

HEARING OFFICER'S REPORT

TO: The Honorable Gregory Patterson
Cabinet Secretary, Department of Natural Resources and Environmental Control

FROM: Lisa A. Vest
Public Hearing Officer, Office of the Secretary
Department of Natural Resources and Environmental Control

RE: Applications of Artesian Wastewater Management, Inc. (“AWMI”) for the proposed On-Site Wastewater Treatment and Disposal System (“OWTDS”) Construction Permit and proposed OWTDS Operations Permit Renewal/Amendment for the AWMI planned Phase 3 project, consisting of construction and operation of an upgraded wastewater treatment system at the Sussex Regional Reclamation Facility (“SRRF”), located in Sussex County, Delaware. (Hearing Docket No. 2025-P-W-0022)

DATE: February 9, 2026

I. BACKGROUND AND PROCEDURAL HISTORY:

A virtual public hearing was held on Thursday, December 18, 2025, at 6:00 p.m. via the State of Delaware Zoom Platform by the Department of Natural Resources and Environmental Control (“DNREC” or “Department”) to receive comment on the pending applications of Artesian Wastewater Management, Inc. (“Artesian,” “AWMI,” or “Applicant”) for (1) an On-Site Wastewater Treatment and Disposal System (“OWTDS”) Construction Permit; and (2) a proposed OWTDS Operations Permit Renewal/Amendment for the AWMI planned Phase 3 project, consisting of construction and operation of an upgraded wastewater treatment system at the Sussex Regional Reclamation Facility (“SRRF”) located along Route 30, approximately 4,000 feet north of the intersection of Routes 16 and 30, south of Reynolds Pond Road (Sussex County Parcel Number 235-6.00-28.09) in Sussex County, Delaware (“Applications,” “proposed project”).

This has been a long-term project by the Applicant, beginning with Phase 1 (authorized by Sec.’s Order No. 2021-W-0002) and followed by Phase 2 (authorized by Secretary’s Order No. 2024-W-0013), both operating in accordance with AWMI’s State of Delaware OWTDS Operations Permit No. 359288-02 for the Artesian Northern Regional Water Recharge Facility (“ANSRWRF”) which is now called the SRRF.

The prior Phase 1 project approval authorized AWMI to receive treated poultry processing wastewater (i.e., “treated effluent”) from the Allen Harim Foods Harbeson Processing Facility’s wastewater treatment system for storage in a 90-million-gallon (“MG”) lagoon prior to discharge via spray irrigation for final disposal. The Phase 2 project approval authorized the construction of a wastewater treatment system designed to treat up to 625,000 gallons per day (“GPD”) of municipal wastewater received from AWMI’s wastewater service territories in Sussex County, Delaware and approved an amendment to their Operations Permit (No. 359288-02) to authorize the operation of the systems and equipment installed during the Phase 2 construction project.

Currently pending before the Department is AWMI’s application for an OWTDS Construction Permit for Phase 3 upgrades at the SRRF. The proposed upgrades would increase treatment capacity to 1.875 million gallons per day for wastewater received from AWMI’s wastewater service territories in Sussex County. Specifically, the proposed upgrades involve four modified Bardenpho treatment systems, cloth media filtration systems, UV systems, a second effluent pump station, and associated piping, aeration, and electrical improvements. The treated wastewater would be pumped to the existing 90 MG treated effluent storage lagoon. It should be noted that Phase 3 would not include any changes to the disposal capacity. AWMI has also applied for a Renewal of their current Operations Permit (No. 359288-02) that includes an amendment to authorize operation of the Phase 3 wastewater treatment system upgrades once constructed (“Operations Permit Renewal/Amendment”). Again, the proposed upgrades do not include any changes to the disposal capacity, and any future increases in disposal would be included in a separate application.

The above Applications were submitted by AWMI in accordance with 7 DE Admin. Code 7101, *Regulations Governing the Design, Installation and Operation of On-Site Wastewater Treatment and Disposal Systems* (hereinafter referred to as the “Regulations”).

The hearing record (“Record”) reflects that on January 17, 2025, AWMI submitted the SRRF Permit Renewal Application to the Department’s Division of Water, Commercial and Government Services Section (“CGSS”). Over the next several months, the Applicant submitted additional documentation concerning that renewal application, pursuant to the Department’s request for the same. On May 16, 2025, AWMI (through their consultant, KCI Technologies, Inc.) submitted to the Department their application package for the aforementioned Phase 3 upgrades. Additionally, on June 6, 2025, the Department received correspondence from AWMI requesting a modification to the renewal of their Operations Permit, specifically, to incorporate the Phase 3 treatment expansion. At that time, AWMI also provided to the Department a schedule for bringing Fields D and E online at the SRRF facility.

Accordingly, following a thorough review of both Application packages, the Department prepared Draft Permits in this matter (DNREC Draft Construction Permit 359288-04 – AWMI and DNREC Draft Operations Permit Renewal/Amendment 359288-05 – AWMI) and published Legal Notice in both the *Delaware State News* and the *News Journal* on November 28, 2025, advising the public of the above-described proposed project, the Draft Permits prepared by the Department, and that a virtual public hearing would be held to consider comments on the proposed project on December 18, 2025. Notice of the public hearing was also placed on the State of Delaware Public Meeting Calendar at that time as well.

Department staff, representatives of the Applicant, and members of the public attended the public hearing held on December 18, 2025. Pursuant to 29 Del.C. §10118(a), the Record remained open subsequent to the date of the public hearing for receipt of public comment through January 2, 2026. It should be noted that no comments were received from the public concerning the pending Applications at any time during both the pre- and post-hearing phases of this permitting matter.

II. SUMMARY OF THE PUBLIC HEARING RECORD:

The Record consists of the following documents:

- (1) A verbatim transcript of the public hearing held on December 18, 2025, as provided by Veritext Legal Solutions;
- (2) Twenty-two (22) documents introduced by Department staff at the public hearing held on December 18, 2025, and marked by this Hearing Officer at the time of the hearing accordingly as “Department Exhibits 1-22.” It should be noted that these exhibits included the Draft Permits prepared by the Division of Water, as noted above; and
- (3) Copy of the Applicant’s presentation offered at the public hearing, marked accordingly by this Hearing Officer as “Applicant’s Exhibit 1,” identified as such on the hearing web page dedicated to this matter under the “Applicant’s Exhibits” section.

The Department’s person in the Division of Water primarily responsible for reviewing this Application, John Rebar Jr., Environmental Program Manager II, CGSS, developed the Record with the relevant documents in the Department’s files. As noted previously, no comments were received from the public at any time during the processing of this permitting matter.

III. RECOMMENDED FINDINGS AND CONCLUSIONS:

Currently pending before the Department are the above-described Applications for AWMI’s for (1) an OWTDS Construction Permit; and (2) a proposed OWTDS Operations Permit Amendment for the AWMI planned Phase 3 project, consisting of construction and operation of an upgraded wastewater treatment system at the SRRF, located in Sussex County, Delaware. I find that the Applicant is required to obtain both a Construction Permit and an Operations Permit Amendment, as described above, for the proposed Phase 3 project at SRRF. I further find that above-described Applications are subject to various state and federal regulatory requirements, including, but not limited to, the requirements of Delaware’s *Regulations Governing the Design, Installation and Operation of On-Site Wastewater Treatment and Disposal Systems* (7 DE Admin. Code 7101), and as provided for under 7 Del.C. Ch. 60.

For the Secretary's Review, copies of the Draft Construction Permit (359288-04 – AWMI) and the Draft Operations Permit Renewal/Amendment (359288-05 – AWMI) are attached hereto as Appendices "A" and "B," respectively. It should be noted that no changes were made to these Draft Permits by the Department subsequent to the public hearing held in this matter on December 18, 2025, and the Department's experts in the Division of Water, CGSS, recommend that the Draft Permits be finalized at this time. As noted previously, no public comment was received by the Department regarding this pending permitting matter.

The mission of DNREC is to engage stakeholders to ensure the wise management, conservation, and enhancement of the State's natural resources; protect public health and the environment; provide quality outdoor recreation; improve quality of life; lead energy policy and climate preparedness; and educate the public on historic, cultural, and natural resource use, requirements, and issues. Furthermore, it is the policy of DNREC that no person shall, on the grounds of race, color, national origin, sex, age, or disability, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance, as provided by Title VI of the *Civil Rights Act of 1964*, the *Rehabilitation Act of 1973*, the *Civil Rights Restoration Act of 1987*, and all other related nondiscrimination laws and requirements. The Department's subject matter experts in the Division of Water, CGSS, have reviewed the Record generated in this matter, and have determined that the issuance of the finalized Draft Permits is consistent with DNREC's Environmental Justice policy.

I find and conclude that the Record supports issuance of both the finalized Construction Permit and the finalized Operations Permit Renewal/Amendment for AWMI's Phase 3 SRRF proposed project. Upon approval, the finalized Permits to be issued to AWMI by the Department would be consistent with the Draft Permit authorizations prepared by the Department's experts in the Division of Water, CGSS, with appropriate conditions, to ensure continued protection of public health and the environment, and reflective of the Record developed in this matter.

Accordingly, this Report recommends the issuance of the finalized Phase 3 Construction Permit and the finalized Phase 3 Operations Permit Renewal/Amendment, authorizing the construction and operation of AWMI's Phase 3 SRRF project, as described above, consistent with the Draft Permit authorizations prepared by the Department's Division of Water, CGSS, and consistent with the Record developed in this matter, as necessitated by the Applicant's proposed project, as set forth above.

Further, the Department concludes and specifically directs the following:

1. The Department has jurisdiction, as provided for under *7 Del.C. Ch. 60, Regulations Governing the Design, Installation and Operation of On-Site Wastewater Treatment and Disposal Systems* (7 DE Admin. Code 7101), and all other relevant statutory authority, to make a final determination on the aforementioned pending Applications after holding a public hearing and considering all information contained in the Record generated in this matter;
2. The Department provided proper public notice of the aforementioned Applications submitted by AWMI, and of the public hearing held on December 18, 2025, and held the hearing to consider any public comments that may be offered on the Applications, in a manner required by the law and aforementioned regulations;
3. The Department has reviewed all of the associated relevant documents included in the Appendices therein;
4. The Department has carefully considered the factors required to be weighed in issuing all permits and authorizations required by the aforementioned Applications, and finds that the Record supports approval of the same;

5. The Department has reviewed the Record generated in this matter and has determined that the issuance of the aforementioned finalized Permits in this matter is consistent with the Department's Environmental Justice policy;
6. The Department shall issue the following authorizations to the Applicant in this matter: (1) the finalized Phase 3 Construction Permit; and (2) the finalized Phase 3 Operations Permit Renewal/Amendment, authorizing the construction and operation of AWMI's Phase 3 SRRF project, as described above, with the appropriate conditions as set forth herein, consistent with the Draft Permit authorizations prepared by the Department's Division of Water, CGSS, and consistent with the Record developed in this matter, to ensure that Delaware's environment and public health will be protected from harm;
7. The Department has an adequate Record for its decision, and no further public hearing is appropriate or necessary; and
8. The Department shall serve and publish its Order on its internet site.



LISA A. VEST
Public Hearing Officer

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Attachments:

Appendix A: Draft Construction Permit (359288-04 – AWMI)

Appendix B: Draft Operations Permit Renewal/Amendment (359288-05 – AWMI)