

COUNTY OF YORK

MEMORANDUM

DATE: December 11, 2020

TO: York County Board of Supervisors

FROM: Neil A. Morgan, County Administrator 

SUBJECT: Economic Development Update, Back Creek Dredging Project

The Economic Development Authority (EDA), at their November 24th meeting, committed to jointly fund a feasibility study for dredging the Back Creek entrance channel. This agreement is with the Norfolk Division of the Army Corps of Engineers (COE) to initiate studying improving the waterway access to the Seaford Scallop facility, due to their vessels periodically running aground in the channel. Over time the channel has silted in, and the scallop boats have gotten larger, creating a dangerous commercial navigation problem. In addition to the primary business, Seaford Scallop Company, there are several other independent scallop boat companies operating at this location.

This project began in late 2017 after Seaford Scallop contacted the Office of Economic Development (OED) to solicit assistance in addressing the grounding issue in the entrance channel. It quickly became apparent that the COE, Continuing Authorities Program, Section 107, was the appropriate federal program to address this situation. The OED and Seaford Scallop jointly applied for this assistance, and it has taken this long to secure federal funding for the feasibility study. The estimated cost for the study is \$400,000, and it will take approximately one year to complete. The feasibility study requires a local financial sponsor that will pay for 50% of the study costs in excess of the first \$100,000. The EDA agreed to serve as the local sponsor at a cost of \$150,000.

The next and final step in this process is the actual dredging, if the feasibility study concludes that the project should move forward, and federal funding is available. The COE will pay up to \$10 Million for the actual dredging, and the local sponsor is required to pay for 10% of the dredging costs up front, and then another 10% over time, not to exceed 30 years. The rough cost estimate for this project is between \$2.5 Million and \$3 Million and Seaford Scallop has executed a non-binding letter of agreement with the EDA to fund the local sponsor's share of this cost. The agreement is subject to the feasibility study resulting in a reasonable cost estimate for the dredging, as determined by Seaford Scallop.

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Copies to: Steven A. Meade, EDA Chairman
James Noel, Director of Economic Development