

Delaware Clean Water Trust Strategic Plan 2023-2027

DELAWARE CLEAN WATER TRUST OVERSIGHT COMMITTEE





Delaware Clean Water Trust Oversight Committee

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Clean Water Trust Strategic Plan 2023 – 2027

INTRODUCTION

Delaware’s economic vitality is dependent on maintaining and improving the State’s water and wastewater systems and protecting and enhancing the State’s water resources and natural infrastructure. Water and natural infrastructure are the foundation for a healthy population and environment needed to sustain a high quality of life for residents, healthy habitats, as well as an attraction for tourism, employers, and workers. Some Delawareans lack access to potable drinking water or basic wastewater disposal in their homes. Many Delaware homes, farms, agriculture lands, and businesses are at risk from flooding and drainage hazards. This flood risk impacts the environment, public safety, public health, and the economy. Many of the State’s waters do not meet water quality standards to support their designated uses, such as for drinking, swimming, or supporting aquatic life. Delaware’s list of impaired waters includes almost 400 bodies of water that suffer from excess nutrients, low dissolved oxygen, toxins, and bacteria that negatively impact human and aquatic life.

Affordability is a significant change for decentralized water and wastewater system as well for low-income communities with existing municipal systems. The primary challenges associated with addressing drinking water and wastewater infrastructure needs in low-income communities are identifying those systems that may be out of compliance with current public health drinking water requirements, and environmental wastewater requirement. In some cases, community systems may exist that pre-date regulatory requirements and decentralized community systems may be privately owned.

Municipalities with water quality improvement opportunities needs are limited by the availability of local matching funds for cost-share programs. Capacity issues including staff retention, loss of institutional knowledge and technical capacity are also major challenges. Landowner interest in key water quality practices such as wetland and stream restoration and forested buffers make it difficult to place the most effective practices on the ground. Finally, the use of funding to complete or update long-term watershed plans is limited.

Existing federal and state funding sources alone are inadequate to meet the State’s current and future demand for clean water projects. To assist local governments, private entities, and farmers to undertake clean water projects that effectively and efficiently reduce pollution in the waters of the state, the Delaware Clean Water Trust was created by the 151st General Assembly through the Delaware Clean Water Act. The primary purpose was to ensure the greatest environmental return on investment through the management and coordination of financial resources available to the State for drinking water, wastewater, drainage, stormwater, and other eligible clean water projects.

The Delaware Clean Water Trust Oversight Committee (Committee) was established to coordinate the management of water resources available for Clean Water Trust projects and other programs that impact the quality of Delaware’s water resources and to serve in an advisory capacity to the General Assembly and Governor.

The Clean Water Trust Strategic Plan establishes the framework for assessing and communicating the challenges, goals, and strategies for implementing prioritized plans and projects that support and facilitate improvements to drinking water and wastewater infrastructure, drainage, and stormwater improvements, and restoring water quality. The primary focus is addressing the water resource needs of Delaware’s underserved communities and low income and mitigating climate change impacts to drainage and stormwater infrastructure, and addressing conservation, non-point source pollution, and habitat improvements. Priority is given to clean water projects that utilize green infrastructure and enhancement of natural systems to provide ecological benefits that improve water quality, demonstrate a high ratio of nutrient or pollution reduction to the amount of funding, and improve community resiliency to extreme weather, sea level rise, and other climate impacts.

VISION

To encourage local governments, private entities, and farmers to undertake clean water projects that effectively and efficiently reduce pollution in the waters of the State by establishing mechanisms to facilitate planning and financing of such projects at the lowest reasonable costs and to ensure the greatest environmental return on investment through the management and coordination of financial resources available to the State for drinking water, wastewater, drainage, and other eligible clean water projects which impact the quality of the State’s water resources.

KEY STRATEGIC PRIORITIES

The following strategic funding and programmatic priorities have been identified by the General Assembly in the Clean Water for Delaware Act, Chapter 80, Title 29 DelCode, Subchapter IV, Section 8082(d)(2).

- Leverage Clean Water Trust funds with existing state and federal funds to implement clean water projects to protect Delaware waterways and rebuild Delaware’s drinking water infrastructure with a focus on low-income and historically underserved communities.
- Prioritize funding that utilizes green infrastructure and the enhancement of natural systems to provide ecological benefits that improve water quality, demonstrate a high ratio of nutrient or pollution reduction to the amount of funding, and improve of community resilience to extreme weather, sea level rise, and other climate impacts.
- Identify multi-year water quality goals and demonstrate progress towards meeting those goals [annually]. Provide a prioritized list of proposed projects to [help] attain such [water quality] goals, including increased accessibility to low income and traditionally underserved communities.
- In concert with recent federal funding, prioritize funding that reduces known contaminants in drinking water such as Perfluorooctane sulfonic acid (PFOS), perfluoroalkyl and polyfluoroalkyl substances (PFAS) and lead.

ENVIRONMENTAL FINANCING PROGRAMS

- ❖ *Clean Water Initiative for Underserved Communities*
- ❖ *Drinking Water SRF*
- ❖ *Clean Water SRF*
- ❖ *Resource Conservation and Development*

- Establish programs to assist Delawareans to reduce the burden of water and sewer bills. Provide Recommendations for strategies that support low-income consumer affordability.
- Provide technical assistance to assist small communities to have the technical, managerial, and financial capacity to undertake clean water projects.

STRATEGIC GOALS AND CHALLENGES

Leverage Environmental Financing Programs

Clean Water Trust Funding Sources

Delaware’s General Assembly determines that it is in the public interest to designate a Delaware Clean Water Trust account to be funded from appropriations, including supplemental funds in the bond bill, intended to satisfy § 7903(14) of this title related to the Delaware Safe Drinking Water Revolving Fund referred as the Delaware Drinking Water State Revolving Fund (DWSRF), § 8003(12) of this title related to the Delaware Water Pollution Control Revolving Fund referred to as the Delaware Clean Water State Revolving Fund (CWSRF), and § 3923 of Title 7 related to Resource, Conservation and Development (RC&D) projects as appropriated to the County Conservation Districts in Kent, New Castle and Sussex Counties; and moneys received as repayments of principal and interest on loans, interest received on invested funds, and other funding made available. The Clean Water Trust Account includes funds in the bond bill that are used to supplement the Clean Water and Drinking Water SRFs and to support the Clean Water Initiative (CWI) for Underserved Communities.

Appropriation	Month-Year	Clean Water	Drinking Water	RC&D	Comments
SFY 21 Bond Bill	June 2020	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	Traditional Funding Levels
SFY 22 Bond Bill	June 2021	\$ 22,500,000	\$ 22,500,000	\$ 5,000,000	Increased to support Clean Water Trust/HB200
SFY 22 Mini-Bond Bill	Jan 2022	\$ (18,040,000)	\$ (14,940,000)	\$ -	Funds reallocated to other uses
SFY 23 Bond Bill	June 2022	\$ 10,000,000	\$ 7,140,000	\$ 10,000,000	\$23.04 M of CWT funds not restored
Total Funds Received Since SFY21		\$ 19,460,000	\$ 19,700,000	\$ 20,000,000	

Clean Water Initiative for Underserved Communities

The Clean Water Initiative for Underserved Communities was created to address wastewater and drinking water issues specifically benefitting low income and traditionally underserved communities. Funding for this initiative is included in the State’s Bond Bill appropriation for the Clean Water Trust Account. The CWI provides an operational definition of low-income communities for Delaware as well as establishes criteria for community selection and recommends minimum funding levels for wastewater and drinking water projects benefitting low income and traditionally underserved communities through low interest loans and affordability grants were established by the CWI.

Clean Water Initiative for Underserved Communities – Phase 2 Strategy

The Clean Water Initiative for Underserved Communities preliminary strategy continues to move forward towards providing permanent, long-term solutions for safe drinking water and wastewater disposal to communities in need. However, in establishing the Phase 1 strategy it was noted that there are many communities in need that are geographically isolated such that a permanent central sewer and public

water solution for these communities is not practicable in the near future. To this extent Phase 2 of the CWI will work to address geographically dislocated underserved communities via an interim solutions set-aside, that can be utilized to implement interim corrective actions and interim solutions to promote healthy wastewater disposal and safe drinking water conditions in these communities. Implementation of this Phase 2 strategy could include using the interim solutions set-aside for things such as: inspection and evaluation of failing wastewater infrastructure, technical assistance, education and outreach, interim pumping of failing onsite systems, in some cases replacement, repair, or O&M support of onsite systems that are failing and causing public health concerns, private water testing if no community wells are present, etc..... Initial focus of Phase 2 will be on inspection and inventory of geographically dislocated communities to establish prioritization and needs.

Clean Water and Drinking Water Revolving Funds

As required by the US Environmental Protection Agency (EPA), the Delaware SRF programs created a Project Priority List (PPL) and Intended Use Plan (IUP) in advance of their applications for Federal Capitalization Grant. Links to these plans are available at the end of this document.

FFY 2022 CWSRF Project Priorities

Eighteen (18) new Notices of Intent (NOIs) were received totaling \$115,157,731. These projects include wastewater treatment plant upgrades, wastewater disposal, sewer extensions, septic elimination, and sewer interceptor rehabilitation. Also, \$1.5 million is allotted for a Green Project Reserve (GPR) solicitation. The GPR projects will receive 100% principal forgiveness for eligible projects from eligible applicants based on a solicitation which will take place in 2023. Eligible projects include projects meeting the EPA definition of green infrastructure, water efficiency, energy efficiency, and environmentally innovative. FFY 2022 CWSRF IUP – The IUP identifies all sources and uses of funds for the CWSRF and identifies short- and long-term goals of the fund.

FFY 2022 DWSRF Project Priorities

Seventy-two (72) new Notices of Intent (NOIs) were received totaling \$211,822,477. These projects include water treatment plant upgrades, water service extensions, lead service lines, and emerging contaminants (PFOS and PFAS). FFY 2022 DWSRF IUP - The IUP identifies all sources and uses of funds for the DWSRF and identifies short- and long-term goals of the fund.

These grants included base SRF grants and supplemental grants under the Bipartisan Infrastructure Law (BIL). Below is a summary of the Federal FY 2022 BIL funding for Delaware (**Note: “Ad Sub” is the EPA term for Additional Subsidization in the form of Principal Forgiveness**):

	CWSRF	DWSRF
Base Program (20% match)	5,681,000.00	7,008,000.00
CW Min Ad Sub (10%)	568,100.00	-
CW Max Ad Sub (30%)	1,704,300.00	-
CW Congressional Ad Sub (10%)	568,100.00	
DW Min Ad Sub (12%)	-	840,960.00
DW Max Ad Sub (35%)	-	2,452,800.00
DW Congressional Ad Sub (14%)	-	981,120.00
Base Program Totals	5,681,000.00	7,008,000.00

	CWSRF	DWSRF
Bipartisan Infrastructure Law (BIL)		
Supplemental Funding (10% Match)	8,738,000.00	17,992,000.00
Ad Sub (49%)	4,281,620.00	8,816,080.00
Emerging Contaminants (0% Match)	459,000.00	7,555,000.00
Ad Sub (100%)	459,000.00	7,555,000.00
Lead Service Line Replacement (0% matc	-	28,350,000.00
Ad Sub (49%)	-	13,891,500.00
BIL Totals	9,197,000.00	53,897,000.00

	CWSRF	DWSRF
Program Totals	5,681,000.00	7,008,000.00
BIL Totals	9,197,000.00	53,897,000.00
Subtotals	14,878,000.00	60,905,000.00
Grand Total	\$75,783,000.00	

Resource Conservation and Development Funds

Also included in the Clean Water Trust Account is the Resource Conservation and Development Fund. This fund was created to provide funding to enhance the health of communities by improving watershed and drainage infrastructure statewide. The fund is implemented by the Department of Natural Resources and Environmental Control (DNREC) Division of Watershed Stewardship and the County Conservation Districts in New Castle, Kent, and Sussex Counties. Since 1996 over \$91 million in funding has been allocated. An annual report is provided to the Joint Committee on Capital Improvements.

Repayment Funds

CWSRF and DWSRF repayment funds are principal and interest payments on completed projects and committed as necessary to support the respective PPLs. These funds are used to fund projects in excess of the annual federal funds and support the CWSRF and DWSRF funds in perpetuity should federal capitalizations grant end in the future.

Additional State and Federal Funding Sources

Beach Preservation and Waterway Management Programs

The Waterway management program activities implemented by the DNREC are funded through a combination of Bond Bill appropriations and revenue from the Waterway Management Fund (i.e., boat registration fees). Annual Bond Bill appropriations to the DNREC Division of Watershed Stewardship’s Shoreline and Waterway Management Section are split between beach preservation activities such as beach nourishment and waterway management activities such as dredging, microalgae harvesting, and navigation marker maintenance. The majority of appropriated funds are used to provide a cost-share for beach nourishment activities in partnership with the Army Corps of Engineers.

Drainage and Tax Ditch Program: State and County Matching Funds/3921 Funds

The Drainage Program provides management and implementation of regulatory and non-regulatory programs to improve drainage, stormwater, and water quality. State and County Matching Funds or 3921 Funds are funds annually appropriated by the General Assembly and matched by each County through

the Conservation Districts. Annually the General Assembly appropriates \$75,000 for use in each of the counties to pay for costs associated with personnel required for planning, constructing, installing, or maintaining tax ditches, public group ditches, highway ditches, and resource conservation projects. These funds are passed through the DNREC Division of Watershed Stewardship and given to the County Conservation Districts for implementation. The Conservation Districts establish policies or criteria for use of these funds.

Routine annual tax ditch maintenance costs across the State were estimated to be over \$2 million in the Tax Ditch Modernization Workgroup Report. Therefore, approximately \$1 million is needed annually to fully fund routine maintenance activities. Maintenance activities are cost shared with the tax ditch organizations. In FY 2022 and FY 2023 the program received \$500,000 annually in supplemental appropriations for tax ditch maintenance and repair. In addition, \$325,000 is appropriated annually through 3921. To fully support annual tax ditch maintenance additional funds are needed.

Supplemental Funds for Tax Ditch Maintenance

In FY 2020 and FY 2023 the Delaware Bond Bill appropriated \$500,000 to the DNREC for tax ditch maintenance projects in New Castle, Kent, and Sussex counties. These funds were distributed to each County Conservation District based on the mileage of tax ditch channel in the county. These funds were secured as a means to help bridge the gap in the State & County Matching Funds/3921 Funds noted above. Annual commitment to the allocation of these funds in the amount of \$550,000 is recommended to bridge the gap in funding for financial aid to tax ditch organizations across the State to maintain the stormwater infrastructure they provide. Alternatively, the State & County Matching Funds/3921 Fund allocation could be increased to bridge this gap. Ability of tax ditches across the State to maintain the stormwater infrastructure they provide.

Minimum Funding Levels

The Bond Bill appropriations for the Clean Water Initiative requires at least \$1,600,000 of these funds shall be used for the development, administration, and implementation of a clean water financing program to benefit low-income and traditionally underserved communities through lower interest rates and affordability grants. The Committee intends to use the bond bill appropriations for the following:

Priorities for use of the CW Trust bond bill funds:

Clean Water:

- 1) State Match for CWSRF Federal Capitalization Grants (FFY 2022 State Match \$2,010,000)
- 2) Funding of 5 DNREC Division of Water Permitting Limited Term Positions to support BIL funding (estimated at \$512,327 per year)
- 3) State Grant Program for Septic Rehabilitation for Low-Income Homeowners (\$500,000 for year one of Pilot Program)
- 4) Clean Water Initiative project funding (to the maximum available funds)

Drinking Water:

- 1) State match for the DWSRF Federal Capitalization grant (FFY 2022 State Match \$3,200,800)
- 2) State match for non-DWSRF Federal Grants

- 3) Remaining funds to support high-impact public health projects that do not fit under traditional DWSRF funds: whether it be a lack of eligibility, timeliness, or other unforeseen events

Current Clean Water Bond Bill Funded projects (in planning or construction)

Wastewater Septic Elimination Projects

- Donovan Smith MHP Project (Pilot CWI project)
- Countryside Hamlet MHP Project
- Slaughter Beach Project
- Possum Point Project
- Grants Way Project

Drinking Water Projects

- Countryside Hamlet MHP Project
- Stage Village MHP Project
- Bethany Crest MHP Project

Other potential projects can be found in the short list of projects for the CWI Strategy.

[Multi-Year Water Quality Goals and Progress](#)

The Committee has been charged with identifying multi-year water quality goals, the challenges facing the achievement of such water quality goals, and progress towards meeting those goals. The Department of Natural Resources and Environmental Control has several programs that work to assess water quality then develop goals and plans at the watershed level, manage implementation of projects and practices to meet goals, and to track and report progress on a regular basis. The list of multi-year plans and relevant documents are provided at the end of this plan.

[Water Quality Standards, TMDLs and Pollution Control Strategies](#)

The Water Quality Standards Program works with stakeholders and coregulators to set Designated Uses and Criteria for the State's waters to protect them as required under the Clean Water Act, EPA regulations, and Delaware Code. DNREC's Triennial Review of Water Quality Standards was completed in March 2023 and revised standards have been posted to the DNREC website. The *State of Delaware 2022 Combined Watershed Assessment Report (305(b)) and Determination for the Clean Water Act Section 303(d) List of Waters Needing TMDLs (The Integrated Report)* is completed by April 1st of even number years.

The Total Maximum Daily Load Program (TMDL) develops the pollution limits and implementation plans required for waterbodies that do not meet designated use criteria due to pollutants and are thus part of the State's 303(d) list of impaired waters. Delaware's list of impaired waters includes almost 400 bodies of water that suffer from excess nutrients, low dissolved oxygen, toxins, and bacteria that negatively impact human and aquatic life. TMDLs have been developed for most watersheds in Delaware for excessive nutrients and bacteria. The DNREC will be working to satisfy TMDL requirements thru the development of Advanced Restoration Plans (ARP) in the Chesapeake and Delaware Canal Watershed over the next two years. The DNREC or EPA will develop an ARP for the St Jones Watershed in subsequent years. A TMDL will be developed in the Red Clay Creek Watershed by the end of CY2024 due to presence of toxic compounds. The goal is to implement strategies to reduce pollutants in order to "delist" streams

from the 303(d) list once they have met the criteria for their designated use. In 2022 36 segments were “delisted” as they were shown to meet criteria for designated usage.

Partner priorities include continued funding to support water quality monitoring efforts and expand monitoring station as funding allows.

Watershed and Pollution Plans and Strategies

Nonpoint Source Watershed Plans

The Nonpoint Source Program (NPS) addresses nonpoint source pollution through educational programs, publications, and partnerships with other Delaware organizations and development of watershed implementation plans. The Delaware NPS Program also administers a competitive grant made possible through Section 319 of the Clean Water Act, providing funding for projects designed to reduce NPS pollution. The 319 Grant Program is a federal grant administered by EPA. Typical annual appropriation for this grant has been \$1.2 million with additional \$822,000 in non-federal match required. This requirement has been passed to grantees/project partners in the past, however opportunities to leverage other state water quality funds would reduce the match burden and make these funds more palatable to local governments for installation of green infrastructure. Wetland restoration, wetland creation, and buffer projects provide the more water quality benefit; however, it is a challenge to find landowners willing to install these practices as well.

Chesapeake Bay Watershed Restoration Efforts

In 2010, Delaware and the Bay States committed to a pollution diet and then committed to a 2014 Bay agreement which further outlined strategies to enhance the Chesapeake Bay watershed, this work continues today. In the next several years, states, federal agencies, local governments, and conservation districts need to implement pollution control measures at unprecedented rates to meet the goals of the Watershed Implementation Plan (WIP). By 2025, the region is tasked with having in place all pollution control measures necessary to achieve restoration goals. The success of this massive undertaking requires implementing, documenting, reporting, and verifying the work that’s being done across the state and the entire 64,000-square-mile watershed. This includes Delaware’s efforts to meet the Chesapeake Bay TMDL by implementing targets identified in Delaware’s WIP. Currently, nutrient loads are off track, and without dedicated financial commitments for this effort, the State may not meet the 2025 goals. In Delaware’s Phase III Chesapeake Bay WIP, additional funding would be necessary to implement high priority practices.

Special funding through the Chesapeake Bay Implementation Grant (CBIG) is given annually to support the implementation of Best Management Practices (BMPs) that serve to help Delaware meet its load reduction goals. These additional funding allocations are directed to assist underserved communities and local government partners; however, the match requirement of 1:1 federal to non-federal funds can create barriers to communities with already limited resources. New federal funding sources with reduced match requirements has led to a decrease in the number of grant applications for existing funding sources with higher match requirements.

The ability to provide state funds to offset all or part of the non-federal match in existing sources would allow for the implementation of those priority BMPs that have been identified in Delaware’s WIP to meet our 2025 goals. this funding would also be used as match and leverage for other federal sources.

Comprehensive Conservation and Management Plans (CCMPs)

Partner organizations develop, manage, and implement CCMPs for the Inland Bays Estuary and the Delaware River Estuary. These documents are multi-year plans to meet watershed goals. Watershed plans at this scale are costly to produce. Funding support for watershed plan updates should be considered.

Green Infrastructure and Natural Systems

Clean Water SRF Green Project Reserve

Eligible projects must meet the EPA guidance for Green Infrastructure, Water Efficiency, Energy Efficiency or Environmentally Innovative. The program is intended to be 100% Principal Forgiveness Loans to municipalities and counties.

Stormwater BMP Review and Management

The routine review of stormwater management facilities is necessary to ensure those facilities continue to function as designed. Improperly maintaining stormwater management increases the potential for flooding and water pollution.

Stormwater Management Solutions

Currently the funds collected through fee-in-lieu for stormwater offsets are dispersed in accordance with the state's Sediment and Stormwater regulations (Section 13.2.2). Guidelines have not been developed as part of the regulations for the distribution of the funds, however they have been dispersed through the Water Quality Improvement Grant program. Local governments have a need for stormwater infrastructure funding but are ineligible to apply for the Fees-in-lieu through the Water Quality Improvement Grant. Revising the process or mechanism for the use of these funds to allow municipal and county governments to receive stormwater offset fees funding will promote the implementation of stormwater management projects more readily.

Reduce Known Contaminants in Drinking Water

Drinking water testing priorities of the State

The Drinking Water State Revolving Fund (DWSRF) is committed to protecting public health by providing low interest loans and grants to community water systems to reduce exposure to environmental hazards in drinking water. The financing provides opportunities for constructing and maintaining source water protection, treatment, transmission, storage, and sustainability at the systems.

DWSRF shares in US EPA initiatives for reducing exposure to lead and PFAS in drinking water.

Additionally, DWSRF supports testing capacity for all primary drinking water standards identified in the Safe Drinking Water Act.

Watershed Approach to Toxics Assessment and Restoration (WATAR)

The DNREC Division of Waste and Hazardous Substances, under the Hazardous Substance Cleanup Act (HSCA) is supporting the Delaware Clean Water Trust by cleaning up or controlling groundwater and surface water contamination to protect drinking water sources at various HSCA sites. Surface water contamination is being addressed under the Watershed Approach to Toxics Assessment and Restoration (WATAR) initiative and in particular in the last few years under the Christina-Brandywine River

Remediation Restoration Resilience (CBR4) projects. An estimated amount of \$10M was spent directly/indirectly to address groundwater/surface water contamination in FY 2022 through HSCA.

Emerging Contaminants

Delaware has adopted a collaborative model to address PFAS by actively coordinating the actions of multiple Departments, Divisions, Sections and Programs to address these emerging contaminants. This model has been effectively used to provide data and information transfer to parts of state government and local partners to lessen the burden for each partner to research and create a separate and potentially disparate approach. The ability to retain the functions of this team to continue work on PFAS to assist with the development of defensible regulatory standards, best management practices and mitigation strategies and tactics are critical. The approach to addressing the next class or classes of emerging contaminants can be supported through the Committee. The approach can also be utilized to address “legacy” contamination and pollution where there have been limitations on strategy and tactics until now. The Committee can be directed to support groups that partner with State of Delaware agencies to approach legacy topics with a holistic focus.

Water Supply Coordinating Council (WSCC)

In January 2022, the Governor’s Water Supply Coordinating Council sunset per statute after over 20 years of service to the State. Over that period, the WSCC was instrumental in facilitating many significant improvements to the resiliency of public water supplies; particularly in the urbanized northern portions of the State that rely on the Brandywine River and the White Clay Creek as the primary water source. The DNREC is now engaged in the process of developing the framework for a revised council that will be better able to target water supply coordination concerns and strategies needed in the rest of the State, including better integration with the Water Infrastructure Advisory Council (WIAC) to identify funding opportunities as well. It is the intent to reconstitute the WSCC in a fashion that provide guidance for the next 20 years while better enabling region-specific actions throughout the State. **(Note: Legislation has since been passed to reauthorize the WSCC).**

Reduce Burden of Water and Sewer Bills

CWSRF Affordability Criteria

The CWSRF affordability criteria will be used to determine whether a project is eligible for principal forgiveness. Principal forgiveness awards will be determined based upon applications received through the annual CWSRF solicitation process and will be provided on a first come first serve basis, to the extent available. Section 603(i)(2) of the Clean Water Act (CWA) requires the follow factors: Median Household Income (MHI), unemployment rate, population trends of the borrower and other relevant data. Affordability criteria measures can be found in the CWSRF IUP. These subsidies reduce the debt service fees for users but do not address user service charges or Operations and Maintenance (O&M) fees. This needs to be addressed for in the future to assist underserved communities.

DWSRF Disadvantaged Community Definition (DAC):

The DWSRF Disadvantaged Community (DAC) definition will be used to determine whether a project is eligible for principal forgiveness. Principal forgiveness awards will be determined based upon applications received through the annual DWSRF solicitation process and will be provided on a first come first serve basis, to the extent available. DAC is determined by several factors including MHI and use of screening

tools. DAC measures can be found in the DWSRF IUP. Like the CWSRF program, these subsidies reduce the debt service fees for users but do not address user service charges or O&M fees. This needs to be addressed for in the future to assist underserved communities.

Low-Income Household Water Assistance Program (LIHWAP)

This is a federal program being managed by DHSS for the Low-Income Household Water Assistance Program (LIHWAP) that provides funds to assist low-income households with water and wastewater bills.

Federal funding for this program will expire this year (2023) and no additional funding source has been identified. The recommended action for the Committee to work with DHSS – LIHWAP program to identify future funding options as the process is already established. Additionally, the current scope of the program is limited to residences that have public water supply and/or wastewater services. Consideration should be given to expanding the scope of this program to include the ability to provide financial assistance to residences with private wells for point of use water treatment and/or septic system maintenance and septic system repairs.

Septic Loan Conversion Pilot Program

A pilot program has been implemented to convert CWSRF individual septic system loans to grants. Existing loans still in repayment will be forgiven and the future program will offer grants to individuals instead of loans. This will reduce the burden for low-income homeowners in upgrading their failing on-site septic systems, some of which are in excess of \$25,000 to meet the current regulations. Connection to central sewer is also eligible for qualifying homeowners.

Technical Assistance to Support Clean Water Projects

EQuIS

Delaware has gathered years of environmental data pertinent to the goals of Clean Water Delaware. The data gathered has overall been used to achieve specific goals in isolated programs directed through statute and regulation. In order to achieve the strategic goals of water resource protection, management and restoration, further implementation of the Environmental Quality Information System (EQuIS) database is critical. As part of coordinating the strategy, the Clean Water Trust Account could be utilized to support the ongoing operation, enhancement and expansion of this system that is envisioned to contain data from DNREC, DDA, DeIDOT, DHSS that when assessed holistically will allow each of these agencies to function with the ideals of One Delaware. The use of EQuIS for PFAS, as an example, is providing the DNREC with the tool to best determine source, fate and transport and conduct sound decision-making as DE tackles this complex and dynamic emerging contaminant topic.

Data Transparency

In addition to the Environmental Data management strategies discussed about the standardization of the EQuIS software platform, there is also the need to provide summarized information from existing disparate data systems into an easily accessible and understandable presentation for us by both the Agency staff and the Public. A key component of this is the consolidation of information from the DNREC, the DHSS, and Delaware Geological Survey (DGS) regarding the sources, quantity, and quality of our public drinking water sources. While each of these agencies continue to maintain and improve their own internal database, this effort would pull from those systems and consolidate the related information on water quality from DHSS, well construction and potential contaminant sources from the DNREC and the geology and stream flows from the DGS and USGS into one location for querying, mapping, and analysis.

Evaluation of Wastewater Disposal Methods and Modernization for Delaware

Due to factors such as climate change, sea level rise, population growth, and emerging contaminants, wastewater disposal methods and options for Delaware need to be modernized to meet these challenges and changing needs. There are numerous methods for the discharge and disposal of treated wastewater, all with various limitations, advantages, and disadvantages. For the State of Delaware to properly regulate wastewater disposal in a manner that is most protective of our surface and groundwater resources, a detailed evaluation of current and potential new wastewater disposal methods is needed based on Delaware's unique water use landscape, climate, and environmental concerns. A core strategic principal of the Clean Water Trust Vision is to continue Delaware's economic vitality while maintaining and improving the State's wastewater systems and protecting and enhancing the State's water resources. In carrying forward this principal, the Committee will support the modernization and improvement of wastewater disposal methods in Delaware through a state specific detailed evaluation of wastewater disposal methods for Delaware. This evaluation will assess suitability of wastewater disposal methods in light of current and future challenges such as climate change and emerging contaminants, costs, and contaminant loading. The goal is to establish a state specific, robust, modernized wastewater disposal framework from which regulatory enhancements can be supported and prioritized to better protect Delaware's water resources now and into the future.

Delaware Pretreatment Evaluation

Currently the State of Delaware is not delegated CWA Pretreatment Program oversight from the federal EPA, so the EPA retains primacy for CWA pretreatment responsibility in Delaware. In addition, the State of Delaware does not currently have its own state pretreatment regulations, therefore, there is no pretreatment oversight (state or federal) for non-National Pollution Discharge Elimination System (NPDES) wastewater treatment dischargers unless they self-report to EPA. Even though not mandated by state law, most wastewater treatment and disposal purveyors hold pretreatment agreements with industrial dischargers to their wastewater treatment plant to assure no harm or treatment disruption occurs at the treatment works. However, these agreements likely vary significantly and may not address all pollutant concerns especially regarding emerging contaminants. To assure no gaps in the protection of Delaware's valuable water resources (both surface water and groundwater), an evaluation is necessary to determine (1) level of oversight provided by EPA under the NPDES pretreatment program, (2) inventory the Industrial Users (IUs) and Significant Industrial Users (SIUs) within the state to determine if adequate coverage and oversight exists for wastewater treatment plant discharges to both groundwater and to stream, and (3) determine nature of existing pretreatment agreements especially for those not currently under EPA oversight to assess if adequate treatment protections exist for waste streams entering our treatment plants and ultimately discharging to our surface and groundwater. Through this evaluation the Committee can discern information critical to source tracking and strategizing the most efficient and effective ways to eliminating harmful pollutants and emerging contaminants that may be present in wastewater discharges throughout the state.

ANNUAL PERFORMANCE INDICATORS

The Strategic Plan is intended to keep us moving toward achieving the mission and vision. This plan is intended to serve as a management tool to help the Committee allocate resources where they will be most needed and to plan for the future. A process will be developed to measure success. After developing

a process, the Committee will issue an annual workplan report for the previous fiscal year addressing success indicators, deliverables, and milestones.

- The Committee will issue the annual Mulrooney Report to account for the sources, benefits and uses of the Clean Water Trust Account and other water quality programs funded with State or Federal resources including wastewater, stormwater, and drinking water infrastructure and programs for drainage, beach preservation, waterway management, cover crop, the Conservation Reserve Enhancement Program, tax ditches, and conservation cost-sharing. This report will include a list of all funded projects. The annual report should include a compendium of current reports:
 - Delaware CWSRF State FY 2022 Annual Report
 - Delaware DWSRF State FY 2022 Annual Report
 - DNREC State FY 2022 Resource, Conservation, and Development Annual Report
 - DNREC and DHSS State FY 2019-2022 Bond Bill appropriation expenditures
- Annual updates to this strategic plan.
- Hold at least one public meeting prior to publication of the annual workplan report and updated strategic plan.

PUBLIC PARTICIPATION AND TECHNICAL ASSISTANCE

Prior to the publication of the initial Annual Report and Strategic Plan, the Committee held three publicly noticed meetings to seek input and allow public comment. The meetings were held as follows and recordings of the virtual meetings can be found by clicking on the date.

- January 25, 2022, Virtual Public Input Session. 9am – 11am.
- February 2, 2022, Virtual Public Input Session, 1pm – 3pm.
- February 10, 2022, Virtual Public Input Session, 6pm-8pm.

Nineteen written comments were received by the deadline of February 25, 2022. Generally, the most common themes of the comments that was submitted from the Committee meetings were:

- 1) A focus on reducing pollution within watersheds from non-point sources.
- 2) Preservation of the natural eco-system and existing green infrastructure.
- 3) A more targeted effort to get funding to underserved, low-income communities within the State of Delaware.
- 4) Funds should be allocated as grants for non-point source pollution control and green infrastructure.

The WIAC and the Conservation Districts provide outside technical assistance and advice to the Committee. DNREC's and DHSS's staff provide administrative, technical, and financial support to the WIAC. The draft strategic plan was discussed at the September 2022 WIAC meeting for their input on the plan. Several comments were received and substantive input on the plan was incorporated.

The WIAC is required by the statute to submit to the Committee annual advisory recommendations related to wastewater, stormwater and drinking water infrastructure addressing those elements required for inclusion in the Strategic Plan for Clean Water as required on or before September 15 of each year.

RELATED REPORTS, PLANS AND LINKS

Report Title	Reporting Program	Link to Report
Waterway Management Report to the Joint Legislative Committee on the Capital Improvement Program	DNREC Shoreline and Waterway Management Section	https://documents.dnrec.delaware.gov/swc/waterways/FY22-Waterway-Management-Report.pdf
FY 2022 Resource Conservation and Development Projects Annual Report	DNREC Conservation Programs Section	Not publicly available
FFY 2022 CWSRF Project Priority List	DNREC Environmental Finance	https://documents.dnrec.delaware.gov/fab/Revolving-Fund/2022-Project-Priority-List.pdf
FFY 2022 CWSRF Intended Use Plan	DNREC Environmental Finance	https://documents.dnrec.delaware.gov/fab/Revolving-Fund/2022-Intended-Use-Plan.pdf
FFY 2022 DWSRF Project Priority List	DHSS- Department of Public Health	https://www.dhss.delaware.gov/dhss/dph/hsp/files/dwsrfppl2022.pdf
FFY 2022 DRSRF Intended Use Plan	DHSS- Department of Public Health	https://www.dhss.delaware.gov/dhss/dph/hsp/files/dwsrfiup2022.pdf
Clean Water Initiative for Underserved Communities Strategy	DNREC with DHSS and DSHA	https://documents.dnrec.delaware.gov/fab/Documents/Clean-Water-Initiative-for-Underserved-Communities.pdf
State of Delaware 2022 Combined Watershed Assessment Report (305(b)) and Determination for the Clean Water Act Section 303(d) List of Waters Needing TMDLs (The Integrated Report)	DNREC Division of Watershed Stewardship Watershed Assessment and Management Section	https://dnrec.alpha.delaware.gov/watershed-stewardship/assessment/reports/
FY2021 Tax Ditch Modernization Workgroup Report	DNREC	https://documents.dnrec.delaware.gov/Watershed/Drainage/Tax-Ditches/2021-Tax-Ditch-Modernization-Report.pdf
Delaware Sediment and Stormwater Regulations	DNREC	https://regulations.delaware.gov/AdminCode/title7/5000/5101.shtml
TMDLs by Watershed	DNREC	https://dnrec.alpha.delaware.gov/watershed-stewardship/assessment/tmdls/
Regulations for Pollution Control Strategies	DNREC Division of Watershed Stewardship Watershed	https://dnrec.alpha.delaware.gov/watershed-stewardship/assessment/plans-and-strategies/

	Assessment and Management Section	
Chesapeake Bay Watershed Implementation Plan	DNREC Division of Watershed Stewardship	https://dnrec.alpha.delaware.gov/watershed-stewardship/nps/chesapeake/phase-iii/
Delaware Inland Bays 2021 Comprehensive Conservation & Management Plan	Center for the Inland Bays	https://www.inlandbays.org/get-involved/ccmp/
Partnership for the Delaware Estuary 2019 Comprehensive Conservation & Management Plan Revision	Partnership for the Delaware Estuary	https://delawareestuary.org/our-plan-2/
Whole Basin Management Reports	DNREC Division of Watershed Stewardship Watershed Assessment and Management Section	https://dnrec.alpha.delaware.gov/watershed-stewardship/assessment/whole-basin/
Nonpoint Source Section 319 Watershed Plans	DNREC Division of Watershed Stewardship	https://documents.dnrec.delaware.gov/swc/district/Documents/NPS/NPS%202019%20Management%20Plan_Final_Nov21.pdf
Delaware Climate Action Plan	DNREC Division of Climate, Coastal, and Energy	https://documents.dnrec.delaware.gov/energy/Documents/Climate/Plan/Delaware-Climate-Action-Plan-2021.pdf
Low-Income Household Water Assistance Program (LIHWAP)	DHSS	Not Available
Watershed Approach to Toxics Assessment and Restoration (WATAR) Initiative Workplan	DNREC Division of Watershed Stewardship Watershed and Division of Waste and Hazardous Substances	https://dnrec.alpha.delaware.gov/waste-hazardous/remediation/watar/