

## DELAWARE WATERWAYS MANAGEMENT AND FINANCING ADVISORY COMMITTEE MEETING

DNREC, DIVISION OF WATERSHED STEWARDSHIP  
SHORELINE AND WATERWAY MANAGEMENT SECTION FIELD OFFICE  
901 Pilottown Road, Lewes, DE 19958  
August 25, 2014 Meeting Notes

### AGENDA

- Introductions and Purpose of Committee (Frank Piorko)
- History of Waterway Management Operations in Delaware (Chuck Williams)
- Beneficial Re-use of Dredge Material/Regional Sediment Management (Tony Pratt)
- Funding of Waterway Management Operations in Other States (Ariane Nichols)
- Discussion of Possible Funding Options for Delaware (Frank Piorko)
- Round Robin Discussion of Waterway Management Issues (Committee Members)
- Public Comments
- Concluding Remarks and Next Meeting

#### Agenda Item 1 – Introductions and Purpose of Committee (Frank Piorko)

The meeting began at 9:00AM with **Frank Piorko** introducing the DNREC, Shoreline & Waterways Section staff, including **Tony Pratt**, **Chuck Williams**, and **Ariane Nichols**. Introductions continued with each of the committee members and the groups whom they represent: Co-Chair **Secretary Dave Small** (DNREC), Co-Chair **Senator Venables** (Senate), **Senator Gerald Hocker** (Senate), **Representative William Carson** (House of Representatives), **Representative Ron Gray** (House of Representatives), **Dave Cropper** (private marina owner), **Dave Russell** (captain of commercial charter boat business), **Jay Little** (representative of recreational fisherman), **Chris Bason** (Delaware Center for the Inland Bays (CIB)), **Rob Whitford** (marine dredging and construction business owner), **Neil Sands** sitting in for **Roger Anderson** (Rehoboth Bay Sailing Association), **Pierce Quinlen** (Lewes-Rehoboth Canal Improvement Association), **Dave Ritondo** (US Coast Guard Auxiliary), **Dave Green** (recreational boating transportation business), **Ed Lewandowski** (CIB, Water Use Planning and Implementation Committee), and **Vicki Ford** (Office of Management and Budget), who joined the meeting via telephone. **Clark Evans** (retail bait and tackle/sport shop business) was absent.

Other interested parties in attendance were **Larry Horan** and **Nick Couch**, both representing the DNREC, Division of Fish & Wildlife.

Following the introductions, **Mr. Piorko** read the Senate Concurrent Resolution No. 64 to the committee explaining that the purpose of the Committee is to develop and submit recommendations for sustainable and dedicated funding for Waterway Management activities statewide. He also explained that the problems, issues and things that are to be addressed through this committee have been long

standing issues throughout the State. These issues were brought to a head recently at a meeting that was convened by **Senator Hocker** and **Representative Gray** at the Millville Fire House. The floor was then turned over to the Co-Chairs, **Senator Venables** and **Secretary Small**.

**Senator Venables** explained that he lives in Laurel and not in the Inland Bays, but is an avid fisherman. He understands that the Corps and the Coast Guard aren't maintaining their obligations to the same level they used to. He also explained how it was really **Senator Hocker** who had the idea for the committee to be formed. **Senator Venables** also expressed that he feels it is not an easy time right now to raise fees or taxes, but that there is the chance that this may be different. He understands how this is really important to the residents of the Inland Bays.

**DNREC Secretary Small** also expressed that he didn't think it was time to talk about raising fees yet at least. **Secretary Small** then echoed what **Mr. Piorko** had mentioned earlier about the Committee being the result of a meeting that **Senator Hocker** and **Representative Gray** had in Sussex County and subsequent discussions in the spring of this year leading to the Resolution, which passed in late June 2014. **Secretary Small** acknowledged that many of the people present in the room had been involved in discussions in bits and pieces about dredging issues around the State. Over the past decade or longer, it has been a hodge-podge of funding that has found its way for dredging projects, whether it has been a little bit of money out of the DNREC budget for Shoreline and Waterway Management or whether it is line items in the Capital budget on an annual basis. This really provides an opportunity for a lot of great different points of view represented around the table to have a comprehensive discussion about the future of dredging in the State of Delaware. It does not appear as though federal funding will be coming in any significant amounts any time in the near future. The Corps of Engineers, with funding that it has to have, has really based its work around commercially important projects. In Delaware, what that translates to primarily is the Port of Wilmington, the Christiana River and then the main channel of the Delaware River, and the Nanticoke River. **Secretary Small** then continued that he felt that this really is an opportunity to take a comprehensive look at the need and then some opportunities and possibilities for funding because there is a lot of competition around the state for dollars these days. He thanked everyone for giving their time for this meeting and for a few meetings into the future. The Committee should not be meeting much past the fall as there is a pretty tight deadline to come up with a report. He then asked that everyone keep the meeting very focused to get as much input as we can and keep things formal to the discussion. **Secretary Small** concluded by stating his appreciation for Frank, Tony and the team, Chuck and Ariane, for putting the meeting materials and presentations together. He stated he had a chance to view the presentations last week and was very impressed with what he saw. He said he thought it is a good reminder to take a look where we have been and it will help turn our future.

**Mr. Piorko** then stated his staff had prepared a little bit of information as background and that some of that information was in the binders given to Committee members. He announced that the first presentation would be given by **Chuck Williams**, who would give a brief overview of the history of the program, followed by **Tony Pratt** talking about regional sediment management and **Ariane Nichols** talking about how other states fund waterway management operations. He explained that after the presentations, the meeting would continue with comments from committee members around the table offering their thoughts.

**Agenda Item 2 – History of Waterway Management Operations in Delaware (presentation attached).**

**Chuck Williams** gave a presentation on the history of waterway management operations in the State. Waterway operations in the State of Delaware got underway in 1968 when the General Assembly initiated the State's dredging program. Four hundred thousand dollars were appropriated the following year to purchase a dredge and operations began in 1970. He explained that our current vision is to seek clarity from the U.S. Coast Guard and the Corps of Engineers regarding their roles in dredging and marking federal navigation channels. **Mr. Williams** explained the need for funding to do larger scale projects contractually, while still maintaining a small staff to do waterway management work in the State like pond maintenance, boat launch areas, channel marking, algae harvesting and abandoned vessel removal. (Reference Tab 6 in Committee folders)

**Agenda Item 3 – Beneficial Re-use of Dredge Material/Regional Sediment Management (presentation attached).**

**Tony Pratt** gave a presentation on how regional sediment management is an opportunity to make a beneficial use out of material that is dredged. This is the approach that the Corps of Engineers is adopting for the nation. Historically, dredged material has been placed in upland sites, but there are very few of those sites left to place material in due to development. The navigation channels should be viewed as a transportation system on the water to serve the boating public. There is a need for a strategic way forward rather than responding to a project where a problem has occurred in the past. (Reference Tab 7 in Committee folders)

**Agenda item 4 – Funding of Waterway Management Operations in Other States (presentation attached).**

**Ariane Nichols** presented information that was collected by DNREC staff on how other states along the east coast were performing and funding waterway management operations. The information presented was an update from an inventory that was originally started 5 years ago. There is much variation in what types of waterway management operations each state has and their funding sources. (Reference Tab 8 in Committee folders).

**Agenda Items 5 & 6 – Discussion of Possible Funding Options for Delaware/Round Robin Discussion of Waterway Management Issues**

After the presentations were complete, a round-robin discussion was initiated so that the Committee members had a chance to voice their ideas, thoughts, or concerns.

**Senator Venables** said he would be interested in hearing more information about the way that other states handle boat titling.

**Senator Hocker** began a discussion about the need for ethanol-free gas for boaters. The State is losing a lot of revenue because boaters are going to Maryland to buy this fuel. He believes boaters would pay the estimated 0.26 cents per gallon tax for this if it was available and that the State does not need legislation to accomplish this.

**Mr. Little** agreed that ethanol-free fuel should be explored for Delaware and that many boaters on his forum discuss traveling out of state to purchase non-ethanol gas.

**Representative Carson** thanked DNREC for holding this forum. He said that he believes we need legislation to accomplish the goals of this committee, including how to deal with non-ethanol gas. Having legislation would make the funding more reliable into the future regardless of changes in administration.

**Representative Gray** said that if there is success in raising dedicated money to maintain our waterways, we need to make sure it is used exclusively for that and not something else.

**Mr. Russell** explained how he worked with **Senator Venables** and other legislators a few years ago to secure funding for dredging the Murderkill River. The project was done earlier this year, but he felt the channel has already filled in. He believes that there needs to be maintenance measures set for projects so that they money is not wasted with the channels filling in after being dredged.

**Mr. Little** stated that he also believed that the channel at Murderkill was beginning to fill in since the dredging project. (Mr. **Williams** responded that he would have the Division's survey crew re-survey the area in question).

**Mr. Bason** calculated that it looks like the number of registered boaters in Delaware increases at a rate of about 1,000 boats per year. He discussed the need to ensure the funding is sustainable. He also requested a matrix of funding sources from other states and also one for Delaware showing how much can be raised from each possible source per year.

**Mr. Couch** explained that revenue raised by the boater registration fees is currently going for enforcement and boating safety programs.

**Mr. Sands** suggested the Committee consider the County Transfer Tax because of the impact new development has on increasing sedimentation in waterways. He also suggested the group look at what sources of funding have been reliable and successful in other states.

**Senator Venables** replied to the inquiry about the transfer tax and suggested that other funding options may be better to consider before the use of County Transfer Tax money.

**Senator Hocker** impressed upon the group that he felt strongly that any legislation passed needs to be specifically for dredging, channel marking and waterway maintenance. This would deter the funding from being able to be taken from the waterways and used for other purposes.

**Representative Carson** shared with the group that there are no county roads in Delaware. The State owns every road so there needs to be care when discussing raiding the road tax. He also suggested that the group examine the County Transfer Tax. Large developments result in sedimentation problems in waterways.

**Mr. Quinlen** asked the group to look at a funding source for expanding the Lewes-Rehoboth Canal water taxi service by supporting additional dockage along the canal. He stated that \$250,000 is needed to complete the design and engineering for that project. He suggested changing Rule 12 so that legislators could use CTF money for waterway transportation improvements as well as roadways.

**Senator Venables** reminded **Mr. Quinlen** that Rule 12 does not allow transportation money to be used for water transportation, but said that he will look into having this changed so that it can be used for that.

**Mr. Ritundo** commented that we have the Transfer Tax in Sussex County because we don't have a sales tax and that the Transfer Tax is used to pay for many things.

**Mr. Lewandowski** stressed to the group how undervalued waterways are in the State. These waterways attract many visitors and generate much economic activity.

**Mr. Green** stated that he agreed the need to get rid of ethanol fuel and make non-ethanol fuel available in the State. He explained that he drives to Maryland to purchase the non-ethanol fuel for his vessels and that boaters are spending a lot of money for repairs because of the damage ethanol gas does to fittings, lines, etc. **Mr. Green** also relayed that dredging is needed in the Lewes-Rehoboth Canal from the Inlet to Rehoboth Bay (area known as Mussel Bed in particular).

**Senator Venables** described how there have been conversations about the possibility of having a separate license for salt water fishing before, but that would require legislation that would be tough to introduce at this time. He requested a lay out of how much each of the suggestions that were discussed, including titling and increasing registration fees, would generate in funding.

**Mr. Lewandowski** also requested to see what the projected \$3 million to \$5 million annually that DNREC thinks it needs for waterway management over the next 5 years will be used for.

**Mr. Piorko** wrapped up the Committee discussion by agreeing that DNREC will gather more information on the several topics discussed to bring to future meetings. Topics include: ethanol free fuel, how other states title boats, county transfer tax, how DNREC would spend money and prioritize projects, and funding source matrices.

#### **Agenda Item 7 – Public Comments**

None.

#### **Agenda Item 8 – Concluding Remarks and Next Meeting Dates**

Monday, September 8 and Monday September 22 – Lewes Facility @ 8:30 a.m. Coffee/Refreshments @ 8:00 a.m.