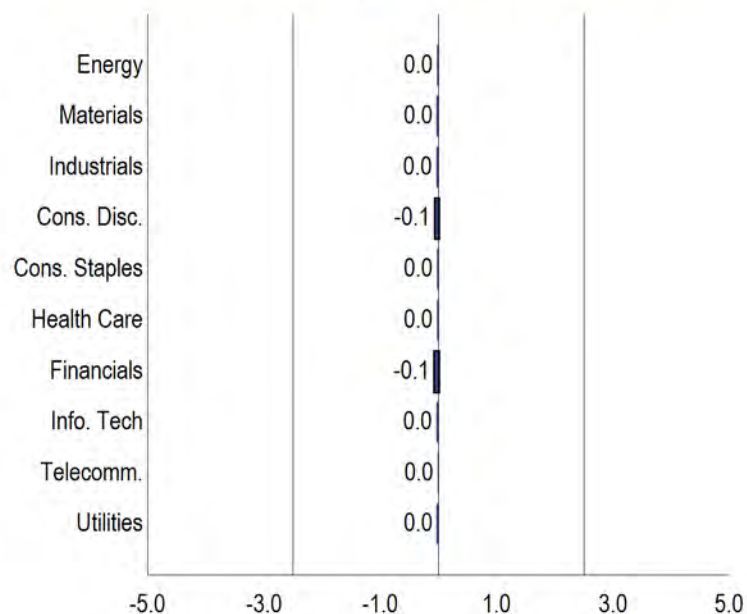
Vanguard Mid Cap Value

As of March 31, 2015

Manager Summary

- Passively-managed.
- Seeks to track the performance of the CRSP US Mid Cap Value Index.
- Invests in value stocks of medium-size U.S. companies.
- Fund remains fully invested.

Sector Over/Under Allocation (%) vs CRSP US Mid Cap Value TR USD



Characteristics

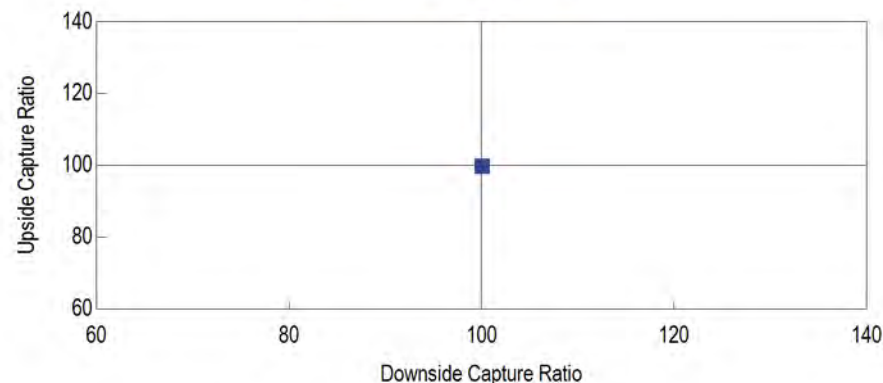
	Portfolio	CRSP US Mid Cap Value TR USD
Number of Holdings	208	206
Weighted Avg. Market Cap. (\$B)	11.46	11.46
Median Market Cap. (\$B)	8.83	8.83
Price To Earnings	22.69	21.42
Price To Book	3.38	3.07
Price To Sales	2.17	1.85
Return on Equity (%)	15.03	12.98
Yield (%)	1.92	1.79
Beta (holdings; domestic)	1.14	1.16

Top Ten Holdings

AMERISOURCEBERGEN	1.4%
BOSTON SCIENTIFIC	1.4%
DELPHI AUTOMOTIVE	1.3%
FIDELITY NAT.INFO.SVS.	1.1%
HARTFORD FINL.SVS.GP.	1.1%
SIGMA ALDRICH	1.0%
SEAGATE TECH.	0.9%
EVERSOURCE ENERGY	0.9%
ALCOA	0.9%
WHIRLPOOL	0.9%
Total For Top Ten Holdings	11.0%

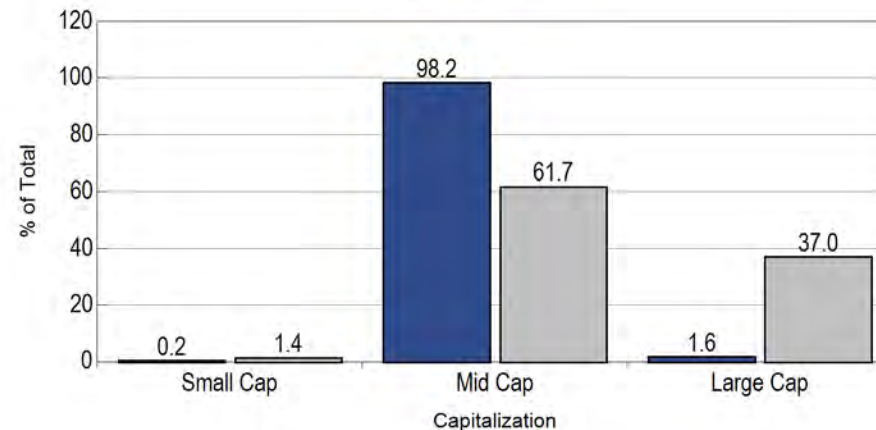
As of March 31, 2015

Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending March 31, 2015



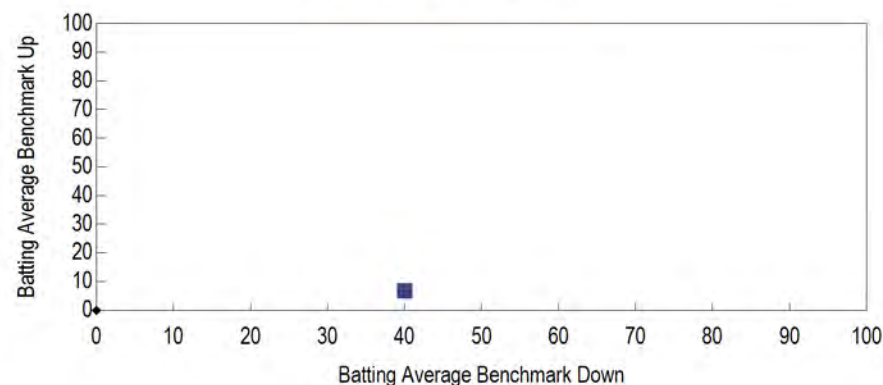
- Vanguard Mid Cap Value
- ◆ Spliced Mid Cap Value Index

Market Capitalization
As of March 31, 2015



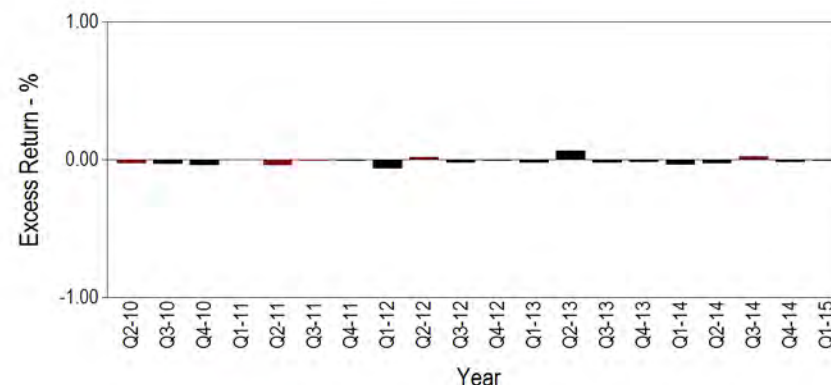
- Vanguard Mid Cap Value
- CRSP US Mid Cap Value TR USD

Batting Average Benchmark Up vs. Batting Average Benchmark Down
5 Years Ending March 31, 2015



- Vanguard Mid Cap Value
- ◆ Spliced Mid Cap Value Index

Quarterly Excess Performance



- Quarterly Out/Under Performance, Rising Market
- Quarterly Out/Under Performance, Falling Market

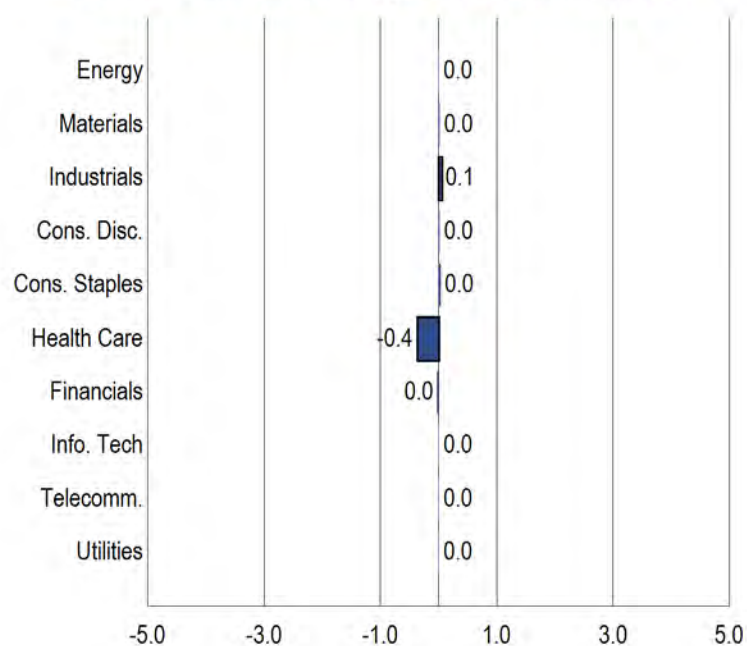
Vanguard Extended Market Index

As of March 31, 2015

Manager Summary

- Passively managed strategy.
- Seeks to track the performance of the S&P Completion Index.
- Mid and small cap equity diversified across growth and value styles.
- Fund remains fully invested.

Sector Over/Under Allocation (%) vs S&P Completion Index TR



Characteristics

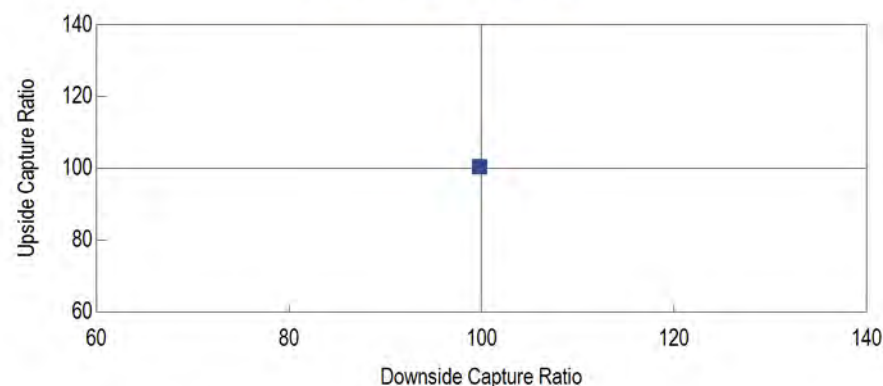
	Portfolio	S&P Completion Index TR
Number of Holdings	3,269	3,417
Weighted Avg. Market Cap. (\$B)	6.02	6.02
Median Market Cap. (\$B)	0.63	0.56
Price To Earnings	27.05	26.73
Price To Book	4.48	3.45
Price To Sales	3.74	2.94
Return on Equity (%)	14.44	12.40
Yield (%)	1.30	1.12
Beta (holdings; domestic)	1.22	1.21

Top Ten Holdings

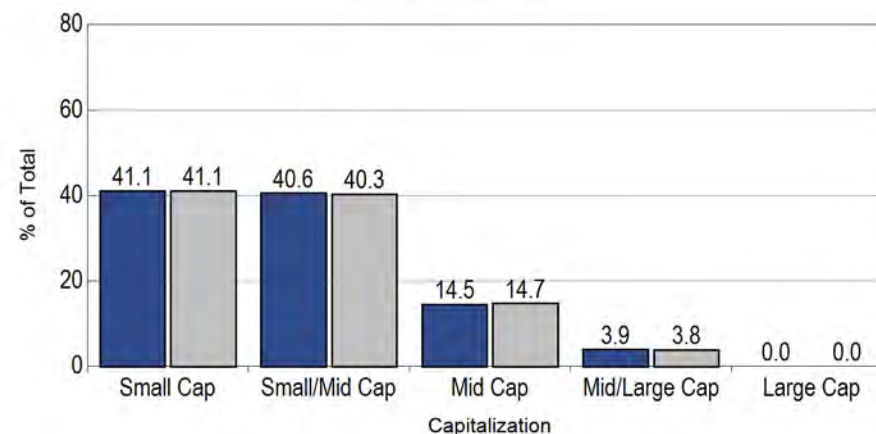
LIBERTY GLOBAL SR.C	0.7%
LINKEDIN CLASS A	0.6%
ILLUMINA	0.6%
UNITED CONTINENTAL HDG.	0.6%
TWITTER	0.6%
LAS VEGAS SANDS	0.4%
BIOMARIN PHARM.	0.4%
TESLA MOTORS	0.4%
CHENIERE EN.	0.4%
CHARTER COMMS.CL.A	0.4%
Total For Top Ten Holdings	5.0%

Vanguard Extended Market Index

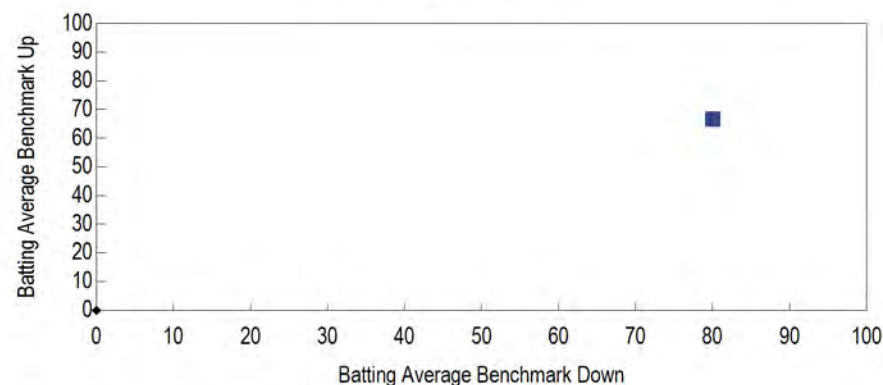
As of March 31, 2015

Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending March 31, 2015

- Vanguard Extended Market Index
- ◆ S&P Completion Index TR

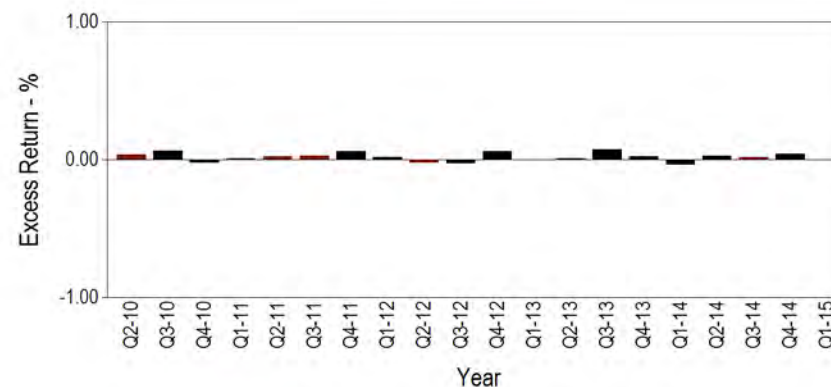
Market Capitalization
As of March 31, 2015

- Vanguard Extended Market Index
- S&P Completion Index TR

Batting Average Benchmark Up vs. Batting Average Benchmark Down
5 Years Ending March 31, 2015

- Vanguard Extended Market Index
- ◆ S&P Completion Index TR

Quarterly Excess Performance



- Quarterly Out/Under Performance, Rising Market
- Quarterly Out/Under Performance, Falling Market

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FIXED INCOME

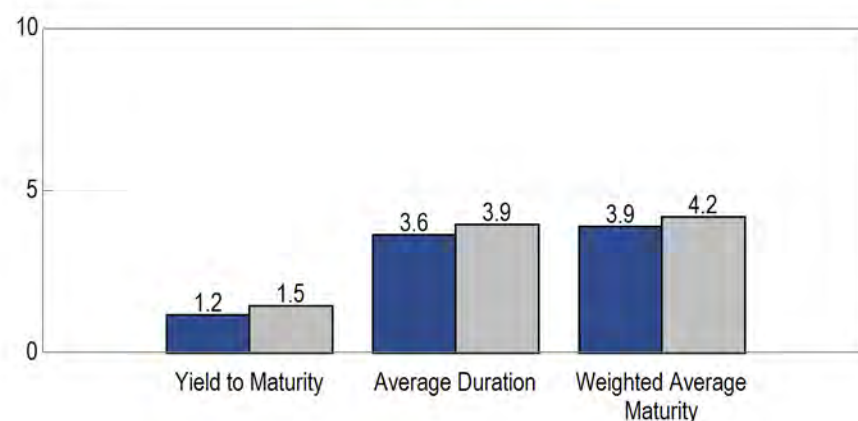


Sussex County Pension Wilmington Trust Bonds

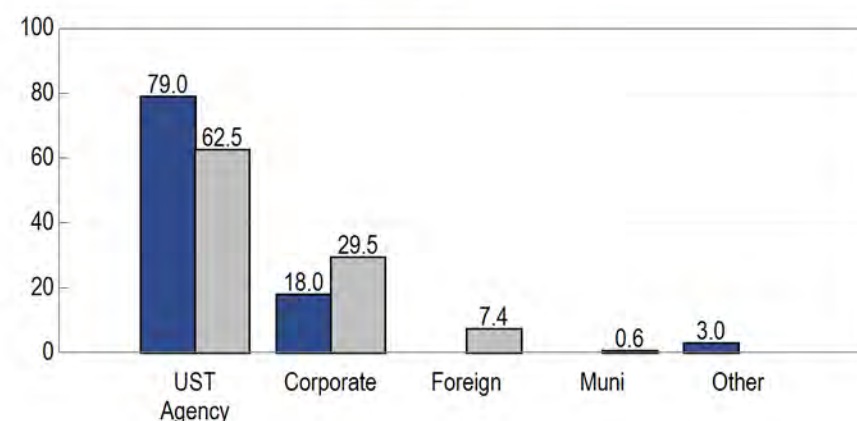
As of March 31, 2015

Summary: Strategy focuses equally on duration management, sector selection and yield curve exposure. Assess overall market environment and position portfolio to benefit from realistic expectations. Will actively trade, including analysis of technical factors, price momentum, interest rate outlook and yield curve movement.

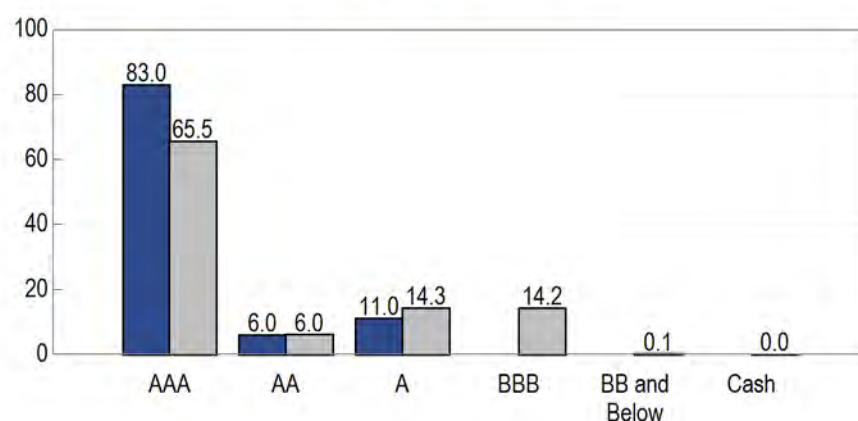
Fixed Income Characteristics



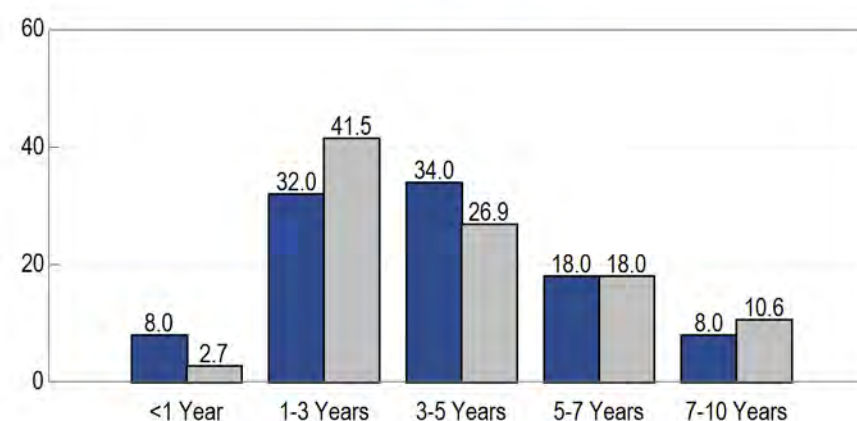
US Sector Allocation



Credit Quality Allocation



Duration Allocation

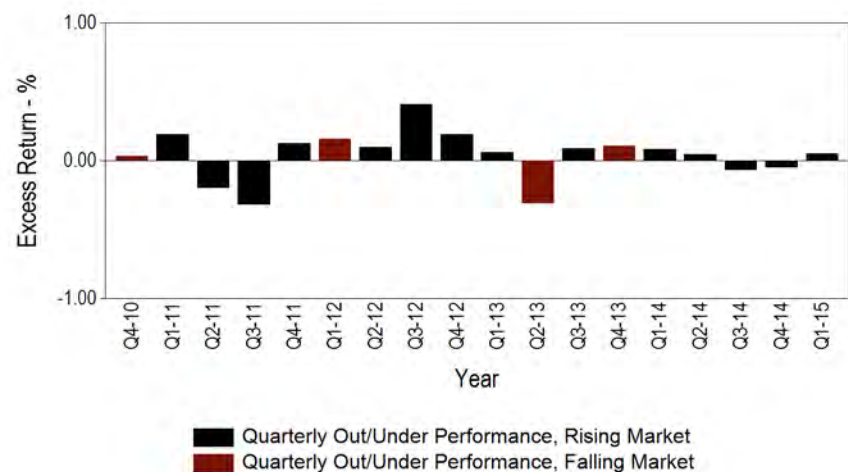


Wilmington Trust Bonds Barclays Int Govt/Credit

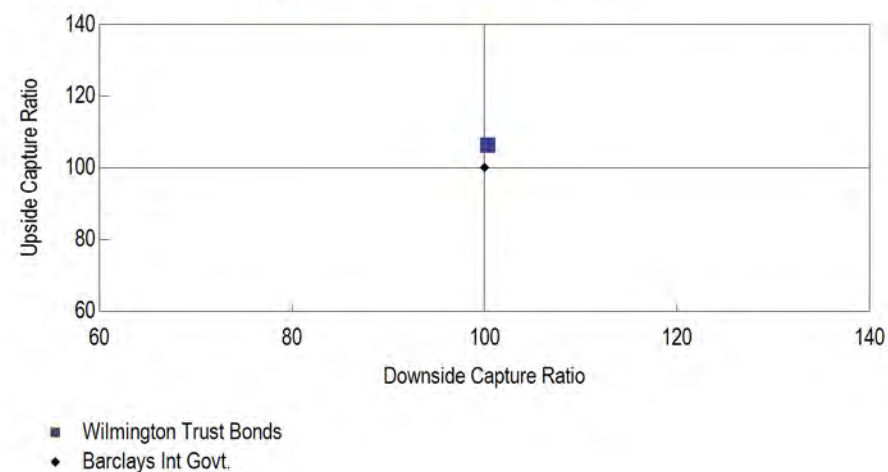
Characteristics as shown are compared against the Fixed Income Policy Index characteristics.

As of March 31, 2015

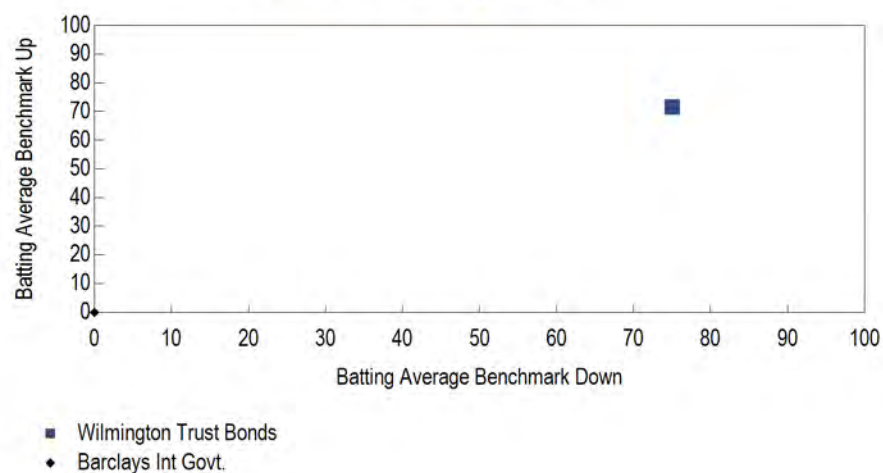
Quarterly Excess Performance



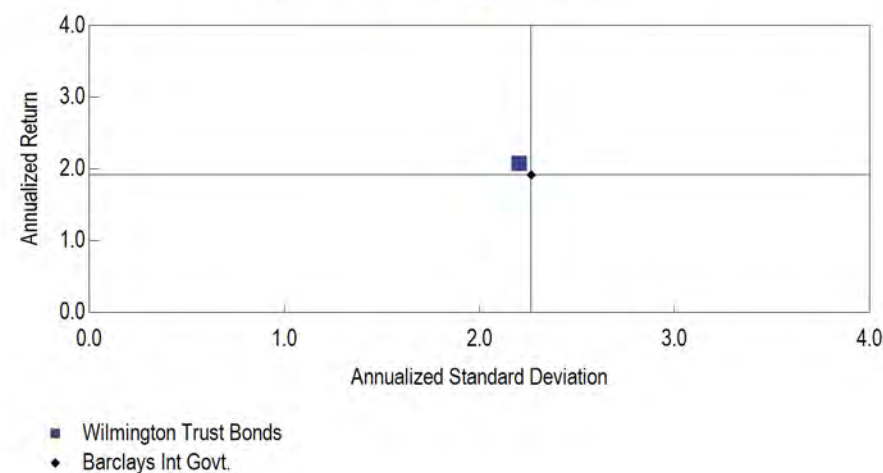
Upside Capture Ratio vs. Downside Capture Ratio
4 Years 6 Months Ending March 31, 2015



Batting Average Benchmark Up vs. Batting Average Benchmark Down
4 Years 6 Months Ending March 31, 2015



Annualized Return vs. Annualized Standard Deviation
4 Years 6 Months Ending March 31, 2015



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BALANCED





Investment Hierarchy

Trust : Delaware Retirement System

Reference Date : 03/31/15

Asset Class : Total Fund Gross of Fees

April 20, 2015

Current View : Investment Hierarchy

Group/Account	03/31/15 Market Value	% of Total	Inception Date	% Rate of Return				
				1 Mo.	3 Mos.	YTD	1 Yr.	3 Yrs.
Delaware Retirement System	9,325,912,308	100.00%	6/30/71	1.27	2.74	2.74	7.77	10.41
<i>Delaware Benchmark</i>				-0.56	2.14	2.14	6.61	8.91
DPERS w/o Vol. Firemen Fund	9,307,598,330	99.80%	4/30/08	1.28	2.74	2.74	7.77	10.41
Total Equity	4,604,935,367	49.38%	4/30/08	-0.89	1.96	1.96	6.49	12.83
Total Fixed Income	2,305,061,449	24.72%	4/30/08	0.08	1.47	1.47	4.33	4.37
<i>BC U.S. Aggregate</i>				0.46	1.61	1.61	5.72	3.10
Private Equity/Venture Cap.	1,502,731,400	16.11%	4/30/08	11.05	7.53	7.53	20.04	13.97
<i>90 Day T-Bill + 4%</i>				0.33	0.99	0.99	4.03	4.06
Hedge Funds	551,336,203	5.91%	4/30/08	1.36	2.94	2.94	7.05	11.54
<i>HFRI Fund of Funds Composite</i>				0.63	2.53	2.53	5.40	5.39
Cash	343,533,910	3.68%	4/30/08	0.01	0.01	0.01	0.04	0.12
Volunteer Firemen Fund	18,313,978	0.20%	5/31/08	-0.48	2.10	2.10	6.58	8.68
3-8380 Volunteer Fire	606,080	0.01%	5/31/08	0.01	0.01	0.01	0.04	0.07
Mellon EB DV	7,277,075	0.08%	1/31/14	0.51	1.66	1.66	5.82	--
Vanguard Total Bond Market	0	0.00%	8/31/08	--	--	--	--	--
Vanguard Total Intl Index Fd	3,601,180	0.04%	8/31/08	-1.51	4.08	4.08	-1.05	6.67
Vanguard Total Stock Market	6,829,643	0.07%	8/31/08	-1.01	1.81	1.81	12.15	16.43

State of Delaware Investment Pool

As of March 31, 2015



	Return (Rank)									
5th Percentile	3.0	3.0	8.5	11.3	10.6	8.0	20.8	14.6	3.6	15.4
25th Percentile	2.5	2.5	7.6	10.3	9.9	6.8	18.0	13.4	1.9	14.0
Median	2.2	2.2	6.6	9.3	8.9	5.8	15.5	12.4	0.9	12.9
75th Percentile	2.0	2.0	5.5	8.5	8.2	4.6	13.3	10.7	-0.3	11.7
95th Percentile	1.6	1.6	3.8	6.6	7.2	3.2	8.5	7.8	-2.5	8.6
# of Portfolios	214	214	207	190	164	248	231	236	206	188
● State of Delaware Investment Pool	2.7 (16)	2.7 (16)	7.8 (21)	10.5 (19)	10.4 (7)	8.0 (5)	17.0 (35)	11.2 (72)	2.9 (9)	14.1 (23)
▲ Balanced Pooled Fund Policy Index	2.1 (58)	2.1 (58)	6.6 (50)	8.9 (60)	8.7 (59)	6.1 (40)	14.3 (65)	12.0 (56)	0.8 (56)	12.0 (68)

Policy Index: 38% Russell 3000 / 20% MSCI ACWI ex US / 38.5% Barclays U.S. Universal / 1.5% Barclays US TIPs / 2% ML 90 Day Tbill

Returns shown are gross of fees. All returns over one year are annualized.

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OPEB



OBSERVATIONS FOR SUSSEX COUNTY OPEB

- March 31, 2015 market value: \$30.8 million
- 1st quarter gain: +\$544,000 1st quarter return: 1.9% (gross)
- 1 Year gain: +\$2.2 million 1 Year return: 7.6% (gross)
- 65% Equity target implemented
- Strong performance by Thornburg Global Opportunities
- Poor performance by American Funds International Growth & Income
- Target Small Capitalization Fund Manager changes
- International equities outperformed domestic
 - Plan has a lower target to international equities than similar plans



LOOKING AHEAD FOR SUSSEX COUNTY OPEB

- Consider terminating Target Small Capitalization Value
 - Replace with index fund
- Invest “excess” cash

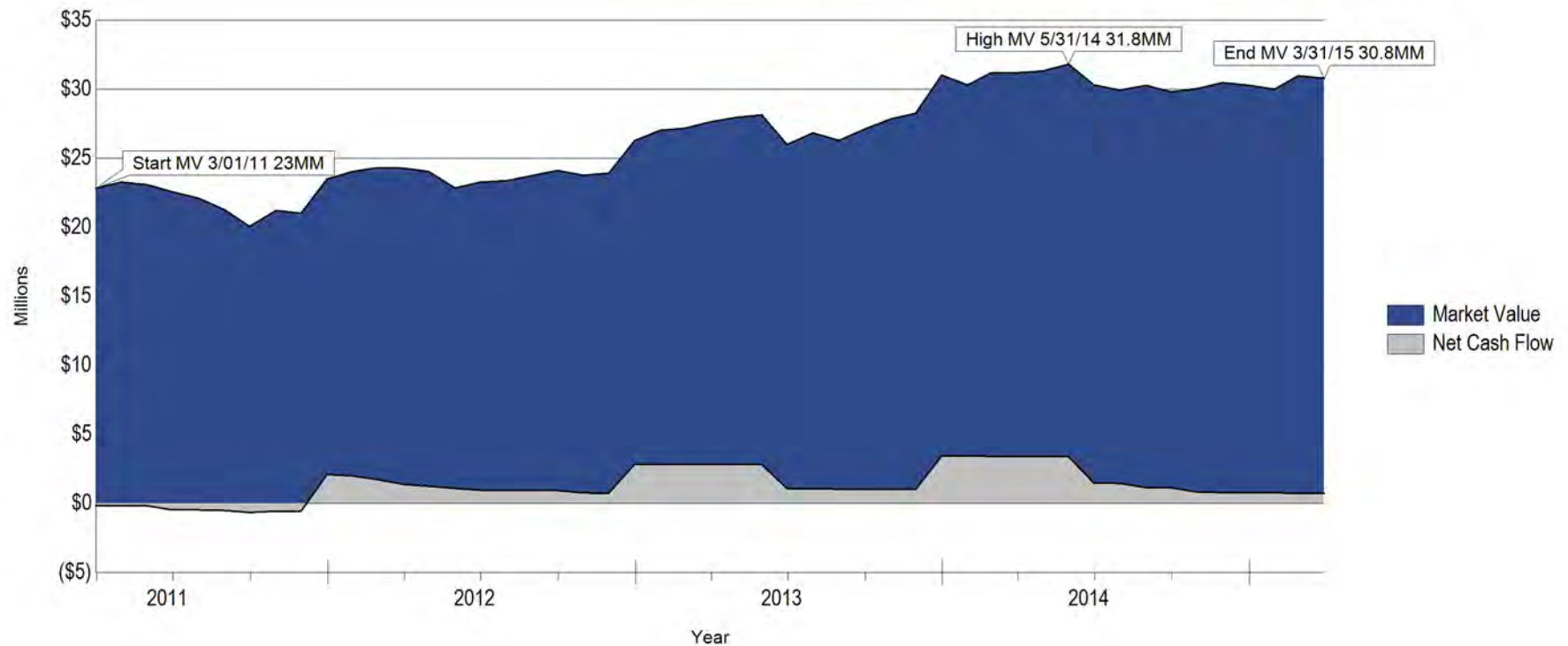


Summary of Cash Flows

As of March 31, 2015

Sources of Portfolio Growth	First Quarter	One Year	Three Years	Inception 3/1/11
Beginning Market Value	\$30,290,647.6	\$31,198,313.2	\$24,284,540.0	\$22,982,101.7
Net Additions/Withdrawals	-\$36,182.1	-\$2,587,854.6	-\$363,469.6	\$1,035,306.2
Investment Earnings	\$544,238.9	\$2,188,245.8	\$6,877,634.0	\$6,781,296.5
Ending Market Value	\$30,798,704.4	\$30,798,704.4	\$30,798,704.4	\$30,798,704.4
Time Weighted Return	1.9%	7.6%	8.8%	6.5%

Market Value History
4 Years 1 Month Ending March 31, 2015



As of March 31, 2015

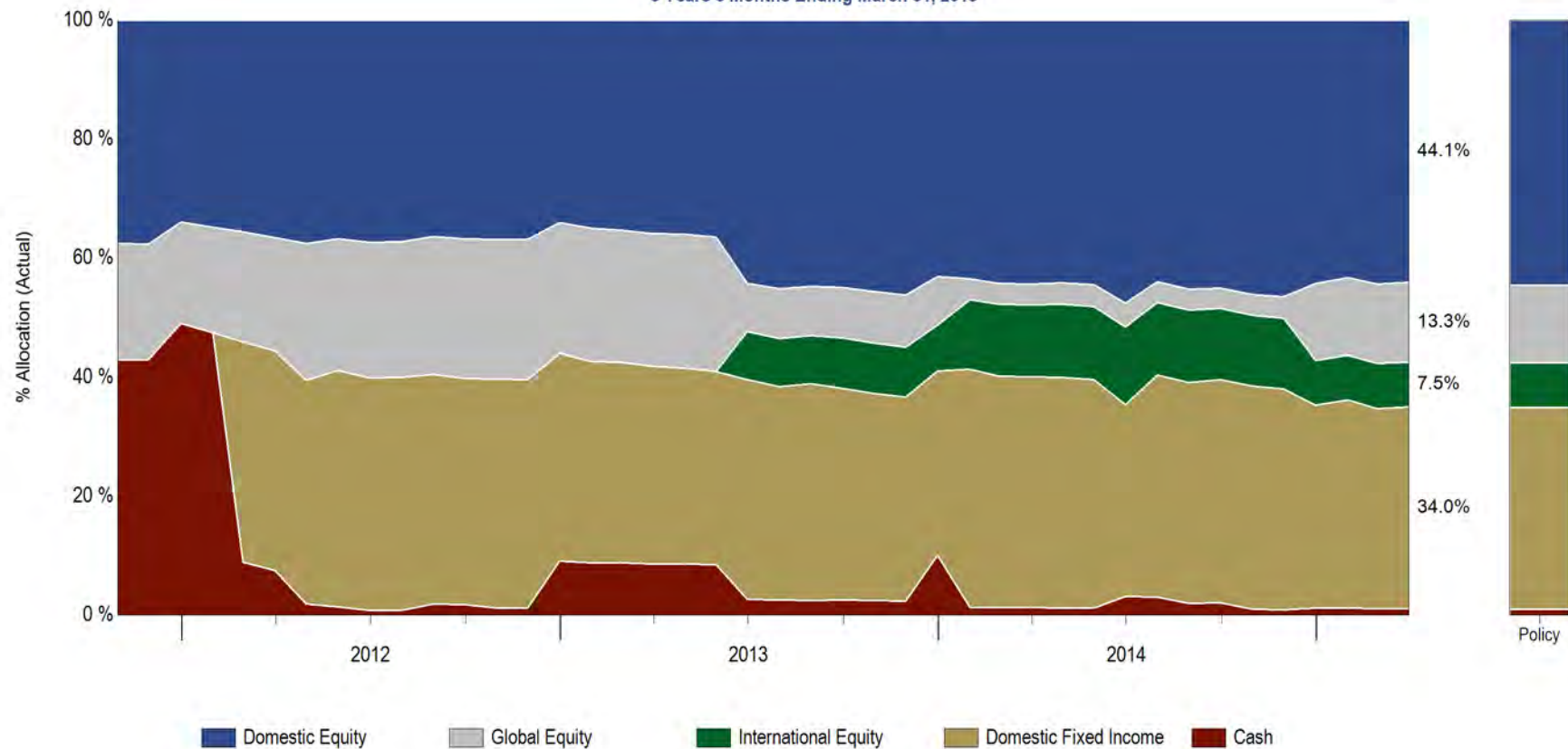
	Quarter Ending March 31, 2015			
	Beginning Market Value	Net Cash Flow	Net Investment Change	Ending Market Value
Vanguard Institutional Index	\$10,545,770	\$0	\$99,647	\$10,645,417
Vanguard Mid Cap Value	\$1,955,010	\$0	\$50,372	\$2,005,382
Target Small Capitalization Value	\$918,896	\$0	\$24,777	\$943,672
MFS Low Volatility Global Equity	\$1,934,847	\$0	\$60,116	\$1,994,963
Thornburg Global Opportunities	\$1,976,956	\$0	\$132,839	\$2,109,795
American Funds Int'l Growth & Income	\$2,268,514	\$0	\$39,755	\$2,308,270
Wilmington Trust Fixed Income	\$10,347,549	\$0	\$136,694	\$10,484,243
Wilmington Trust Short Term	\$0	\$0	\$0	\$0
Operating Account	\$258,653	-\$28,859	\$36	\$229,830
Mutual Fund Cash	\$84,453	-\$7,323	\$3	\$77,133
Total	\$30,290,648	-\$36,182	\$544,239	\$30,798,704

Asset Allocation vs. Target

As of March 31, 2015

	Current	Policy	Policy Range	Within Range
Domestic Equity	44.1%	44.5%	39.5% - 49.5%	Yes
Global Equity	13.3%	13.0%	8.0% - 18.0%	Yes
International Equity	7.5%	7.5%	2.5% - 12.5%	Yes
Domestic Fixed Income	34.0%	34.0%	29.0% - 39.0%	Yes
Cash	1.0%	1.0%	0.0% - 5.0%	Yes
Total	100.0%	100.0%		

Asset Allocation History
3 Years 5 Months Ending March 31, 2015

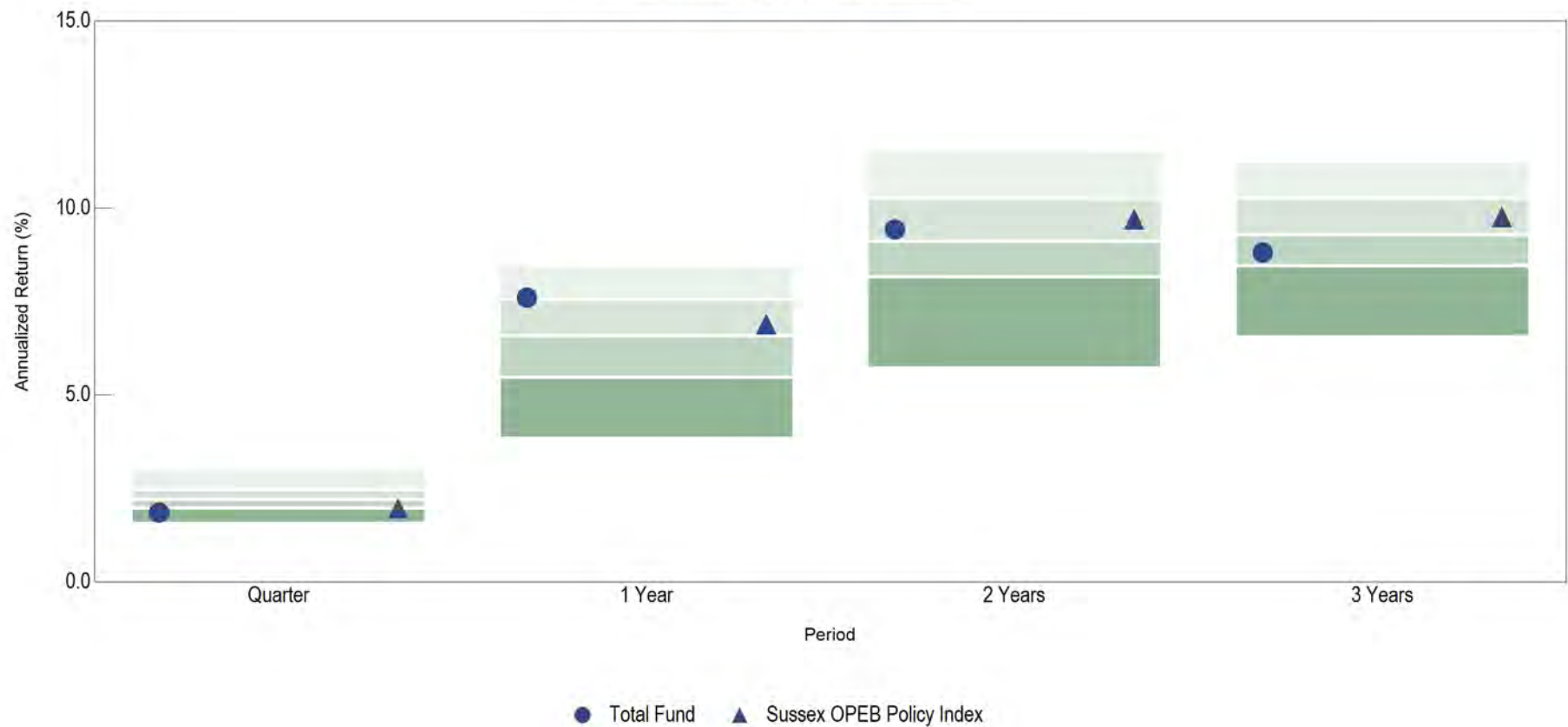


Total Plan Performance

As of March 31, 2015

	2015 Q1	Rank	1 Yr	Rank	2 Yrs	Rank	3 Yrs	Rank	Return	Since
Total Fund	1.9%	83	7.6%	24	9.4%	43	8.8%	63	6.5%	Mar-11
<i>Sussex OPEB Policy Index</i>	<i>2.0%</i>	<i>77</i>	<i>6.9%</i>	<i>44</i>	<i>9.7%</i>	<i>37</i>	<i>9.8%</i>	<i>40</i>	<i>7.9%</i>	<i>Mar-11</i>

InvestorForce Public DB Gross Accounts



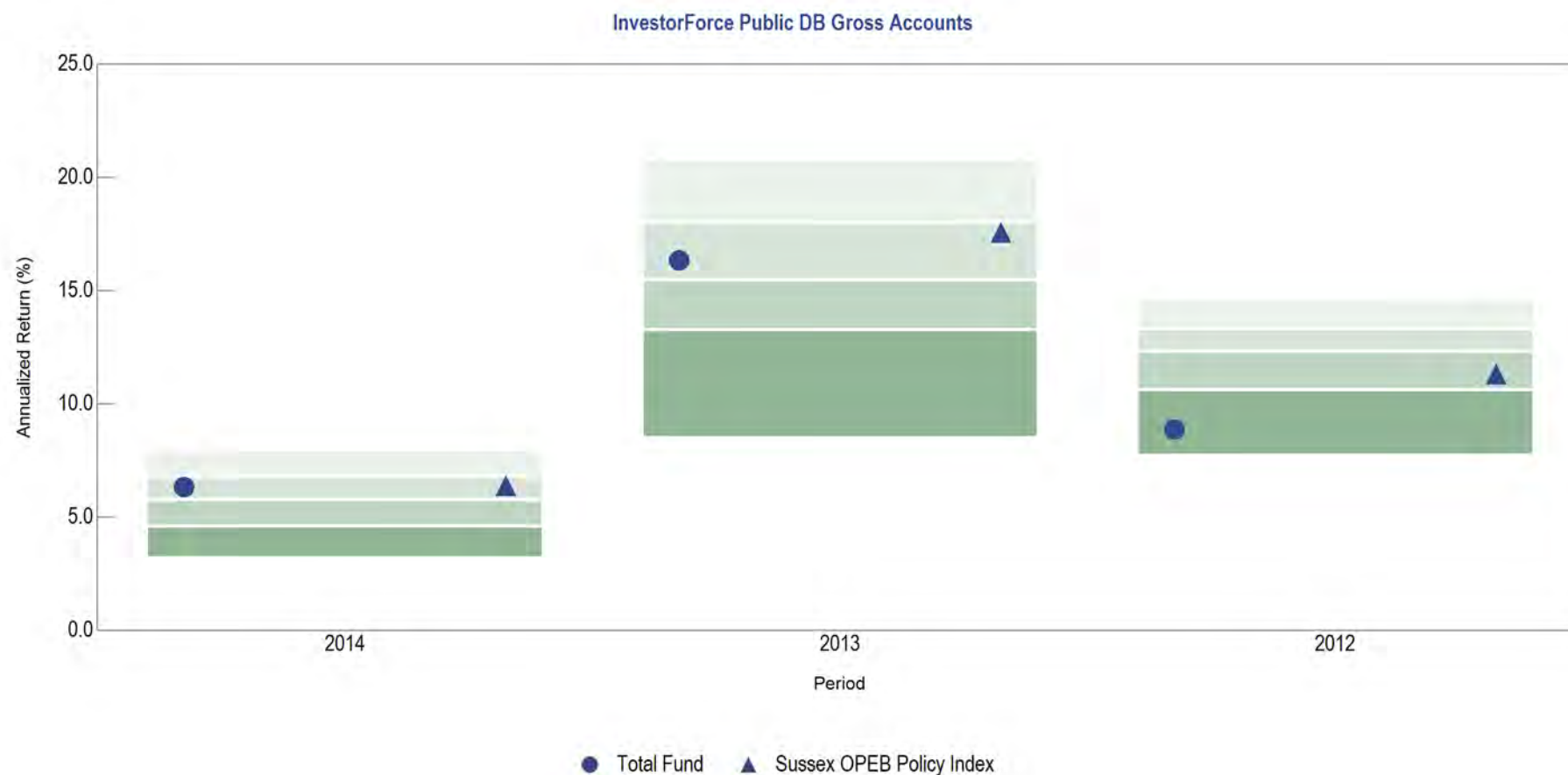
Policy Index (as of 10/1/2014): 46% Russell 3000 / 14% MSCI ACWI ex US (Net) / 39% Barclays Interm. Govt/Credit / 1% ML 90 Day Tbill.

Please note: All returns shown are gross of fees. All returns over one year are annualized.

Total Plan Performance

As of March 31, 2015

	2014	Rank	2013	Rank	2012	Rank	Return	Since
Total Fund	6.3%	36	16.3%	44	8.9%	93	6.5%	Mar-11
<i>Sussex OPEB Policy Index</i>	6.4%	35	17.6%	30	11.3%	71	7.9%	Mar-11

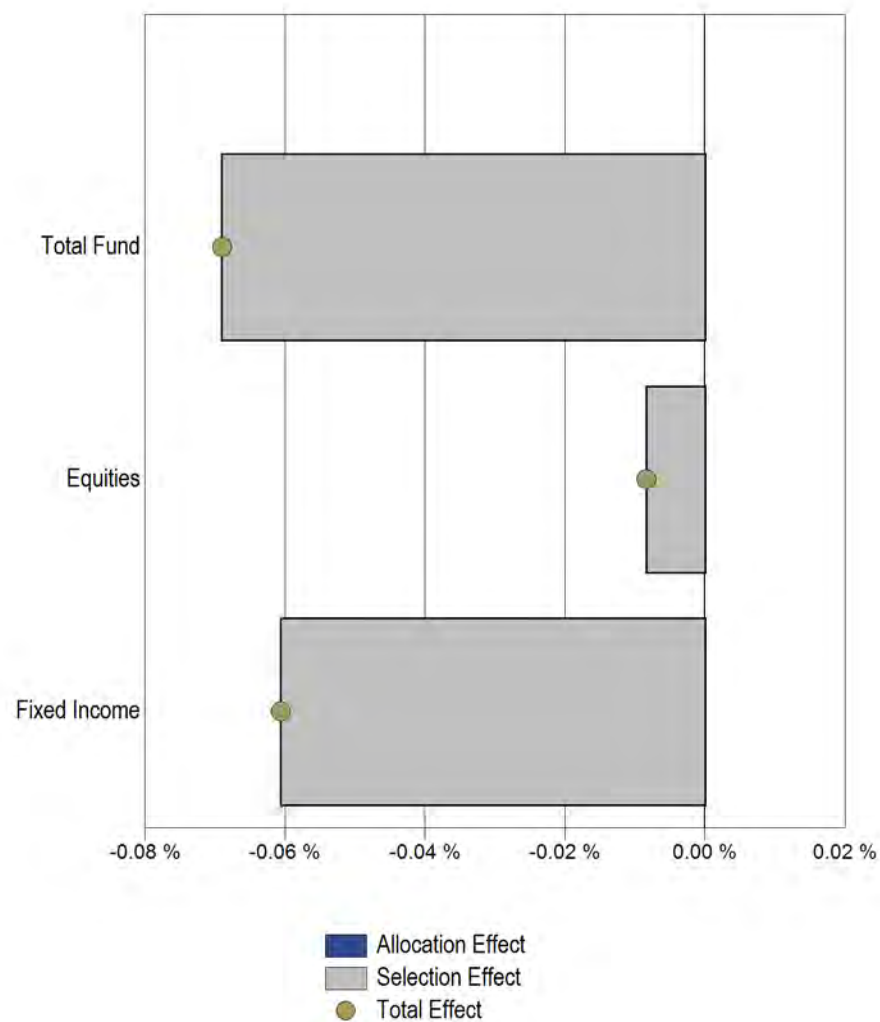


Policy Index (as of 10/1/2014): 46% Russell 3000 / 14% MSCI ACWI ex US (Net) / 39% Barclays Interm. Govt/Credit / 1% ML 90 Day Tbill.

Please note: All returns shown are gross of fees. All returns over one year are annualized.

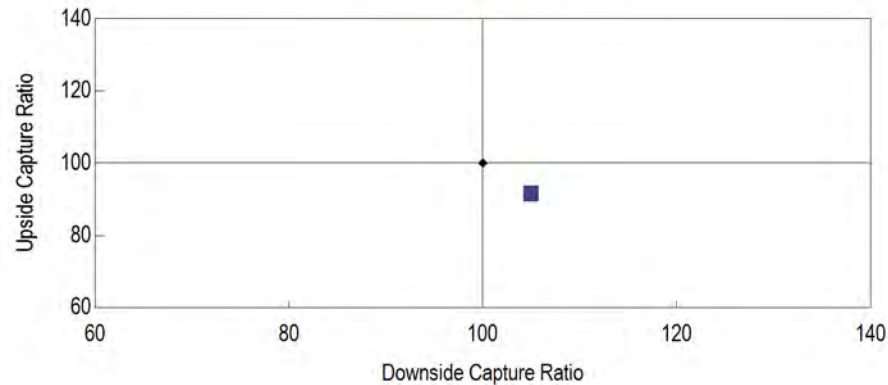
Attribution Analysis

As of March 31, 2015

Attribution Effects
3 Months Ending March 31, 2015

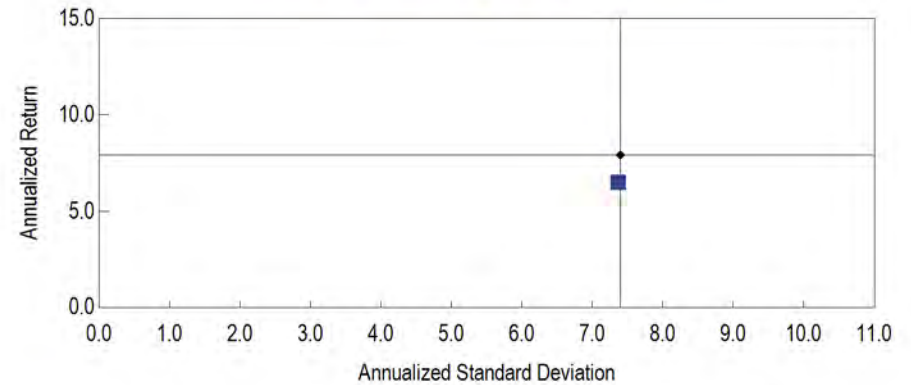
As of March 31, 2015

Upside Capture Ratio vs. Downside Capture Ratio
4 Years 1 Month Ending March 31, 2015



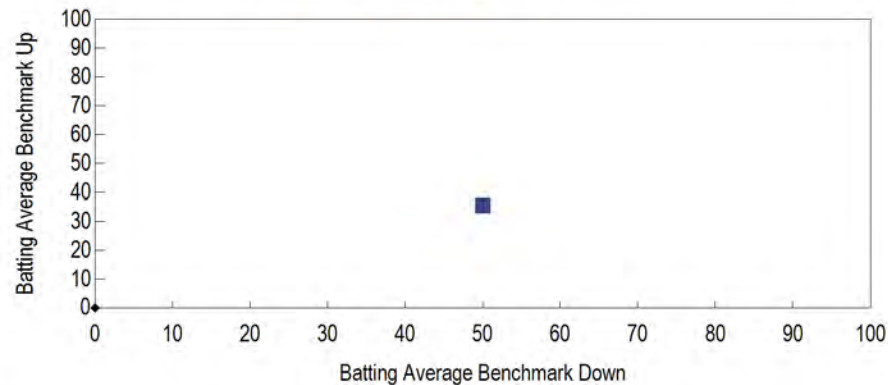
- Total Fund
- ◆ Sussex OPEB Policy Index

Annualized Return vs. Annualized Standard Deviation
4 Years 1 Month Ending March 31, 2015



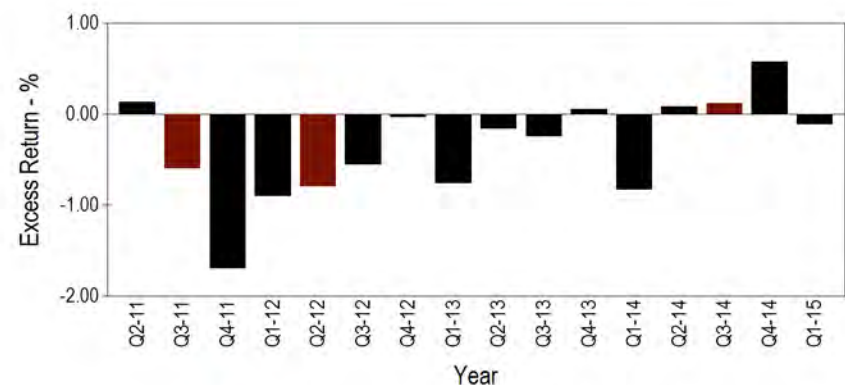
- Total Fund
- ◆ Sussex OPEB Policy Index

Batting Average Benchmark Up vs. Batting Average Benchmark Down
4 Years 1 Month Ending March 31, 2015



- Total Fund
- ◆ Sussex OPEB Policy Index

Quarterly Excess Performance



- Quarterly Out/Under Performance, Rising Market
- Quarterly Out/Under Performance, Falling Market

Performance Summary

As of March 31, 2015

	% of Portfolio	Policy %	2015 Q1	Rank	Ending March 31, 2015								Inception	
					YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	Return	Since
Equities	65.0	65.0												
Vanguard Institutional Index	34.6		0.9	56	0.9	56	12.7	25	16.1	34	14.4	27	11.6	Jan-14
S&P 500			1.0	56	1.0	56	12.7	24	16.1	33	14.5	26	11.7	Jan-14
Vanguard Mid Cap Value	6.5		2.6	60	2.6	60	12.6	16	18.9	12	15.6	16	13.3	Jan-14
Spliced Mid Cap Value Index			2.6	59	2.6	59	12.6	16	18.9	11	15.7	15	13.4	Jan-14
Target Small Capitalization Value	3.1		2.7	54	2.7	54	7.3	29	15.2	50	13.8	43	6.9	Jan-14
Russell 2000 Value			2.0	70	2.0	70	4.4	67	14.8	57	12.5	63	5.0	Jan-14
MFS Low Volatility Global Equity	6.5		3.1	44	3.1	44	10.1	14	--	--	--	--	3.1	Dec-14
MSCI ACWI			2.3	63	2.3	63	5.4	49	--	--	--	--	2.3	Dec-14
Thornburg Global Opportunities	6.9		6.7	6	6.7	6	22.0	1	20.8	1	14.4	4	21.0	Jan-14
MSCI ACWI			2.3	63	2.3	63	5.4	49	10.7	59	9.0	68	5.2	Jan-14
American Funds Int'l Growth & Income	7.5		1.8	95	1.8	95	-3.0	84	8.7	40	7.0	27	-1.0	Jan-14
MSCI ACWI ex USA			3.5	85	3.5	85	-1.0	49	6.4	82	4.8	84	-0.4	Jan-14
Fixed Income	35.0	35.0												
Wilmington Trust Fixed Income	34.0		1.3	--	1.3	--	2.9	--	1.5	--	--	--	1.5	Mar-12
Barclays Int Govt/Credit			1.4	--	1.4	--	3.6	--	2.3	--	--	--	2.3	Mar-12
Operating Account	0.7													
Mutual Fund Cash	0.3													

Spliced Mid Cap Index: MSCI US Mid Cap 450 through January 31, 2013; CRSP US Mid Cap Index thereafter.

Returns prior to inception are reported by the mutual funds and are for informational purposes only. They are not the returns realized by the plan.

Please note: All returns shown are net of fees. All returns over one year are annualized.

Fee Schedule

As of March 31, 2015

Account	Fee Schedule	Market Value As of 3/31/2015	% of Portfolio	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Vanguard Institutional Index	0.04% of Assets	\$10,645,417	34.6%	\$4,258	0.04%
Vanguard Mid Cap Value	0.10% of Assets	\$2,005,382	6.5%	\$2,005	0.10%
Target Small Capitalization Value	0.68% of Assets	\$943,672	3.1%	\$6,417	0.68%
MFS Low Volatility Global Equity	0.95% of Assets	\$1,994,963	6.5%	\$18,952	0.95%
Thornburg Global Opportunities	1.01% of Assets	\$2,109,795	6.9%	\$21,309	1.01%
American Funds Int'l Growth & Income	0.59% of Assets	\$2,308,270	7.5%	\$13,619	0.59%
Wilmington Trust Fixed Income	0.20% of Assets	\$10,484,243	34.0%	\$20,968	0.20%
Wilmington Trust Short Term	No Fee	\$0	0.0%	--	--
Operating Account	No Fee	\$229,830	0.7%	--	--
Mutual Fund Cash	No Fee	\$77,133	0.3%	--	--
Investment Management Fee		\$30,798,704	100.0%	\$87,529	0.28%

DOMESTIC EQUITY



Sussex County OPEB Trust

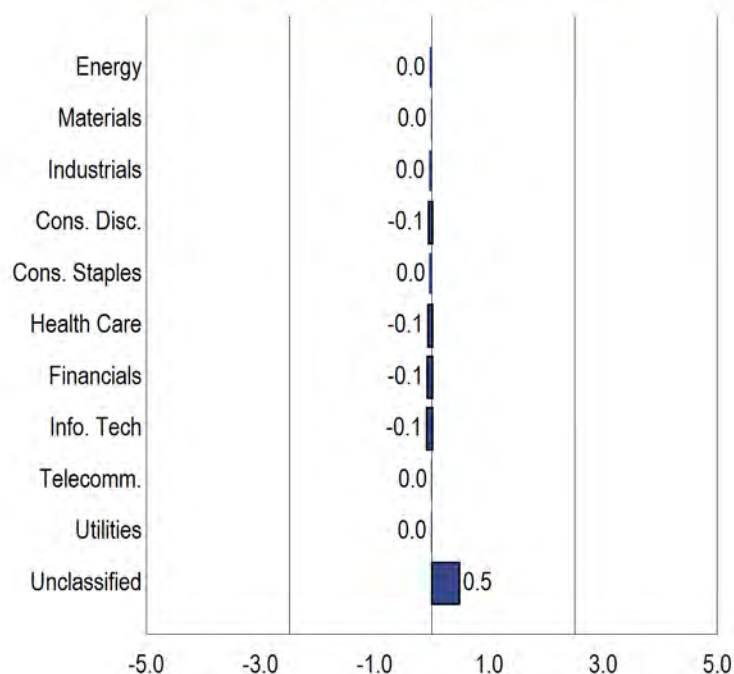
Vanguard Institutional Index

As of March 31, 2015

Manager Summary

- Passively-managed.
- Seeks to track the performance of the S&P 500 Index.
- Invests in large-cap U.S. equities diversified among growth and value styles.
- Fund remains fully invested.

Sector Over/Under Allocation (%) vs S&P 500



Characteristics

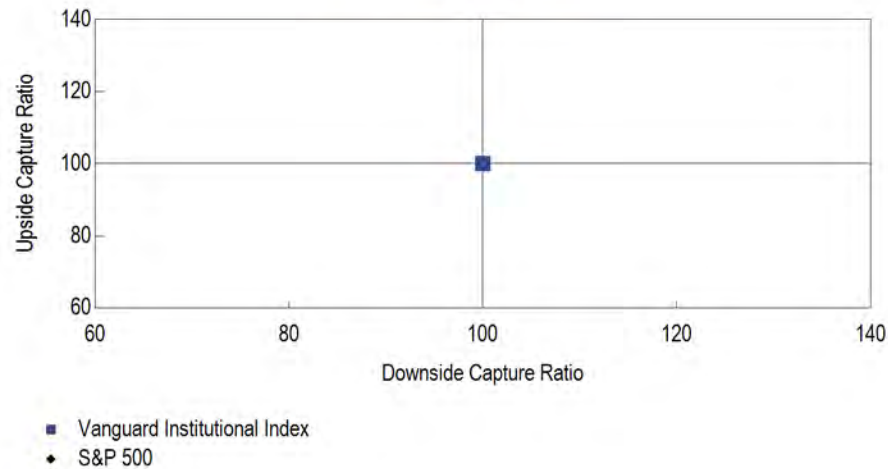
	Portfolio	S&P 500
Number of Holdings	506	502
Weighted Avg. Market Cap. (\$B)	126.08	126.10
Median Market Cap. (\$B)	18.68	18.61
Price To Earnings	23.13	21.87
Price To Book	4.63	4.44
Price To Sales	3.20	2.95
Return on Equity (%)	19.89	19.37
Yield (%)	2.02	2.01
Beta (holdings; domestic)	0.97	0.97

Top Ten Holdings

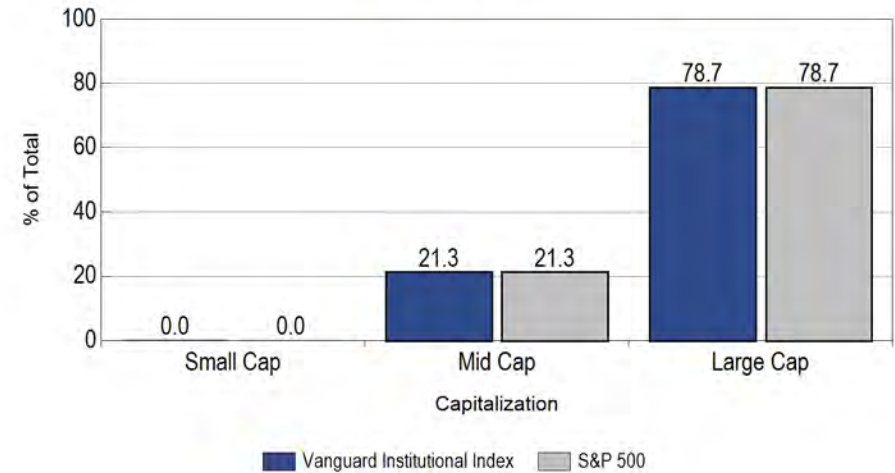
APPLE	3.9%
EXXON MOBIL	1.9%
MICROSOFT	1.8%
JOHNSON & JOHNSON	1.5%
WELLS FARGO & CO	1.4%
GENERAL ELECTRIC	1.4%
BERKSHIRE HATHAWAY 'B'	1.3%
JP MORGAN CHASE & CO.	1.2%
PROCTER & GAMBLE	1.2%
PFIZER	1.2%
Total For Top Ten Holdings	16.9%

As of March 31, 2015

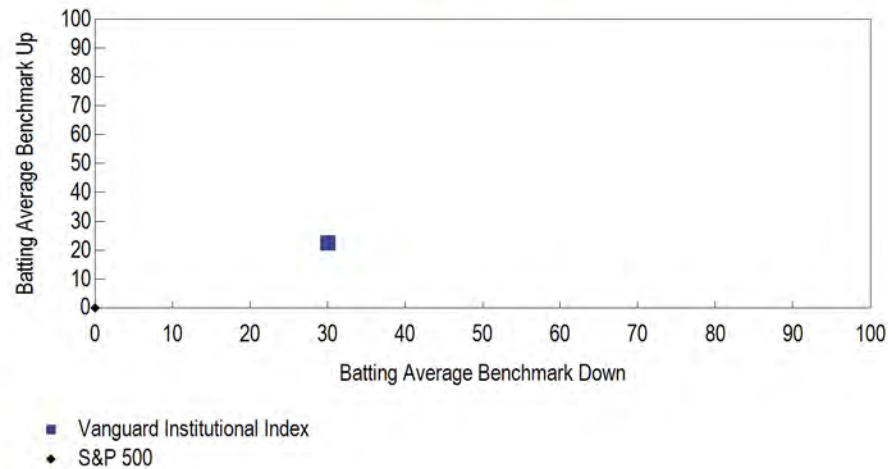
Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending March 31, 2015



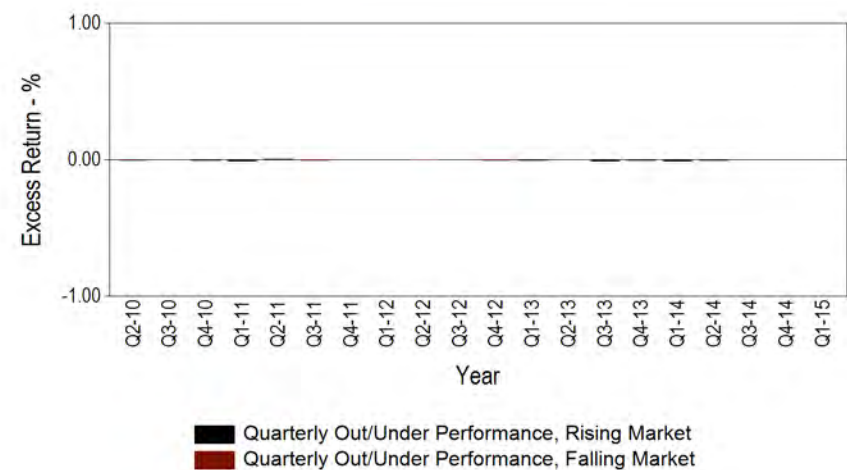
Market Capitalization
As of March 31, 2015



Batting Average Benchmark Up vs. Batting Average Benchmark Down
5 Years Ending March 31, 2015



Quarterly Excess Performance



Sussex County OPEB Trust

Vanguard Mid Cap Value

As of March 31, 2015

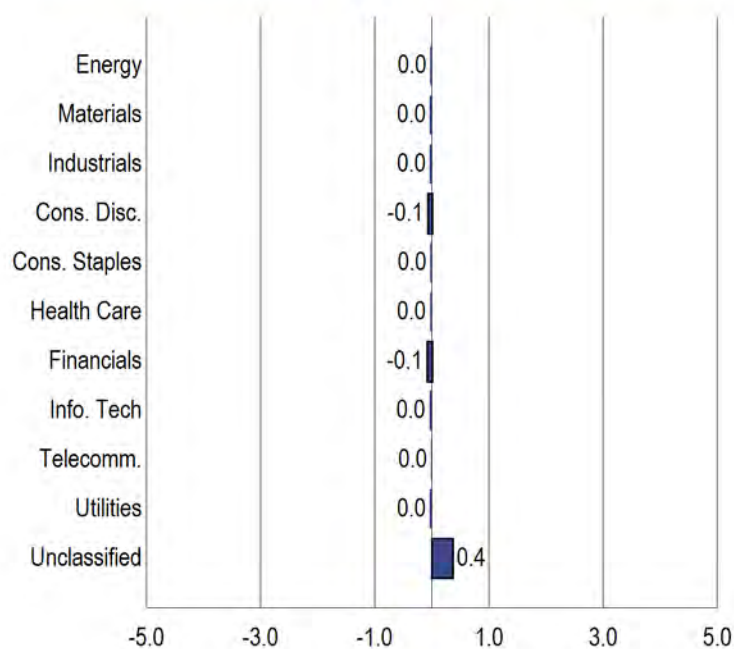
Manager Summary

- Passively-managed.
- Seeks to track the performance of the CRSP US Mid Cap Value Index.
- Invests in value stocks of medium-size U.S. companies.
- Fund remains fully invested.

Characteristics

	Portfolio	CRSP US Mid Cap Value TR USD
Number of Holdings	208	206
Weighted Avg. Market Cap. (\$B)	11.46	11.46
Median Market Cap. (\$B)	8.83	8.83
Price To Earnings	22.69	21.42
Price To Book	3.38	3.07
Price To Sales	2.17	1.85
Return on Equity (%)	15.03	12.98
Yield (%)	1.92	1.79
Beta (holdings; domestic)	1.14	1.16

Sector Over/Under Allocation (%) vs CRSP US Mid Cap Value TR USD

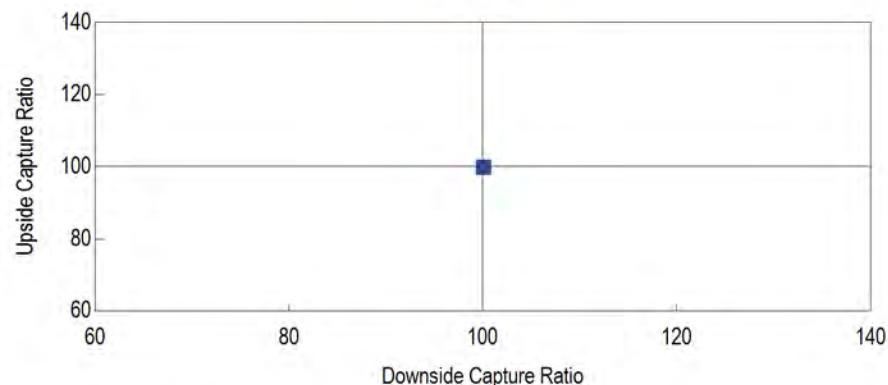


Top Ten Holdings

AMERISOURCEBERGEN	1.4%
BOSTON SCIENTIFIC	1.4%
DELPHI AUTOMOTIVE	1.3%
FIDELITY NAT.INFO.SVS.	1.1%
HARTFORD FINL.SVS.GP.	1.1%
SIGMA ALDRICH	1.0%
SEAGATE TECH.	0.9%
EVERSOURCE ENERGY	0.9%
ALCOA	0.9%
WHIRLPOOL	0.9%
Total For Top Ten Holdings	11.0%

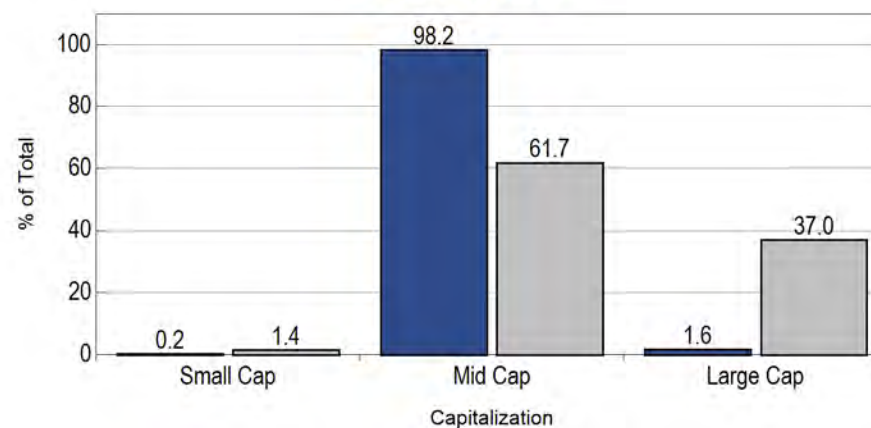
As of March 31, 2015

Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending March 31, 2015



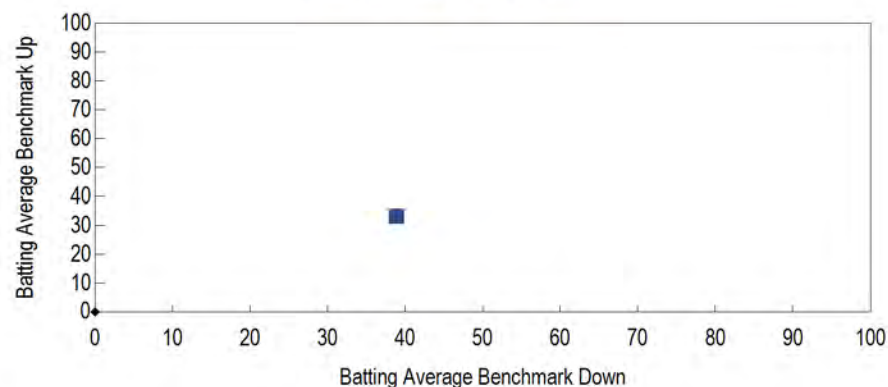
- Vanguard Mid Cap Value
- ◆ Spliced Mid Cap Value Index

Market Capitalization
As of March 31, 2015



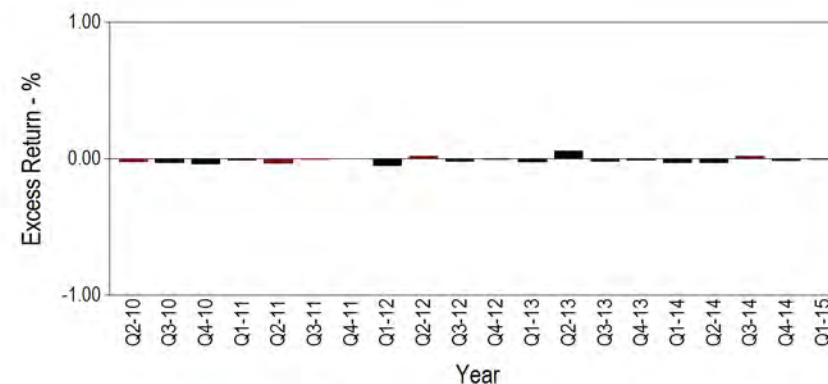
- Vanguard Mid Cap Value
- CRSP US Mid Cap Value TR USD

Batting Average Benchmark Up vs. Batting Average Benchmark Down
5 Years Ending March 31, 2015



- Vanguard Mid Cap Value
- ◆ Spliced Mid Cap Value Index

Quarterly Excess Performance



- Quarterly Out/Under Performance, Rising Market
- Quarterly Out/Under Performance, Falling Market

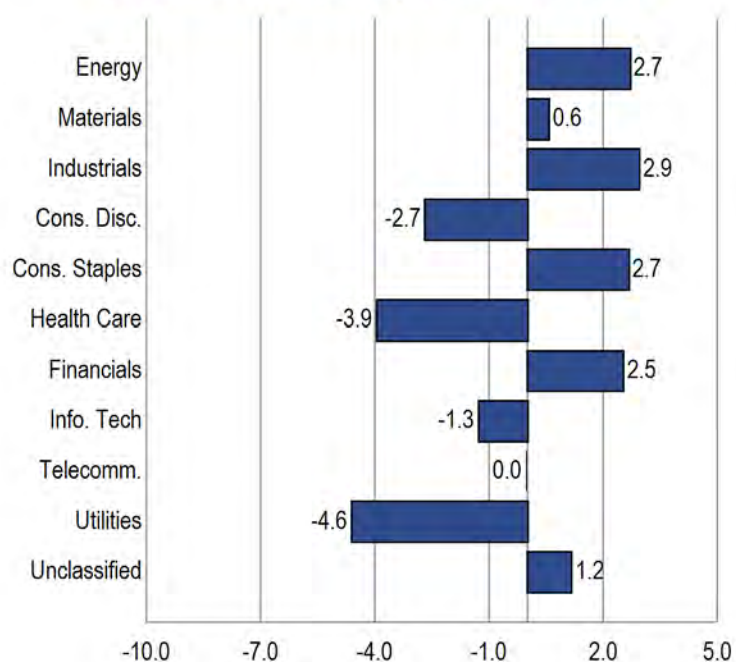
Target Small Capitalization Value

As of March 31, 2015

Manager Summary

- Multiple manager approach:
 - Earnest Partners - relative value
 - NFJ Investment Group - deep value with a dividend focus
 - Lee Munder Capital Group - traditional value with a quality bias
 - Vaughn Nelson Investment Mgmt - traditional value with an absolute return focus
 - JPMorgan Asset Management - index structured product
 - Sterling Capital Management - quantitative deep value
- Prudential's Strategic Investment Research Group is the advisor to the Fund.
- Complementary styles seek small capitalization companies that are believed to be undervalued.

Sector Over/Under Allocation (%) vs Russell 2000 Value



Characteristics

	Portfolio	Russell 2000 Value
Number of Holdings	411	1,357
Weighted Avg. Market Cap. (\$B)	2.26	1.81
Median Market Cap. (\$B)	1.06	0.65
Price To Earnings	18.15	22.25
Price To Book	2.09	1.83
Price To Sales	1.97	2.52
Return on Equity (%)	14.48	7.80
Yield (%)	2.26	1.71
Beta (holdings; domestic)	1.30	1.26

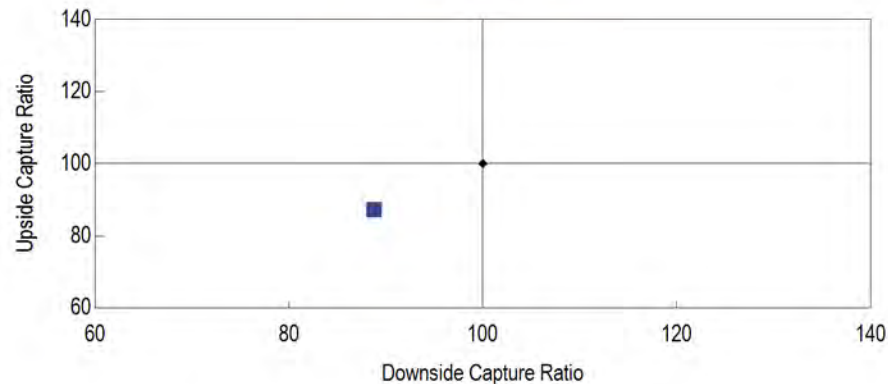
Top Ten Holdings

ISHARES RSL.2000 VALUE	1.8%
WEBSTER FINANCIAL	1.3%
STIFEL FINANCIAL	1.3%
SUPERVALU	1.2%
CASH - USD	1.2%
TELEDYNE TECHS.	1.2%
COOPER TIRE & RUB.	1.1%
AMERICAN EQ.INV.LF.HLDG.	1.1%
SANMINA	1.0%
CIRRUS LOGIC	1.0%
Total For Top Ten Holdings	12.1%

Target Small Capitalization Value

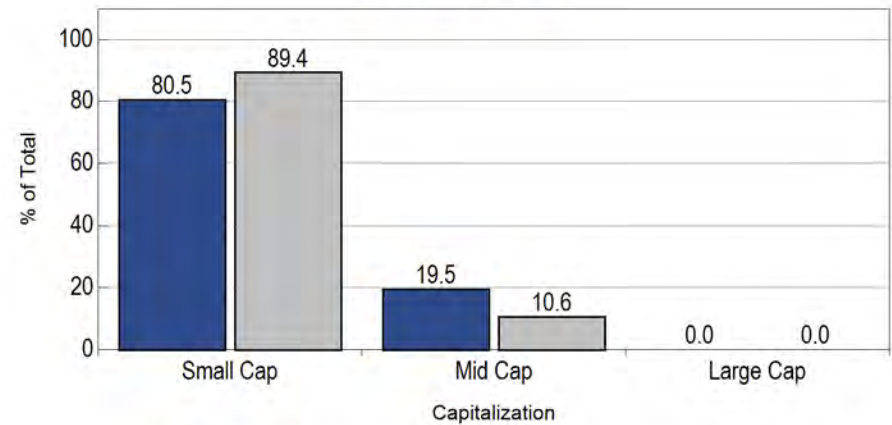
As of March 31, 2015

Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending March 31, 2015



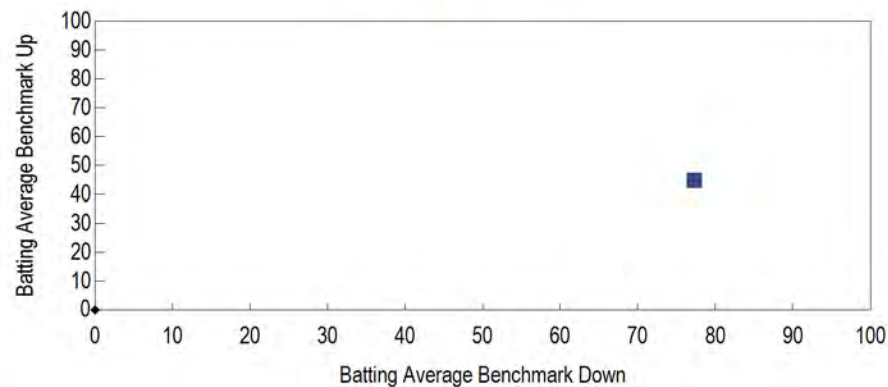
- Target Small Capitalization Value
- ◆ Russell 2000 Value

Market Capitalization
As of March 31, 2015



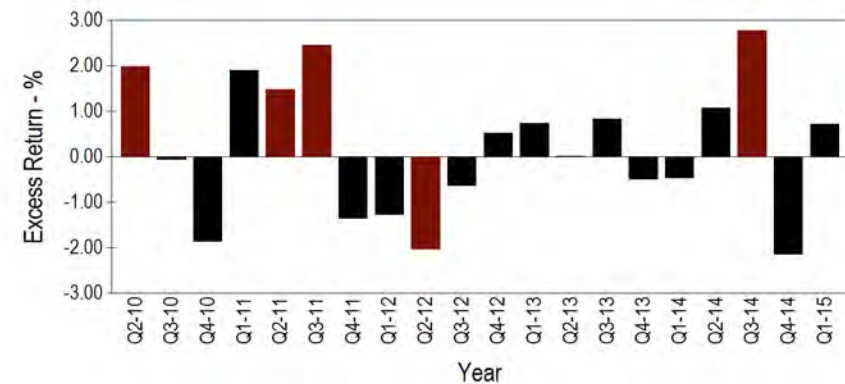
- Target Small Capitalization Value
- Russell 2000 Value

Batting Average Benchmark Up vs. Batting Average Benchmark Down
5 Years Ending March 31, 2015



- Target Small Capitalization Value
- ◆ Russell 2000 Value

Quarterly Excess Performance



- Quarterly Out/Under Performance, Rising Market
- Quarterly Out/Under Performance, Falling Market

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GLOBAL EQUITY



Thornburg Global Opportunities

As of March 31, 2015

Manager Summary

- Focus on investing in companies trading at a discount to their intrinsic value.
- Emphasizes good management, strong corporate culture and easy to understand business models.
- Portfolio tends to hold 30-40 stocks and will typically experience higher than average volatility.
- Will invest opportunistically across the globe in small, medium and large companies.

Country Allocation

Versus MSCI ACWI - Quarter Ending March 31, 2015

	Manager Ending Allocation (USD)	Index Ending Allocation (USD)
Top 5 Largest Countries		
United States	50.2%	51.6%
Cash	12.6%	0.0%
Canada	11.2%	3.3%
United Kingdom	6.4%	6.9%
France	5.3%	3.4%
Total-Top 5 Largest Countries	85.6%	65.1%
Totals		
Developed	82.0%	89.6%
Emerging*	5.4%	10.4%
Cash	12.6%	

Characteristics

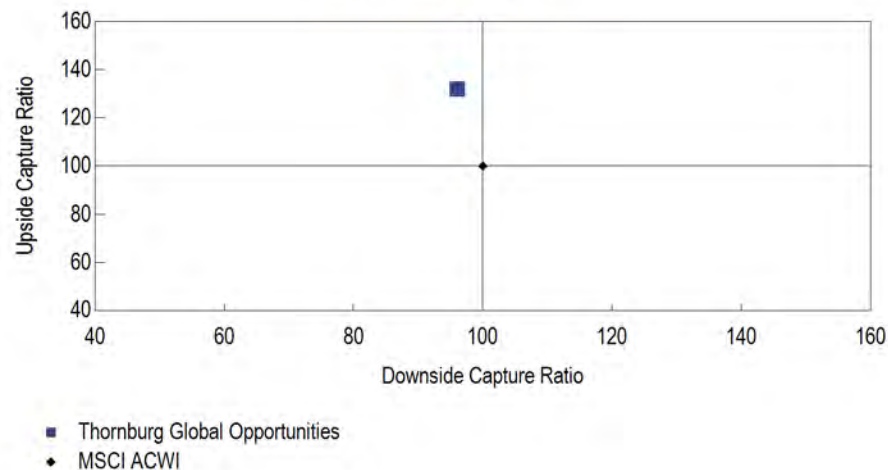
	Portfolio	MSCI ACWI
Number of Holdings	38	2,469
Weighted Avg. Market Cap. (\$B)	45.31	87.50
Median Market Cap. (\$B)	21.28	8.83
Price To Earnings	26.24	21.35
Price To Book	4.38	3.41
Price To Sales	4.11	2.57
Return on Equity (%)	16.87	17.13
Yield (%)	1.44	2.34
Beta (holdings; global)	1.37	1.02

Top Ten Holdings

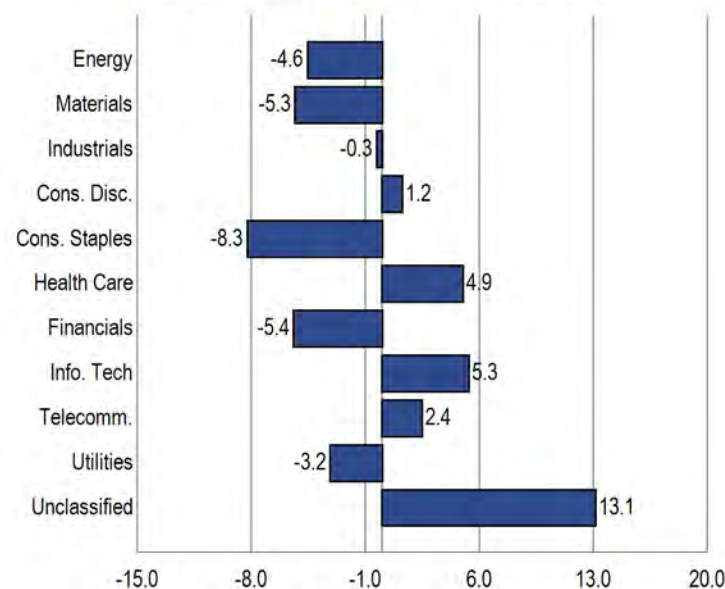
CASH - USD	12.6%
AMERICAN REAL.CAP.PROPS.	5.5%
NUMERICABLE SFR	5.3%
VALEANT PHARMS. (NYS) INTL.	5.3%
CONCORDIA HEALTHCARE	5.1%
LEVEL 3 COMMS.	4.4%
AMERICAN AIRLINES GROUP	3.8%
CITIGROUP	3.8%
EXPRESS SCRIPTS HOLDING	3.5%
INTERXION HOLDING	3.3%
Total For Top Ten Holdings	52.4%

As of March 31, 2015

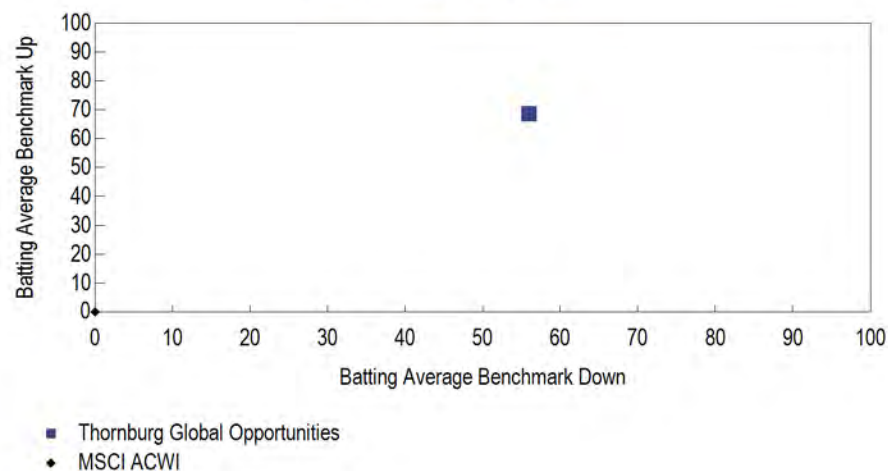
Upside Capture Ratio vs. Downside Capture Ratio
 5 Years Ending March 31, 2015



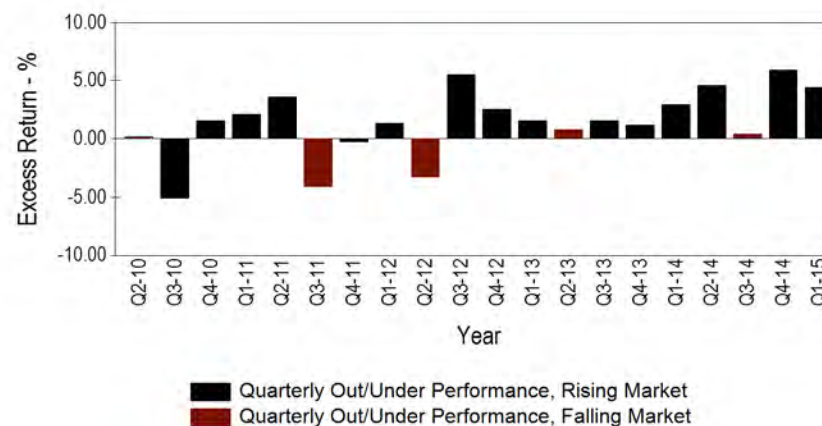
Sector Over/Under Allocation (%) vs MSCI ACWI



Batting Average Benchmark Up vs. Batting Average Benchmark Down
 5 Years Ending March 31, 2015



Quarterly Excess Performance



Sussex County OPEB Trust

MFS Low Volatility Global Equity

As of March 31, 2015

Manager Summary

- Strategy seeks to produce long-term excess market returns with less volatility than the market.
- Investment process combines quantitative inputs and fundamental analysis. Only stocks that exhibit low volatility are considered for further analysis.
- Fundamental inputs include analyst expectations for earnings and valuation. Stocks are then rated buy, hold, or sell.
- Strategy typically holds 80-120 names with a maximum position limit of 4%.

Country Allocation

Versus MSCI ACWI - Quarter Ending March 31, 2015

	Manager Ending Allocation (USD)	Index Ending Allocation (USD)
Top 5 Largest Countries		
United States	42.0%	51.6%
Japan	12.8%	7.7%
United Kingdom	5.6%	6.9%
Hong Kong	5.6%	1.1%
Switzerland	5.4%	3.2%
Total-Top 5 Largest Countries	71.4%	70.5%
Totals		
Developed	87.7%	89.6%
Emerging*	10.8%	10.4%
Cash	1.5%	

Characteristics

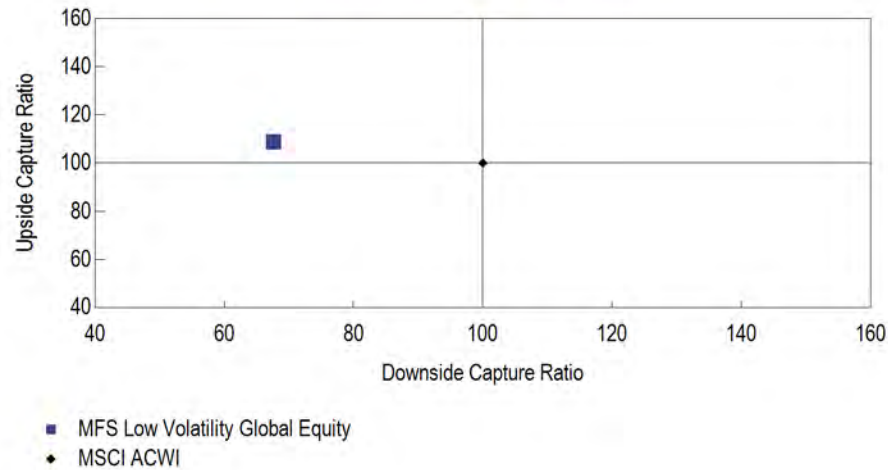
	Portfolio	MSCI ACWI
Number of Holdings	101	2,469
Weighted Avg. Market Cap. (\$B)	62.19	87.50
Median Market Cap. (\$B)	24.33	8.83
Price To Earnings	22.86	21.35
Price To Book	4.31	3.41
Price To Sales	2.95	2.57
Return on Equity (%)	22.17	17.13
Yield (%)	2.67	2.34
Beta (holdings; global)	0.65	1.02

Top Ten Holdings

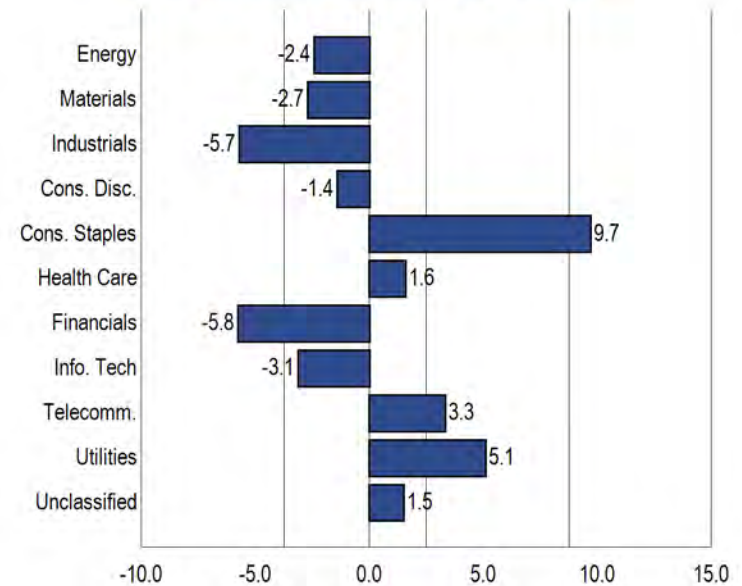
GENERAL MILLS	3.5%
TAIWAN SEMICON.SPN.ADR 1:5	3.5%
ROCHE HOLDING	2.5%
DISCOVER FINANCIAL SVS.	2.4%
SANTEN PHARM.	2.4%
CHEUNG KONG INFR.HDG.	2.2%
JOHNSON & JOHNSON	2.2%
EXXON MOBIL	2.0%
ROYAL DUTCH SHELL B	1.9%
ROSS STORES	1.8%
Total For Top Ten Holdings	24.4%

As of March 31, 2015

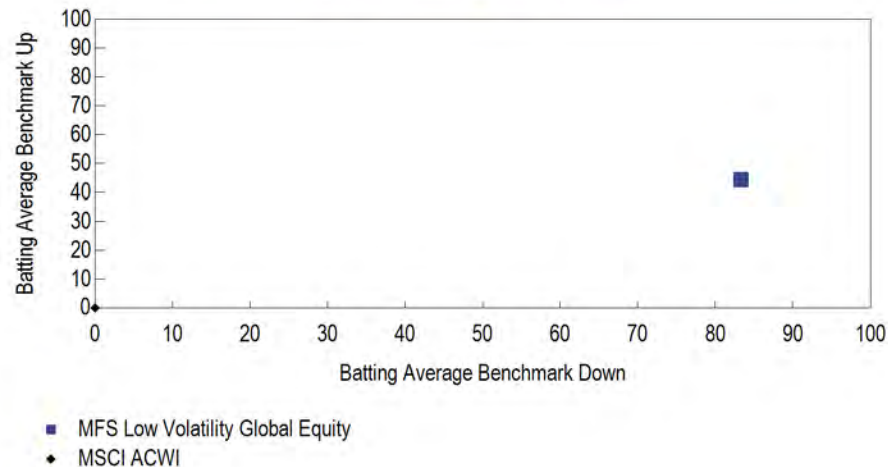
Upside Capture Ratio vs. Downside Capture Ratio
1 Year 3 Months Ending March 31, 2015



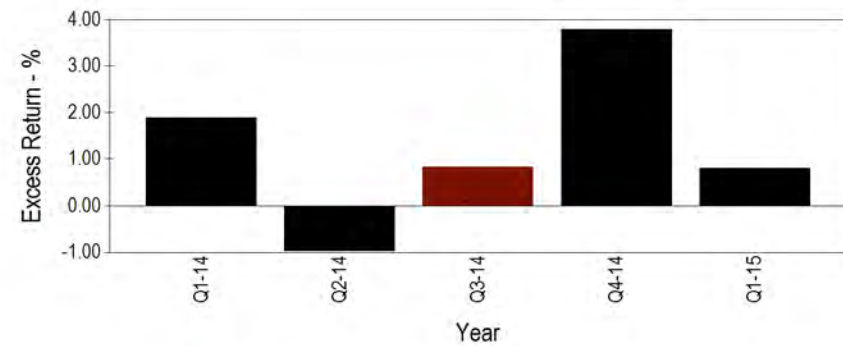
Sector Over/Under Allocation (%) vs MSCI ACWI



Batting Average Benchmark Up vs. Batting Average Benchmark Down
1 Year 3 Months Ending March 31, 2015



Quarterly Excess Performance



■ Quarterly Out/Under Performance, Rising Market
■ Quarterly Out/Under Performance, Falling Market

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INTERNATIONAL EQUITY



American Funds Int'l Growth & Income

As of March 31, 2015

Manager Summary

- Focuses on investing in established companies that pay dividends.
- Emphasis on companies that may be relatively resilient during economic hardship.
- Multiple portfolio managers provide complementary investment styles of contrarian value, relative value and capital appreciation.
- Strategy tends to have dividend yield higher than the benchmark.

Country Allocation

Versus MSCI ACWI ex USA - Quarter Ending March 31, 2015

	Manager Ending Allocation (USD)	Index Ending Allocation (USD)
Top 5 Largest Countries		
United Kingdom	16.8%	14.2%
France	11.4%	7.0%
Japan	10.2%	15.9%
United States	8.6%	0.0%
Hong Kong	8.5%	2.3%
Total-Top 5 Largest Countries	55.5%	39.3%
Totals		
Developed	84.8%	78.5%
Emerging*	14.8%	21.5%
Other	0.4%	

Characteristics

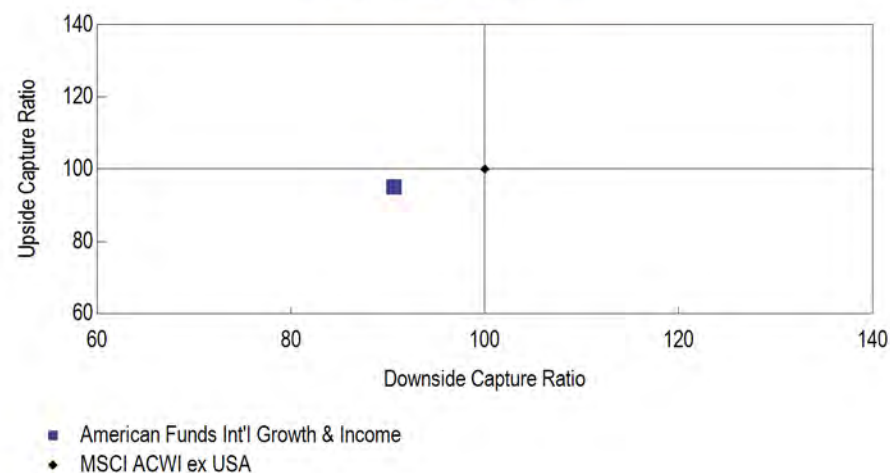
	Portfolio	MSCI ACWI ex USA
Number of Holdings	183	1,841
Weighted Avg. Market Cap. (\$B)	49.90	53.28
Median Market Cap. (\$B)	18.51	6.90
Price To Earnings	22.02	20.53
Price To Book	3.42	2.60
Price To Sales	2.31	2.14
Return on Equity (%)	18.67	15.31
Yield (%)	3.47	2.75
Beta (holdings; global)	1.03	0.94

Top Ten Holdings

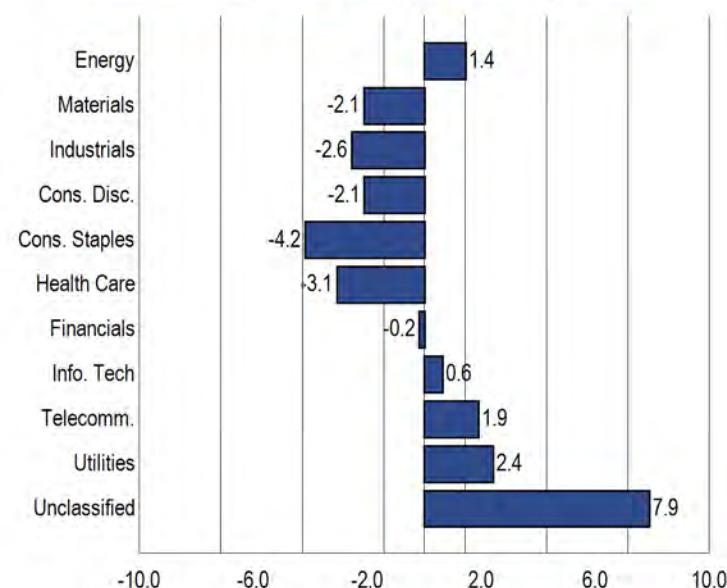
AXA	2.8%
TAIWAN SEMICON.MNFG.	2.6%
NOVARTIS 'R'	2.5%
BANCO SANTANDER	2.3%
POWER ASSETS HOLDINGS	2.1%
EDP ENERGIAS DE PORTUGAL	2.1%
SUN HUNG KAI PROPERTIES	1.8%
ROYAL DUTCH SHELL B	1.8%
TOTAL	1.8%
ORANGE	1.7%
Total For Top Ten Holdings	21.6%

As of March 31, 2015

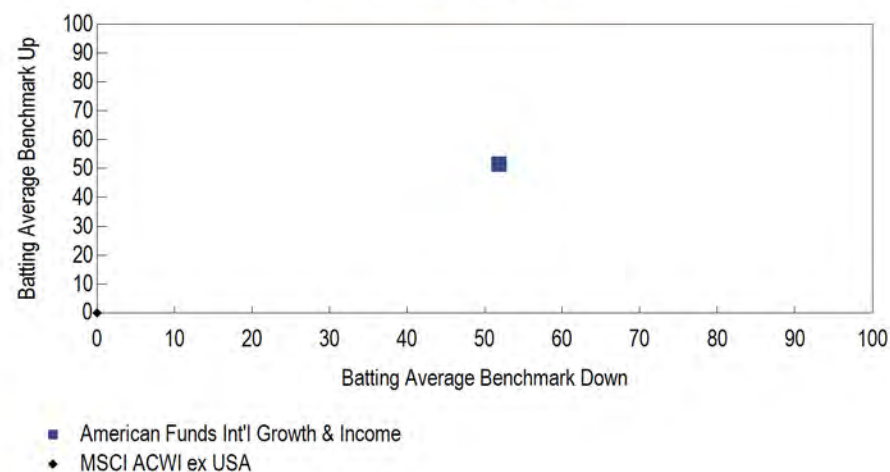
Upside Capture Ratio vs. Downside Capture Ratio
5 Years Ending March 31, 2015



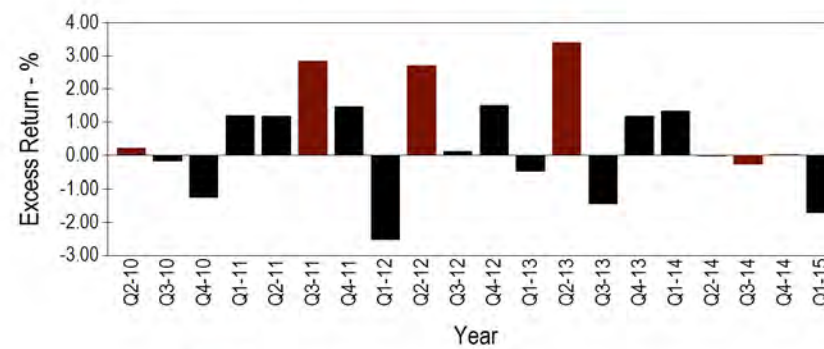
Sector Over/Under Allocation (%) vs MSCI ACWI ex USA



Batting Average Benchmark Up vs. Batting Average Benchmark Down
5 Years Ending March 31, 2015



Quarterly Excess Performance



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FIXED INCOME

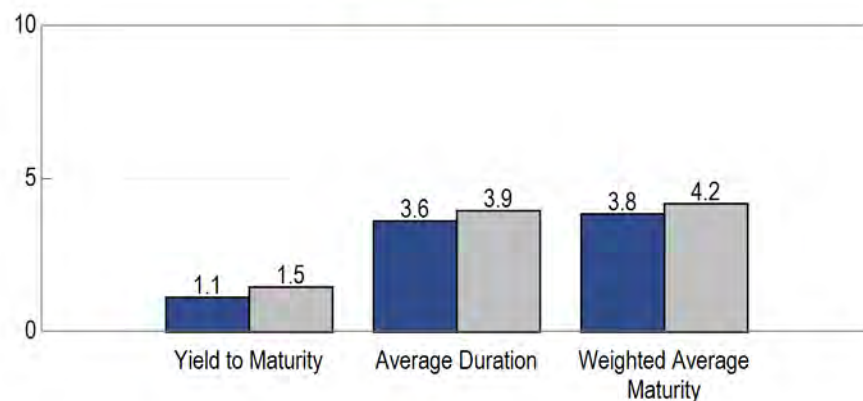


Wilmington Trust Fixed Income

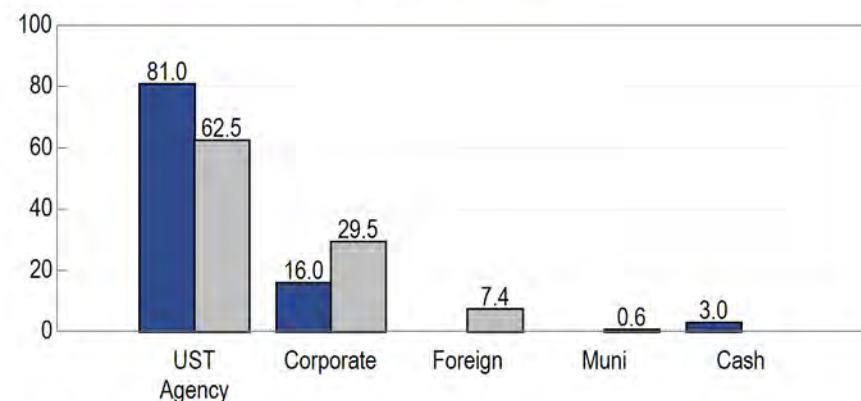
As of March 31, 2015

Summary: Strategy focuses equally on duration management, sector selection and yield curve exposure. Assess overall market environment and position portfolio to benefit from realistic expectations. Will actively trade, including analysis of technical factors, price momentum, interest rate outlook and yield curve movement.

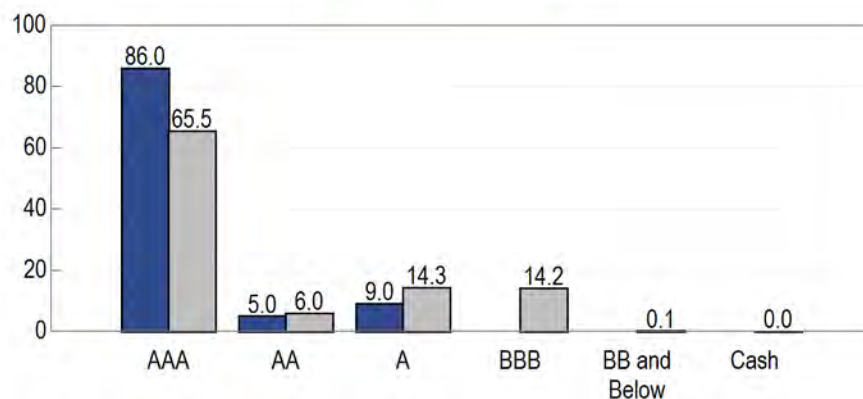
Fixed Income Characteristics



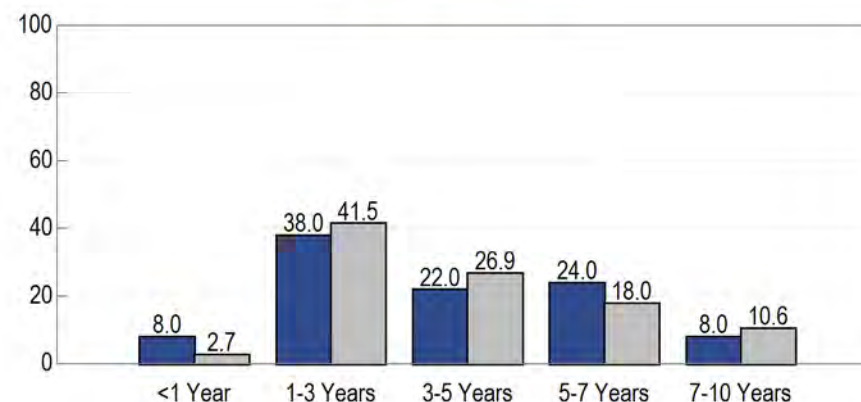
US Sector Allocation



Credit Quality Allocation



Duration Allocation



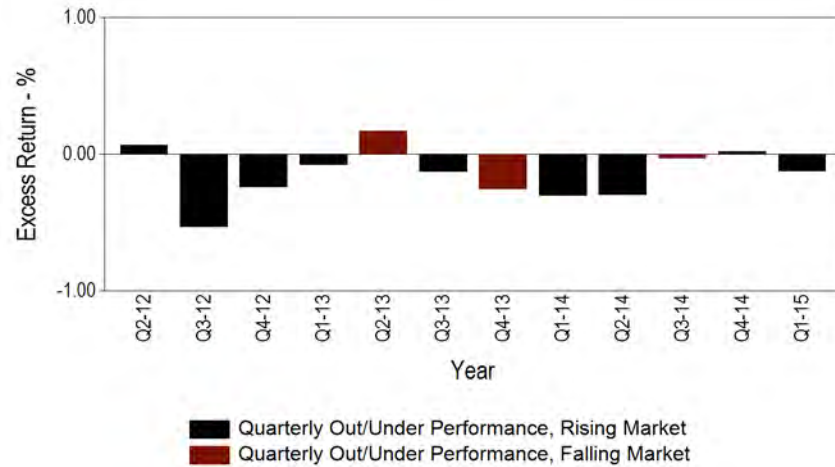
Wilmington Trust Fixed Income Barclays Int Govt/Credit

Characteristics as shown are compared against the Fixed Income Policy Index asset class benchmark: Barclays Intermediate

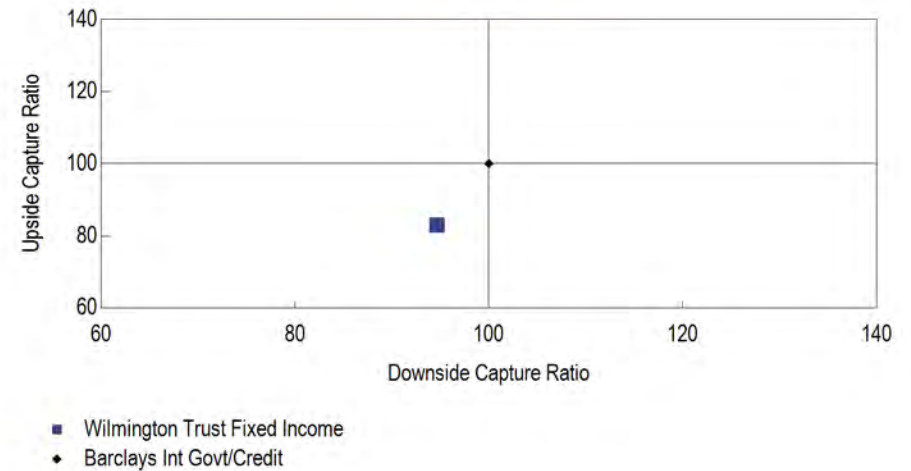
Wilmington Trust Fixed Income

As of March 31, 2015

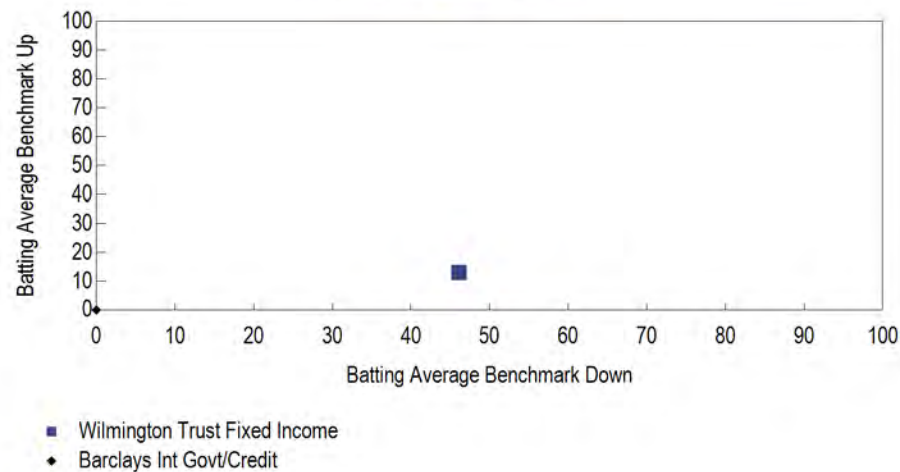
Quarterly Excess Performance



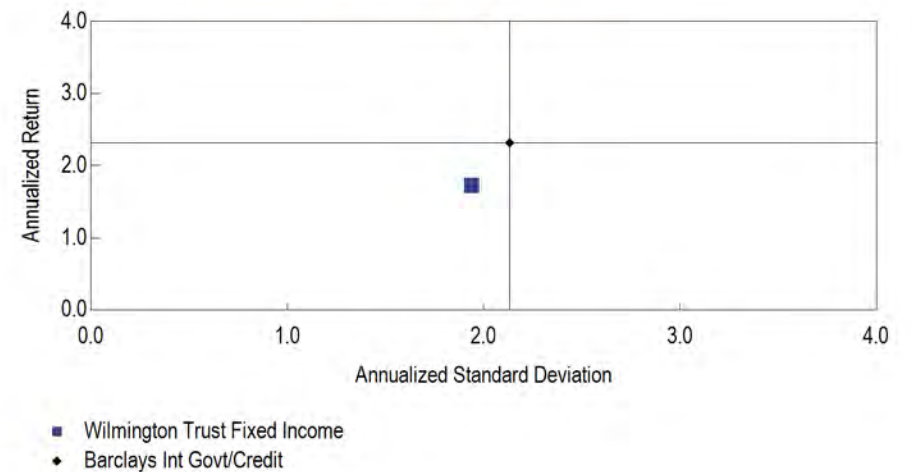
Upside Capture Ratio vs. Downside Capture Ratio
3 Years Ending March 31, 2015



Batting Average Benchmark Up vs. Batting Average Benchmark Down
3 Years Ending March 31, 2015



Annualized Return vs. Annualized Standard Deviation
3 Years Ending March 31, 2015



GINA JENNINGS
DIRECTOR OF ACCOUNTING
(302) 855-7853 T
(302) 855-7722 F
gjennings@sussexcountye.gov



Sussex County
DELAWARE
sussexcountye.gov

MEMORANDUM:

TO: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable Samuel R. Wilson, Jr., Vice President
The Honorable Robert B. Arlett
The Honorable George B. Cole
The Honorable Joan R. Deaver

FROM: Gina A. Jennings
Finance Director

RE: **AUDIT RFP AWARD**

DATE: June 5, 2015

A Request for Proposal (RFP) was recently completed for audit services. Our three year contract expired with BDO and to ensure we are getting the best value for our audit services, we issued a RFP. We received five proposals: Baker Tilly; Barbacane, Thorton, and Company, LLP; BDO, LLP; PKS and Company, PA; and Zelenkofske Axelrod, LLC. A summary of the bid evaluations and a pricing analysis of each bidder is attached. The bids were graded on experience and reputation, quality of audit firm, capacity to perform, credentials and experience, and price.

Based upon an evaluation completed by Kathy Roth, Andrea Wall, and me, it is recommended that Sussex County select BDO, LLP to perform audit services for the next three fiscal years, with the option to extend the contract for a period of two additional years, one year at a time by mutual agreement.

Please let me know if you have any questions.

Attachment

pc: Mr. Todd F. Lawson

GINA JENNINGS
DIRECTOR OF ACCOUNTING
(302) 855-7853 T
(302) 855-7722 F
gjennings@sussexcountye.gov



Sussex County
DELAWARE
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TO : Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable Samuel R. Wilson, Jr., Vice President
The Honorable Robert B. Arlett
The Honorable George B. Cole
The Honorable Joan R. Deaver

FROM: Gina A. Jennings
Finance Director

RE: ***CONCORD ROAD WASTEWATER EXPANSION OF THE BLADES
SANITARY SEWER DISTRICT***

DATE: June 5, 2015

On Tuesday, I will present the attached ordinance for introduction to authorize the issuance of \$850,000 of General Obligation Bonds of Sussex County for the cost of the design, construction, and equipping of the Concord Road Wastewater Expansion. A grant in the amount of \$449,000 is expected to be received for this project.

The bonds are backed by the County's full faith and credit and are expected to be paid back over 40 years through revenues from the Concord Road Wastewater Expansion. This bond issuance is within the legal debt limit of the County.

It is anticipated that the Bonds will be sold to the United States of America, Rural Utilities Services. The bonds will provide the funding for the boundaries of the area known as Concord Road Expansion, which was adopted by Sussex County Council on September 24, 2013. This funding is in line with what was presented when the boundaries were established for this expansion.

Please let me know if you have any questions.

Attachment

pc: Mr. Todd F. Lawson

ORDINANCE NO. ____

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO \$850,000 OF
GENERAL OBLIGATION BONDS OF SUSSEX COUNTY IN CONNECTION WITH
THE CONSTRUCTION AND EQUIPPING OF THE CONCORD ROAD
WASTEWATER EXPANSION AND AUTHORIZING ALL NECESSARY
ACTIONS IN CONNECTION THEREWITH**

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

WHEREAS, acting pursuant to its Home Rule Power, and pursuant to Title 9, Delaware Code, Chapters 65 and 67, the County has authorized the design, construction and equipping of the wastewater collection, conveyance and transmission facilities for the Concord Road Wastewater Expansion (the "Project");

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

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

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

Section 1. Amount and Purpose of the Bonds. Acting pursuant to Title 9, Delaware Code, Chapters 65 and 67, Sussex County shall issue its negotiable general obligations in the maximum aggregate principal amount not to exceed \$850,000 (the "Bonds") to finance or reimburse the County for a portion of the cost of the design, construction and equipping of the Project.

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

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

Section 3. Terms of the Bonds. The Bonds shall be sold at such prices and upon such other terms and conditions consistent with the provisions of this Ordinance and otherwise as the County Administrator shall determine to be in the best interests of the County. The Bonds shall bear interest at such rate or rates and shall mature in such amounts and at such times, but not exceeding 40 years from the date of issue of the Bonds, and shall be subject to redemption, as the County Administrator shall determine.

Section 4. Sale of the Bonds. The Bonds may be issued in one or more series and shall be sold in one or more public sales or private negotiated transactions upon such terms and conditions as the County Administrator shall determine shall be in the best interest of the County. It is anticipated that the Bonds will be sold to the United States of America, Rural Utilities Services (or any successor agency).

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

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

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

Section 8. Effective Date. This Ordinance shall become effective immediately

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

ADOPTED this__ day of ____, 2015.

SUSSEX COUNTY, DELAWARE

Attest:

Clerk
Sussex County Council

President
Sussex County Council

[Seal]

APPROVED AS TO LEGALITY AND FORM:

County Attorney

(Concord Road-Ordinance)

SYNOPSIS: This Ordinance provides for the issuance of up to \$850,000 of Sussex County General Obligation Bonds in order to finance or reimburse the County for a portion of the costs for the design, construction and equipping of the wastewater collection, conveyance and transmission facilities for the Concord Road Wastewater Expansion (the "Project").

TO BE INTRODUCED

FINANCE DEPARTMENT
ACCOUNTING DIVISION

ANDREA M. WALL
MANAGER
awall@sussexcountype.gov



Sussex County

DELAWARE
sussexcountype.gov
(302) 855-7853 T
(302) 855-7722 F

MEMORANDUM

TO: The Honorable Michael H. Vincent, President
The Honorable Samuel R. Wilson, Jr., Vice President
The Honorable Robert B. Arlett
The Honorable George B. Cole
The Honorable Joan R. Deaver

FROM: Andrea Wall, Manager of Accounting

DATE: June 5, 2015

RE: Federal Payments in Lieu of Taxes

A check in the amount of \$38,898 has been received from the United States Department of the Interior, Fish and Wildlife Service, as a federal payment in lieu of taxes for the Prime Hook National Wildlife Refuge. This check represents payments under the Refuge Revenue Sharing Act covering Fiscal Year 2014. This is the same amount as last year.

The amount is calculated by the U.S. Fish and Wildlife Service by prorating the total funds available for payment. This check is funded through revenues generated from the Prime Hook National Wildlife Refuge and from a supplemental congressional appropriation. Sussex County may use these funds for any governmental purpose.

The County does not collect property taxes from the Federal Government for the Prime Hook National Wildlife Refuge. In return, the Federal Government gives the County this payment in lieu of taxes. In the past, these funds have been allocated in the same percentage as the other County tax collections. The attached spreadsheet shows the recommended allocation of these funds based on assessed value of the Prime Hook Refuge. I will be presenting this allocation for Council's authorization on June 9, 2015.

Please feel free to call me if you have any questions.

Sussex County Council-Federal Payment in Lieu of Taxes Allocations as of 6/30/13

TAXING AUTHORITY	TAX RATE	% OF TOTAL	GRANT AMOUNT	
MILFORD SCHOOL DISTRICT				
Sussex County	0.3983%	9.4921%	\$852.54	\$8,981.55
Library	0.0467%	1.1129%	\$99.96	
Sussex Tech	0.2728%	6.5013%	\$583.92	
Milford School	3.4783%	82.8936%	\$7,445.13	
	4.1961%	100.0000%	\$8,981.55	
CAPE HENLOPEN DISTRICT				
Sussex County	0.3983%	10.5126%	\$3,144.99	\$29,916.45
Library	0.0467%	1.2326%	\$368.74	
Sussex Tech	0.2728%	7.2002%	\$2,154.04	
Cape School District	3.0710%	81.0547%	\$24,248.68	
	3.7888%	100.0000%	\$29,916.45	<u>\$38,898.00</u>
SUMMARY				
Sussex County	\$3,997.53			
Library	\$468.70			
Vocational School	\$2,737.96			
Milford School	\$7,445.13			
Cape School District	\$24,248.68			
	<u>\$38,898.00</u>			

NOTE:

Per Chris Keeler, Director of Assessment, 23.09% of the Primehook National Wildlife Refuge land assessed value in Sussex County is within the Milford School District and 76.91% is within the Cape Henlopen School District. Appropriate shares have been determined based on these percentages

A deposit from US Dept of Interior for \$38,898 was deposited to the general fund on 5/20/2015

BRANDY BENNETT NAUMAN
HOUSING COORDINATOR &
FAIR HOUSING COMPLIANCE OFFICER
(302) 855-7777 T
(302) 854-5397 F
bnauman@sussexcountype.gov



Sussex County
DELAWARE
sussexcountype.gov

MEMORANDUM

TO: Sussex County Council
The Honorable Michael H. Vincent, President
The Honorable Samuel R. Wilson, Vice President
The Honorable George B. Cole
The Honorable Joan R. Deaver
The Honorable Robert B. Arlett
Todd Lawson, County Administrator

FROM: Brandy Nauman, Fair Housing Compliance Officer

RE: **Fair Housing Update**

DATE: June 4, 2015

During Tuesday's Council meeting, I will provide you with a brief update on actions taken in compliance with the U.S. Department of Justice and U.S. Department of Housing & Urban Development fair housing settlement agreements over the last six months in order to comply with Section IV(18) of the Consent Decree. Below you will find an outline of the items I will be discussing. Please note that no action is required of Council; this is simply an update.

U.S. Department of Justice Consent Decree

- Section III(13)(a-d) – Affordable and Fair Housing Marketing Plan
 - PLUS responses
 - 2nd Annual Sussex County Homebuyer Fair – Scheduled September 26, 2015
- Sections IV(15) and (16) – Housing Discrimination Complaints
- Section VI(18) – Submission of Fifth Semi-Annual Compliance Report
- Section VI(21 – 23) and VII(26) – Fair Housing Training
 - 3 new employees trained
 - Annual Training delayed
- Section VII(27)(a) through (f) – Affordable Housing Webpage



U.S. Department of Housing & Urban Development Voluntary Compliance Agreement

- Section III(7)(a)(i-iii) – Sussex County Analysis of Impediments Evaluation and Proposed Priority Fair Housing Plan
 - CTS Language Link
 - Disabilities Report Recommendations
- Section III(7)(c) – Strong Communities Initiative
 - RFP/Bid Status
- Section V – Submission of Fifth Semi-Annual Compliance Report

If you have any questions, please do not hesitate to ask. Thank you.

CC: Brad Whaley, Director of CD&H
Stephanie Hansen, Esquire
Robin Griffith, Clerk of Council

Greenwood Police Department



100 West Market Street
P.O. Box 208
Greenwood, DE 19950

We Serve With Pride and Integrity

Phone: (302) 349-4822
Fax: (302) 349-4870

March 25, 2015

Sussex County Council
Attn: Councilman Sam Wilson
2 The Circle
P.O. Box 589
Georgetown, DE

Councilman Wilson,

I am writing on behalf of the Greenwood Police Department. We are planning our 2015 National Night Out event to be held on Tuesday, August 11th. One of the many reasons we hold a Night Out event is to strengthen neighborhood spirit and police-community partnership. We would like to first thank you for your generous contribution last year and request any financial assistance that you could offer for this year's event. We strive to give our citizens a night of fun, food, crime prevention and safety awareness.

Our event would not be possible without the support of our community leaders such as you.

Thank you in advance for your consideration.

Sincerely,

A handwritten signature in dark ink, appearing to read "Mark Anderson".

Mark Anderson
Chief of Police

To: Sussex County Councilman Sam Wilson

From: Chris Lecates
President – Georgetown Playground & Park, Inc.

Date: May 27, 2015

RE: Request for Funding

Dear Sam,

The Town of Georgetown will again be holding Summer Concerts at Bedford Street Park. These concerts are very well attended by residents in our community. Because of the popularity of our concerts, seating is at a premium. The current wooden benches in Bedford Street Park are the only option provided and they are in serious disrepair.

I would like to ask for your help in providing three black metal benches to replace what is currently at the Park. These would be very beneficial to our residents, especially during our 15 Summer Concerts.

The metal benches we would like to install are quite durable and weather resistant, which will provide seating for years to come. With shipping included, each bench would cost \$1000. I am requesting \$3000 to enable us to order three benches.

The check for this project would be made out to Georgetown Playground & Park, a non-profit whose mission is improving parks for the Town of Georgetown.


Please contact me if you have any questions with this request. You can reach me at the following:

Email – chrislecatess@comcast.net

Cell – 302.228.8449

I look forward to hearing from you.

Thank you for your time and consideration –



Chris Lecates

President

Georgetown Playground & Park, Inc.



GEORGETOWN LITTLE LEAGUE

P.O. BOX 105
Georgetown, Delaware 19947



May 28, 2015

Samuel R. Wilson
Sussex County Council
2 The Circle, P.O. Box 589
Georgetown, DE 19947

EIN-51-0260574

Dear Councilman Wilson:

I am writing on behalf of Georgetown Little League. This is my 2nd year serving the President of the league. I am proud to say our Little League program assists youth in developing the qualities of citizenship, discipline, teamwork and physical well-being. We aspire to promote the virtues of character, courage and loyalty in our baseball/softball players. It is the Georgetown Little League's mission to encourage both outstanding citizenship and athletics with our program.

Georgetown Little League was established in 1958 and has been a valuable asset to the youth of Georgetown. Thousands of Georgetown residents and surrounding community members attend baseball/softball games each season.

The Georgetown Little League would like to graciously ask the Sussex County Council for help in our endeavor to improve the lighting on our fields at our complex. This project is going to cost around \$15,000. Any monetary contribution from the county would greatly assist our organization in completing the necessary renovations to our complex.

I would like to thank you for considering this request to partner with Georgetown Little League and aide our renovation request. If you have any queries regarding our project, please feel free to contact me at the address give above or at lancem@1ststatechevy.com.

Sincerely,

Lance Mears
Georgetown Little League President



GEORGETOWN HISTORICAL SOCIETY

510 S. Bedford St.
Georgetown, DE 19947

May 21, 2015

Councilman Sam Wilson
Sussex County Council
2 The Circle,
Georgetown, DE 19947

Ref: Request for Grant

Dear Councilman Wilson;

Recently the Georgetown Historical Society embarked on a project to construct a building to house our carriage collection and a large gazebo area to hold community events. It has been an ongoing concern to be able to protect the carriages as they are an irreplaceable item from our past. Many of these carriages have been enjoyed by young and old alike during the Sussex County Return Day parade.

We have been going through the different agencies required during the permit process of this project. There have been several major fees that we have encountered that has taxed our project funding. We are expecting more fees from the Soil and Water Conservation department and some extensive construction to accommodate their new requirements.

On behalf of the Georgetown Historical Society, I would like to request a grant of \$2,500 to help with the unexpected fees we have encountered.

Please feel free to contact me with any questions.

Sincerely,

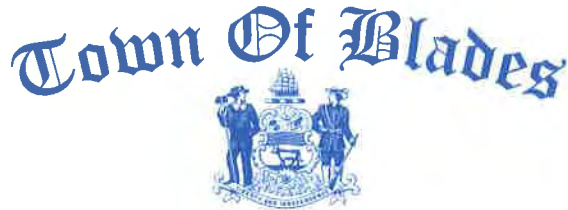
A handwritten signature in dark ink, appearing to read "James E. Bowden, Jr.", written in a cursive style.

James E. Bowden, Jr.

President

51-0255/41

Administration: (302) 629-7329
Fax: (302) 629-7870



20 West 4th Street
Blades, Delaware 19973

POLICE DEPARTMENT

May 27, 2015

Councilman Michael Vincent
Sussex County Council
P.O. Box 589
Georgetown, DE 19974

Subject: **Blades 10th Annual
National Community Night Out**

Dear Councilman Michael Vincent,

Blades Police Department is hosting our tenth annual National Night Out community event on Tuesday, August 4, 2015, (6pm – 8:30pm) in the Blades Public Park. I have reached out to a number of local businesses in the community for their support to help make this community function a huge success ...and the response has been great. I'm inviting the Sussex County Council membership to attend and asking the organization to lend any financial support they can.

Our cost to host this community event comes in the manner of refreshments, hot dogs, hotdog rolls, cookies, bags of charcoal, tent rentals, parking signs, entertainment and the like. Come out and help us celebrate our tenth annual National Night Out and thanks for your support.

Respectfully,

Edwin Cooke

Edwin Cooke
Chief of Police



OFFICERS

Ann Hilaman,
President

Donald Matzkin,
Vice President

H. Edward Maull, Jr.,
Corp. Secretary

Jack Leshner,
Treasurer

Suzanne Jones,
Recording Secretary

TRUSTEES

Thomas E. Brown, Ph.D.

Bernard J. Clark, M.D.

Richard Claypoole

Stan Divorski

Robert Hyberg

H. Edward Maull, Jr.

Elizabeth Owen

Wesley Perkins

Bonnie Taylor

Barbara Warnell

EXECUTIVE DIRECTOR

Michael DiPaolo

May 6, 2015

The Hon. Joan Deaver
19208 Plantation Road
Rehoboth Beach, DE 19971

Dear The Hon. Joan Deaver,

History happens every day. The Lewes Historical Society's job is to preserve the stories of the people, places and events that make Lewes special and then help others draw the connections that help them illuminate a question, resolve an inquiry, or help uncover the memory of a long-departed ancestor. This past year has seen dramatic growth in educational programming, highly visible improvements to our main campus and the Lewes Life-Saving Station as well as the addition of important Lewes artifacts and archives to our collections. We need your support to keep our critical work moving forward.

The Society is dedicated to the idea that history - and organizations like ours - ought to serve as resources and venues to inform decisions that will impact today and make a difference for the future. Without your support, we will miss extraordinary opportunities to teach and inspire future generations about the stories, people and places that have shaped their world.

I ask that you join me in sending in a tax-deductible contribution today. Every dollar you contribute helps to keep Lewes' history alive. As the Society continues to engage our community through its heritage, your support is more critical than ever. Thank you!

Sincerely,

Ann D. Hilaman
President, Board of Trustees



May 15, 2015

Ms. Joan Deaver
19208 Plantations Road
Rehoboth Beach, DE 19971

Dear Ms. Deaver,

Thanks to the generosity of our donors, Coastal Concerts took great strides during the 2014-2015 season toward fulfilling our mission to promote classical music appreciation in central Delmarva.

In addition to presenting five concerts featuring critically acclaimed musicians, we hosted more than 50 young people and accompanying adults to those performances through our Free Youth Admission; sponsored two free "Musical Perspectives" programs; awarded three scholarships to talented high school students; and arranged four educational outreach events – three for students in the Cape Henlopen and Indian River school districts, and one at a community center in Georgetown.

The upcoming season promises to be even more exciting, as we launch two new initiatives intended to make great music accessible and enjoyable for more of our neighbors throughout Sussex County.

On May 2, we presented the first Rising Artist and Venue Expansion (RAVE) concert in Georgetown. This series of free concerts will allow us to showcase up-and-coming musicians in performances targeted to underserved communities. In response to audience requests, we'll also offer a sixth concert – with reduced admission – to close out the season in April 2016. The inaugural "wild card" concert will feature the SYBARITE5, a young, classically trained ensemble recognized for creative and eclectic programs encompassing classical and popular music. It promises to be a memorable musical event.

Our five-concert subscription series offers the quality, and variety, that audiences have come to expect of Coastal Concerts, with performances by the Danish String Quartet, pianist Michael Brown, The Lincoln trio, the VIDA Guitar Quartet and Red Priest, a quartet celebrated for its interpretations of Baroque masterpieces. Both Michael Brown and the SYBARITE5 will present pre-concert lectures, and the Danes will be our special guests at an evening reception for donors on November 13. You'll find more information on our exciting 2015-2016 season, and our community and educational outreach programs, on our website, coastalconcerts.org

Even as we're making changes to better serve audiences, our need for your support remains a constant. Ticket revenues cover only a third of our costs; every dollar you contribute helps us to present superlative talent and to sustain programs that afford members of our community the opportunity to experience and appreciate fine music. I hope we can count on your support. I look forward to personally thanking you at our donor reception for making Coastal Concerts a cultural icon in Sussex County.

*We are grateful for the
County Council's past support
of Coastal Concerts and hope we
can count on you again as we
offer our services to the community.*

Sincerely,

Peter A. Harrigan
President

To Be Introduced 6/9/15

**Council District No. 3 - Deaver
Tax Map I.D. No. 235-30.00-68.00
911 Address: None Available**

ORDINANCE NO. ____

AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A CR-1 COMMERCIAL RESIDENTIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BROADKILL HUNDRED, SUSSEX COUNTY, CONTAINING 0.74 ACRE, MORE OR LESS

WHEREAS, on the 20th day of April 2015, a zoning application, denominated Change of Zone No. 1778 was filed on behalf of John Floyd Lingo; and

WHEREAS, on the ____ day of _____ 2015, a public hearing was held, after notice, before the Planning and Zoning Commission of Sussex County and said Planning and Zoning Commission recommended that Change of Zone No. 1778 be _____; and

WHEREAS, on the ____ day of _____ 2015, a public hearing was held, after notice, before the County Council of Sussex County and the County Council of Sussex County has determined, based on the findings of facts, that said change of zone is in accordance with the Comprehensive Development Plan and promotes the health, safety, morals, convenience, order, prosperity and welfare of the present and future inhabitants of Sussex County,

NOW, THEREFORE, THE COUNTY OF SUSSEX COUNTY ORDAINS:

Section 1. That Chapter 115, Article II, Subsection 115-7, Code of Sussex County, be amended by deleting from the Comprehensive Zoning Map of Sussex County the zoning classification of [AR-1 Agricultural Residential District] and adding in lieu thereof the designation of CR-1 Commercial Residential District as it applies to the property hereinafter described.

Section 2. The subject property is described as follows:

ALL that certain tract, piece or parcel of land lying and being situate in Broadkill Hundred, Sussex County, Delaware, and lying south of Route 9 (Lewes-Georgetown Highway) 200 feet east of Route 5 (Harbeson Road) and being more particularly described as follows:

BEGINNING at an iron rod on the southerly right-of-way of Route 9, a corner for these subject lands and lands of John Floyd Lingo and Nancy B. Lingo, Co-Trustees; thence North 82°50'31" East 153.38 feet along the southerly right-of-way of Route 9 to a concrete monument; thence South 07°09'29" East 200.00 feet along lands of W & B Hudson Family

Limited Partnership to a concrete monument; thence continuing along said Hudson Family lands South 82°50'31" West 170.73 feet to an iron rod; and thence North 02°12'00" West 200.75 feet along other Lingo lands to the point and place of beginning, and containing 0.74 acre, more or less.

This Ordinance shall take effect immediately upon its adoption by majority vote of all members of the County Council of Sussex County, Delaware.

TO BE INTRODUCED

To Be Introduced 6/9/15

**Council District No. 3 - Deaver
Tax Map I.D. No. 230-26.00-35.01
911 Address: 12327 N. DuPont Blvd. Ellendale**

ORDINANCE NO. ____

AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A CR-1 COMMERCIAL RESIDENTIAL DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN CEDAR CREEK HUNDRED, SUSSEX COUNTY, CONTAINING 3.033 ACRES, MORE OR LESS

WHEREAS, on the 4th day of May 2015, a zoning application, denominated Change of Zone No. 1779 was filed on behalf of Thomas K. Munce and Judy L. Munce; and

WHEREAS, on the ____ day of _____ 2015, a public hearing was held, after notice, before the Planning and Zoning Commission of Sussex County and said Planning and Zoning Commission recommended that Change of Zone No. 1779 be _____; and

WHEREAS, on the ____ day of _____ 2015, a public hearing was held, after notice, before the County Council of Sussex County and the County Council of Sussex County has determined, based on the findings of facts, that said change of zone is in accordance with the Comprehensive Development Plan and promotes the health, safety, morals, convenience, order, prosperity and welfare of the present and future inhabitants of Sussex County,

NOW, THEREFORE, THE COUNTY OF SUSSEX COUNTY ORDAINS:

Section 1. That Chapter 115, Article II, Subsection 115-7, Code of Sussex County, be amended by deleting from the Comprehensive Zoning Map of Sussex County the zoning classification of [AR-1 Agricultural Residential District] and adding in lieu thereof the designation of CR-1 Commercial Residential District as it applies to the property hereinafter described.

Section 2. The subject property is described as follows:

ALL that certain tract, piece or parcel of land lying and being situate in Cedar Creek Hundred, Sussex County, Delaware, and lying east of U.S. Route 113 (DuPont Boulevard) 0.54 mile north of Route 16 (Beach Highway) and being more particularly described as Parcel No. 4 on survey of "Lands of Sheila J. Stevens" as recorded in Plot Book 85 Page 50 in the Office of the Recorder of Deeds, in and for Sussex County, said parcel containing 3.033 acres, more or less.

This Ordinance shall take effect immediately upon its adoption by majority vote of all members of the County Council of Sussex County, Delaware.