

AGENDA
REGULAR MEETING OF THE MAYOR AND COUNCIL
April 28, 2026
SEAFORD CITY HALL - 414 HIGH STREET

The meeting will be streamed via live feed.

To view a live meeting visit one of the links below:

- On our website: www.seafordde.com/meetinglivefeed
- On Facebook: www.Facebook.com/cityofseaford
- On YouTube:
<http://www.youtube.com/c/CityofSeafordDe19973>

To view this meeting agenda and supporting documentation visit our website:
www.seafordde.com/government/mayor_council/council_agendas_minutes

Comments and questions may be emailed to:
Councilinfo@seafordde.com

7:00 P.M. Mayor MacCoy calls the Regular Meeting to order.
Invocation.
Pledge of Allegiance to the Flag of the United States of America.
Changes to the agenda for this meeting.
Approval of the minutes of the regular meeting on April 14, 2026.

ALL ITEMS ON THIS AGENDA MAY OR MAY NOT BE VOTED ON.

PUBLIC COMMENT:

1.

CORRESPONDENCE:

1.

PUBLIC HEARING:

1. Recommendation from the Planning and Zoning Commission regarding their recent review the City of Seaford Comprehensive Plan.
2. Penco Corporation, located at West Stein Highway and Dulaney Street, Tax Map and Parcel #531-12.00-45.00 & 45.01, is requesting to rezone a portion of the parcel from C2 to M-1.

AGENDA

REGULAR MEETING OF THE MAYOR AND COUNCIL

April 28, 2026

NEW BUSINESS:

1. Present the results of the April 18, 2026, Municipal Election.
2. Mr. Kris Smith with Integra, the City's third-party administrator, to present for approval a recommendation for the 2026 Health Insurance renewal.
3. Present for approval a lease agreement renewal for city owned property located at 106 Spring Street.
4. Bids - Street paving.

OLD BUSINESS:

- 1.

REMINDER OF MEETINGS & SETTING NEW MEETINGS:

1. Budget Workshop meeting #1 May 5, 2026, at 6:00 p.m. - 8:00 p.m.; City Hall Council Chambers.
2. Sussex County Association of Towns Meeting, May 6, 2026, 6:00 p.m.-9:00 p.m.
3. National Day of Prayer, Thursday, May 7, 2026, from 12:20 to 12:40, front lawn of City Hall, 414 High Street.
4. City-Wide Clean-Up Week, May 11-15, 2026.

LIAISON REPORTS:

1. Code, Parks and Recreation - Councilwoman Stephanie Grasset
2. Police & Fire - Councilman Dan Henderson
3. Administration - Councilman Orlando Holland
4. Electric - Councilman Mike Bradley
5. Public Works & WWTF - Councilman Alan Quillen

Mayor MacCoy solicits a motion to adjourn the regular Council meeting.

NOTE: Agenda shall be subject to change to include or delete additional items (including executive session) which arise at the time of the meeting. (29 Del. C. S1004 (e) (3))

Date Posted: 04/20/2026

Posted by: BAS



PH#1
4-28-24

CITY OF SEAFORD CODE DEPARTMENT MEMORANDUM

To: Charles Anderson, City Manager From: Michael Bailey, Building Official

Re: Planning and Zoning Comp Plan Review Date: 04/17/2026

CC:

☐ Urgent ☒ For Review ☐ Please Comment ☐ Please Reply

The Planning and Zoning Commission reviewed the Comprehensive Plan at their April 2, 2026, meeting. They felt the plan is still relevant and had no recommendations for changes or revisions.

Thank You,
Michael Bailey
Building Official



NR# 1
4.28.26

CITY OF SEAFORD MUNICIPAL ELECTION - APRIL 18, 2026
CERTIFICATE OF ELECTION

The Annual Municipal Election held on **Saturday, April 18, 2026**, resulted as follows:

BALLOTS CAST

Total Number of In-Person Votes	<u>316</u>
Total Number of Absentee Ballots Received	<u>19</u>
Total Number of Ballots Cast	<u>335</u>
FOR CITY COUNCIL MEMBER - THREE (3) YEAR TERM	
Dan H Henderson	<u>215</u>
Michael N. Bradley	<u>226</u>
Roberto Santos	<u>164</u>

BOARD OF ELECTIONS

George F. Stewart, Chair	<u>George F. Stewart</u>	<u>4/18/26</u>
	Signature	Date
Sharon Drugash, Board Member	<u>Sharon Drugash</u>	<u>4/18/2026</u>
	Signature	Date
Michael Vincent, Board Member	<u>Michael Vincent</u>	<u>4/18/2026</u>
	Signature	Date

Subscribed and sworn before me on this 18th day of April, 2026.



Elizabeth A Stewart
Notary Public

My Commission Expires:

April 18, 2026
Date

NR# 2
4-28-26

TO: Charles D. Anderson, City Manager
FROM: June Merritt, Dir. of Finance & HR
DATE: April 24, 2026
RE: Recommendation – Health & Life Insurance Renewal

INTEGRA submitted a request for proposals from several carriers for the annual review of the City's employee health & life insurance program. A meeting was held with Kris Smith for the purpose of reviewing this information. This information was distributed to the Police Bargaining representative and other staff members. Pan American, the incumbent, was the top carrier.

The life/AD&D insurance is provided by Sun Life. The prior rate of \$0.571/\$0.03 per \$1,000 of salary was guaranteed for two years and scheduled to end on the renewal effective date, 09/01/2027.

Integra diligently worked on the renewal. Due to our claims experience this year our actual plan costs were 9.90% over the projected costs. The quotes received by Integra reflect an increase. I am recommending that we accept the Pan American proposal Option 1d with a projected cost increase of 5.68% and a projected maximum cost increase of 9.93% as stated in INTEGRA's presentation.

Also, I am recommending the employee contribution toward the premium remain at the same percentage as the prior year. This results in the employee paying the following amounts per week.

	<u>Medical</u>	<u>Dental</u>	<u>Vision</u>	<u>2026 Weekly</u>	<u>2025 Weekly</u>	<u>Increase</u>
Single	\$ 17.61	\$ 0.63	\$ 0.38	\$ 18.62	\$ 17.57	\$ 1.05
EE/Child	\$ 95.19	\$ 2.97	\$ 1.90	\$100.06	\$ 94.38	\$ 5.68
EE/Spouse	\$147.36	\$ 5.29	\$ 3.40	\$156.05	\$147.17	\$ 8.88
EE/Family	\$147.36	\$ 5.59	\$ 3.40	\$156.05	\$147.17	\$ 8.88



Benefits are an important part of an employer's ability to hire and retain employees in a competitive marketplace. Affordability for the employer and the employee is an important consideration as well. INTEGRA Administrative Group provides flexible health benefit designs and reports to manage and maintain an affordable and competitive benefit program.

NB# 2
4/28/26

City of Seaford Benefit Plan Renewal Letter

2026/2027



The Perfect Place to Start.



To: City of Seaford Mayor & Council

Date: April 28, 2026

**Re: Employee and Retiree Benefits for the
2026/2027 Benefit Plan Year**

Kris L Smith
President
INTEGRA (IAG)
110 S. Shipley Street
Seaford, DE
19973

302-629-3518

E-mail:

kris@integraTPA.com

On behalf of INTEGRA Administrative Group Inc. (IAG), I would like to thank the City of Seaford (the City) for their continued confidence in IAG to manage the City's employee benefit programs.

HEALTH CARE BENEFITS OFFERED

Benefits provided to the City employees include medical, prescription, dental, vision, hearing, and life insurance. IAG utilizes insurance carriers and service partners to enhance the members' benefit value and to manage costs. These services include Telemedicine, Zero co-pay generic prescriptions, Specialty prescription co-pay assistance, and Case and Chronic healthcare management

HEALTH CARE COSTS AND INFLATION TREND

IAG utilizes the Segal Health Plan Trend Survey's (SHPTS) for estimating projected future health care costs. Their four-year blended projection increase average is 7.8%. The City's 2025 benefit plan medical and prescription costs in the first 10 months have exceeded these projections by 2.1%. Although the City's costs have been higher than expected to date, they are 11% lower than the published health benefit costs of other municipal health programs with similar medical benefits. The SHPTS projected Medical and Prescription inflation trend for 2026 is 9.3%

EMPLOYEE HEALTH CARE RENEWAL

IAG requested health care quotes from eight insurance carriers rated A or better by A.M. Best rating agency. Of the three carriers which submitted quotes, IAG presented two for consideration which were: Highmark BCBS and the Pan American Life Insurance Company

Based on several meetings with the City and comparing costs, benefits, and employee contributions to other municipal benefit data, the recommendation for the 2026/2027 benefit plan year is to accept the Pan American proposal Option 1d with a projected cost increase of 5.7% and a projected maximum cost increase of 9.9%

RETIREE HEALTH CARE RENEWAL

The City utilizes The Hartford Group Insurance Trust (HGIT) for the retiree medical and prescription benefits. The effective date is January 1, 2026 (coincides with Medicare). The rate per retiree is \$615.53. The 2026 retiree dental and vision benefits are administered by IAG. The 2026 dental plan rate is \$36.58, and the vision plan rate is \$22.22

LIFE INSURANCE RENEWAL

The City life insurance carrier is Sun Life. The current rates are under a two-year agreement and are firm until 9/1/2027

RECOMMENDED CHANGES

Add the MatrixGx program – Payer Matrix states that 50% of people on a prescription drug is either ineffective or causes side effects. After a study of several thousand patients, they found adverse drug reactions were reduced by around 30% when certain prescriptions were identified by test results (through a mouth swab). According to the FDA, adverse drug reactions are the fourth leading cause of deaths in the USA. The program helps providers identify and select medications that are safer and more effective for each individual. This is a voluntary program which could be beneficial for the member (identifying medications their body can metabolize) and could potentially save the benefit plan thousands of dollars per patient, per year.

HEALTH CARE INFORMATION AND SERVICES

- 1. Health Reform/ACA:** Compliance requirements for June the 2026, plan year include: Patient-Centered Outcomes Research Institute (PCORI) fee of \$3.84 per covered person -- due by July 31st, 2026. No benefit lifetime maximums; No pre-existing conditions for any covered person on the plan; 90-day maximum limit on waiting periods; Establish maximum in-network medical & prescription out of pocket limits of no more than \$10,600 an individual and \$21,200 a family All employers are required to submit 1095C or 1095B data to the IRS in March each year attesting the benefits provided to the employee are affordable (no more than 9.96% of AGI) and meet the minimum value benefit plan design standards set by the ACA law. INTEGRA will assist in providing the data needed to prepare these documents
- 2. Revive Health Telemedicine Program:** This program allows the employees and dependents covered by the City's benefit plan to call a doctor 24/7/365 at a -\$0- co-pay. It is a convenient way to speak with a doctor in the evenings or on weekends when primary doctors or urgent care centers are not available or open

3. Medtipster Free Generic Prescription Program: This program allows the employees and dependents to present the City health plan card (with Medtipster logo on it) at participating pharmacies for free generic prescriptions. Approximately 40% of generic medications are available in the Medtipster program

4. Value Max Prime Copay Assistance Program: Reduced City and member costs for over 350 specialty prescriptions by 20% to 70% in which members pay \$5 to -0- cost for a 30-day prescription

5. Valenz Healthy Lifestyle Program: This voluntary program allows employees and eligible dependents with diabetes to participate with a nurse care manager to better manage their medical condition. If the member participates in the Healthy Lifestyle Partnership Program, they will be eligible to receive prescriptions for their medical condition at a -\$0- co-pay. This could save the member hundreds of dollars a year and positively impact on the health of the member. If the medical condition meets the criteria, a nurse care manager may contact the member to discuss participation in this beneficial program

6. Dentamax dental network: This network allows employees and dependents on the benefit program to receive discounts for dental related services. There are limited dentists in most dental networks in Delmarva

7. Outlook Vision Services: This network allows employees and dependents on the benefit plan to see discounts for vision-related services. These providers are national chains compared to local chains available in the HPN network

8. Zywave Learning Management System: High quality on-demand employee courses available in English and Spanish with an easy-to-use dashboard for tracking employee completion and system issued certificates for each course completed. A few courses included: Chemical and Environment Safety, Coronavirus Prevention and Response, Cybersecurity, Powered Industrial Trucks & Ariel Lifts, and Sexual Harassment & Violence courses specifically tailored for Delaware employees

9. Annual Employee Benefit Booklet Includes: Current year Plan of Benefits Sheet; PPO network information; Urgent Care Centers; Preferred Labs Centers; Sample Health/Prescription card; INTEGRA Employee Website Help Pages; Retail Pharmacy Listing & Cost Comparison Sheet; Prescription Website information to Include Mail Order; Mobile Application for Pharmacy; Federal Notices and Information required for distribution each year

The City Of Seaford
Quote Analysis for 2026-2027 Contract Year



Plan Information		Current		Option 1d
		Projected	Actual	
1	Plan Description	HPN/FH, MTP, \$10K Agg Spec, IAG Agg	HPN/FH, MTP, \$10K Agg Spec, IAG Agg	HPN/FH, MTP, \$20K Agg Spec, IAG Agg, Add Matrix GX, Medipster, Firm, Lower Projected Claims
2	Stop Loss Carrier	Pan American	Pan American	Pan American
3	Specific Contract	12/24	12/24	12/24
4	Benefits Included	Med/Rx	Med/Rx	Med/Rx
5	Contract Deductible	\$80K	\$80K	\$80K
6	Maximum	Unlimited	Unlimited	Unlimited
7	Run-in Limitations	None	None	None
8	Aggregating Specific	10000	10000	\$20,000.00
9	Laser Risk	None	None	None
10	Aggregate Contract	IAG - Paid	IAG - Paid	IAG - Paid
11	Benefits Included	Med/Rx/Dent/Vis	Med/Rx/Dent/Vis	Med/Rx/Dent/Vis
Fixed Costs (Annual)				
12	Total Annual Fixed Costs	\$448,779	\$448,779	\$466,320
13	Fixed Cost Increase	Incl. Life/AD&D	Incl. Life/AD&D	Incl. Life/AD&D
				\$17,541
Projected Plan Costs (Annual)				
14	Total Annual Projected Costs	\$1,502,071	\$1,650,846	\$1,587,379
		Incl. Life/AD&D	Incl. Life/AD&D	Incl. Life/AD&D
15	% Increase in Projected Costs		9.90%	5.68%
16	Projected Cost Increase		\$148,775	\$85,308
17	Projected Cost Increase PEPM		\$156	\$89
Maximum Plan Costs (Annual)				
18	Fixed Costs (from above)	\$448,779	\$448,779	\$466,320
19	Total Annual Maximum Costs	\$1,688,479	\$1,650,846	\$1,856,119
		Incl. Life/AD&D	Incl. Life/AD&D	Incl. Life/AD&D
20	% Increase in Maximum Costs		-2.23%	9.93%
21	Maximum Cost Increase		-\$37,633	\$167,640
22	Maximum Cost Increase PEPM		-\$39	\$176

The City Of Seaford
Quote Analysis for 2026-2027 Contract Year



Plan Information		Current		Option 1d
		Projected	Actual	
1	Plan Description	HPN/FH, MTP, \$10K Agg Spec, IAG Agg	HPN/FH, MTP, \$10K Agg Spec, IAG Agg	HPN/FH, MTP, \$20K Agg Spec, IAG Agg, Add Matrix GX, Medtipster, Firm, Lower Projected Claims
2	Stop Loss Carrier	Pan American	Pan American	Pan American
3	Specific Contract	12/24	12/24	12/24
4	Benefits Included	Med/Rx	Med/Rx	Med/Rx
5	Contract Deductible	\$80K	\$80K	\$80K
6	Maximum	Unlimited	Unlimited	Unlimited
7	Run-in Limitations	None	None	None
8	Aggregating Specific	10000	10000	\$20,000.00
9	Laser Risk	None	None	None
10	Aggregate Contract	IAG - Paid	IAG - Paid	IAG - Paid
Monthly Rates				
Life/AD&D (NOT included in the Billing/Projected Rates listed below)				
11	Per Employee per Month	\$48.15	\$48.15	\$48.15
Med/Rx Billing/Projected Rates (Not including Dental/Vision Rates below)				
12	Single	\$952.13	\$1,121.66	\$1,017.24
13	Employee & Spouse	\$2,281.81	\$2,673.38	\$2,422.87
14	Employee & Children	\$1,749.56	\$2,041.32	\$1,857.68
15	Family	\$2,281.81	\$2,673.38	\$2,422.87
Dental Projected Rates (Not Included in the above Billing/Projected Rates)				
16	Single	\$43.71	\$33.14	\$36.58
17	Employee & Spouse	\$89.71	\$68.02	\$87.02
18	Employee & Children	\$63.98	\$48.51	\$61.95
19	Family	\$89.71	\$68.02	\$87.02
20	Retiree	\$43.71	\$33.14	\$48.43
Vision Projected Rates (Not Included in the above Billing/Projected Rates)				
21	Single	\$18.99	\$19.55	\$22.22
22	Employee & Spouse	\$47.24	\$48.62	\$54.99
23	Employee & Children	\$33.36	\$34.34	\$38.70
24	Family	\$47.24	\$48.62	\$54.99
25	Retiree	\$18.99	\$19.55	\$25.86
Anticipated Maximum Monthly Rates				
26	Single	\$1,144.66	\$1,144.66	\$1,264.62
27	Employee & Spouse	\$2,743.23	\$2,743.23	\$3,030.70
28	Employee & Children	\$2,103.35	\$2,103.35	\$2,323.77
29	Family	\$2,743.23	\$2,743.23	\$3,030.70
30	Retiree	\$70.72	\$69.06	\$78.13
31	Total Annual Projected Medical Costs	\$1,413,274	\$1,562,048	\$1,498,582
32	Employee Withholding	(\$278,241)	(\$278,241)	(\$278,241)
33	Retiree Contributions	(\$86,688)	(\$86,688)	(\$86,688)
34	Est. \$125 Tax Savings	(\$22,259)	(\$22,259)	(\$22,259)
35	COBRA Payments	\$0	\$0	\$0
36	Net Projected Company Health Cost	\$1,026,085	\$1,174,860	\$1,111,393
37	Net Projected Health Cost PEPM	\$1,075	\$1,231	\$1,164

THE CITY OF SEAFORD
HPN PLAN OF BENEFITS - Effective June 1, 2025

	<u>HPN & FIRST HEALTH</u>	<u>OUT – OF - NETWORK</u>	
Individual Deductible (If Applicable)	\$250	\$500	Deductible Year: January 1 – December 31
Family Deductible (If Applicable)	\$500	\$1,000	
Individual Out-of-Pocket (*Medical Co-pays apply)	\$1,000	\$3,000	
Family Out-of-Pocket (*Medical Co-pays apply)	\$2,000	\$6,000	
Individual Annual Maximum	UNLIMITED		
*Medical Co-pays will not continue when out of pocket is met. RX Co-pays do not apply.			
			5/19/25

Pre Certification is **MANDATORY** for all In-Patient Admissions, Out-Patient Surgery, IV Infusion Therapy, Durable Medical Equipment (DME) and Home Health Care. For Pre Certification, please call Välenz: 1-877-608-2200.
Pre Authorization **MUST BE APPROVED** for non-routine diagnostics for suspicion of cancer and prior to the inception of any chemotherapy regimen. For Pre Authorization call Välenz: 1-877-208-5002

<u>DESCRIPTION OF SERVICES</u>	<u>HIGH PERFORMANCE NETWORK (HPN)</u> (Charges above negotiated amounts are not billable to the Member)	<u>FIRST HEALTH PROVIDERS</u> (Charges above negotiated amounts are not billable to the Member)	<u>OUT - OF - NETWORK PROVIDERS</u> (Charges above Reasonable & Customary (R & C) amounts are permitted & are billable to the Member)
<u>FACILITY CHARGES</u>			
Urgent Care Facility	You pay \$50 Co-pay, Plan pays 100%	You pay \$50 Co-pay, Plan pays 100%	You pay \$50 Co-pay, Plan pays 100%
In-Patient Hospital (Semi Private Room) (per stay)	You pay \$150 Co-pay, Plan pays 100%	After Deductible is met, Plan pays 90%	After Deductible is met, Plan pays 70%
Emergency Room Emergency Use	You pay \$200 Co-pay, Plan pays 100%	You pay \$200 Co-pay, Plan pays 90%	You pay \$200 Co-pay, Plan pays 90%
Non Emergency	You pay \$50 Co-pay, Plan pays 50%	After Deductible is met, Plan pays 50%	After Deductible is met, Plan pays 50%
Ambulance to Hospital	You pay \$100 Co-pay, Plan pays 100%	You pay \$100 Co-pay, Plan pays 100%	You pay \$100 Co-pay, Plan pays 100%

*Revive / Swift MD - FREE telemedicine consult: Schedule a telemedicine consultation with a doctor 24/7
by calling 833-SWIFTMD (833-794-3863) or by going online to www.swiftmd.com*

PROFESSIONAL SERVICES

In - Patient Surgeon			
Hospital or Surgical Facility	You pay \$100 Co-pay, Plan pays 100%	You pay 10%, Plan pays 90%	After Deductible is met, Plan pays 70%
Out - Patient Surgery			
Doctor's Office	You pay \$50 Co-pay, Plan pays 100%	You pay \$50 Co-pay, Plan pays 90%	After Deductible is met, Plan pays 70%
Surgical Facility	You pay \$100 Co-pay, Plan pays 100%	You pay \$100 Co-pay, Plan pays 90%	After Deductible is met, Plan pays 70%
Anesthesia	Plan pays 100%	You pay 10%, Plan pays 90%	After Deductible is met, Plan pays 70%
Hospital Visits	You pay \$25 Co-pay, Plan pays 100%	You pay \$25 Co-pay, Plan pays 90%	After Deductible is met, Plan pays 70%

<u>OFFICE VISIT</u>	You pay \$25 Co-pay, Plan pays 100%	You pay \$25 Co-pay, Plan pays 100%	After Deductible is met, Plan pays 70%
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PREVENTIVE CARE: (go to <https://www.healthcare.gov/coverage/preventive-care-benefits/> for covered services)
(Preventive Care also covers annual Adult vision screening)

Plan pays 100%	Plan pays 100%	You pay 30%, Plan pays 70%
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Benefit Plan Sheet is for Informational Purposes ONLY. Please see Plan Document for specific Information on Plan.

CLAIMS ADMINISTRATOR: INTEGRA ADMINISTRATIVE GROUP, INC.
110 SOUTH SHIPLEY STREET, SEAFORD DE 19973
(302)-629-3518 OR (800)-959-3518

THE CITY OF SEAFORD
HPN PLAN OF BENEFITS - Effective June 1, 2025

<u>DESCRIPTION OF SERVICES</u>	<u>HIGH PERFORMANCE NETWORK (HPN)</u> (Charges above negotiated amounts are not billable to the Member)	<u>FIRST HEALTH PROVIDERS</u> (Charges above negotiated amounts are not billable to the Member).	<u>OUT - OF - NETWORK PROVIDERS</u> (Charges above Reasonable & Customary (R & C) amounts are permitted & are billable to the Member)
<u>THERAPY</u> (Including Physical)	You pay \$25 Co-pay, Plan pays 100%	You pay \$25 Co-pay, Plan pays 100%	After Deductible is met, Plan pays 75%
<u>DIAGNOSTIC LAB</u>	Beebe Express Labs, TidalHealth Labs or LabCorp You pay \$35 Co-pay, Plan pays 100%	You pay \$35 Co-pay, Plan pays 90%	After Deductible is met, Plan pays 70%
<u>DIAGNOSTIC X-RAY</u>	You pay \$35 Co-pay, Plan pays 100%	You pay \$35 Co-pay, Plan pays 90%	After Deductible is met, Plan pays 70%
<u>MRI/CAT/PET</u>	You pay \$35 Co-pay, Plan pays 90%	You pay \$35 Co-pay, Plan pays 90%	After Deductible is met, Plan pays 70%
<u>CHIROPRACTIC</u>	You pay \$25 Co-pay, Plan pays 100%	You pay \$25 Co-pay, Plan pays 100%	After Deductible is met, Plan pays 75%
<u>OTHER COVERED CHARGES</u>	You pay \$25 Co-pay, Plan pays 100%	You pay \$25 Co-pay, Plan pays 90%	After Deductible is met, Plan pays 70%
<u>MENTAL DISORDERS/SUBSTANCE USE DISORDERS</u>			
In-Patient (per stay)	You pay \$150 Co-pay, Plan pays 100%	After Deductible is met, Plan pays 90%	After Deductible is met, Plan pays 70%
Out-Patient	You pay \$25 Co-pay, Plan pays 100%	You pay \$25 Co-pay, Plan pays 100%	After Deductible is met, Plan pays 70%

Organ and Tissue transplantation is provided under a separate fully insured policy with UnitedHealthcare Insurance Company (UHC), Managed Transplant Program (MTP). This transplant benefit is managed by OptumHealth, a UnitedHealthcare company, who has contracted with Transplant Centers of Excellence (COE) Facilities nationwide. These COE Facilities have the highest survival rates and volumes for the best clinical outcomes. Please see the Annual Employee Booklet for details on the Transplant Benefit.

Benefit Plan Sheet is for Informational Purposes ONLY. Please see Plan Document for specific Information on Plan.

THE CITY OF SEAFORD
HPN PLAN OF BENEFITS - Effective June 1, 2025

PRESCRIPTION DRUG CARD:

Deductible Year: June 1 – May 31

There is a \$25 Prescription Deductible per person per plan year, \$50 per family, that is separate from your Plan Year Medical Deductible.

Brand Prescriptions are \$100 Max for 30 Day Supply, \$300 Max for 90 Day Supply.

Maximum OOP: \$7,700 Individual. \$15,400 Family

After the Plan Year Prescription Deductible has been met, then the following Co-pays apply:

30 DAY SUPPLY:

You pay \$15 Co-pay for Generic Drugs

You pay the Greater of \$20 or 25% (\$100 Max) for Preferred Brand Name Drugs You

pay the Greater of \$30 or 30% (\$100 Max) for Non-Preferred Brand Name Drugs

90 DAY SUPPLY:

You pay \$30 Co-pay for Generic Drugs

You pay the Greater of \$40 or 20% (\$300 Max) for Preferred Brand Name Drugs You

pay the Greater of \$60 or 25% (\$300 Max) for Non-Preferred Brand Name Drugs

*Mail Order Pharmacy information is found in your Employee Booklets.

Value Max Specialty is a program offered by Prime Therapeutics to help provide copay assistance if you take any specialty medications.

Please contact Value Max at 800-424-0472 if you have any questions about this program or see your Employee Booklet for more information.

Payer Matrix (If available) - Specialty and Injectable Drugs Program: Plan participants that use specialty drugs listed on the Payer Matrix specialty drug list, may automatically be enrolled in the Payer Matrix program which assists participants to qualify for cost savings. If the participant qualifies, they may receive the specialty drug at a \$0 copay. Financial information may be required to qualify.

Medtipster program: \$0 copayment applies on qualifying Medtipster generic drugs at preferred retail pharmacies.

Detailed information available at: <https://free.medtipster.com>.

Visit <https://integratpa.com>, click on the Prime Therapeutics link and login to access helpful information about your prescription services.

Benefit Plan Sheet is for Informational Purposes ONLY. Please see Plan Document for specific Information on Plan.

THE CITY OF SEAFORD
DENTAL PLAN OF BENEFITS - Effective June 1, 2025

5/6/2025

DENTAL PLAN:

Plan Year: June 1 – May 31

Maximum Dental Benefit per Individual (Plan reimburses up to)	\$500
Maximum Dental Benefit per Family (Plan reimburses up to)	\$1,500

Orthodontics:

(Limited to dependent children to age 26)

DENTISTS:

Employees and their dependents can see the dentist of their choice.

ELIGIBLE EMPLOYEE/DEPENDENTS:

All full time employees (30 hours per week) are eligible.

Your spouse, unless you are legally separated or divorced.

Your dependent children less than twenty six (26) years of age.

LIMITS AND EXCLUSIONS:

This plan does not cover expenses due to:

- 1) Free dental treatment or charges that in the absence of this plan you are not required to pay.
- 2) Services that are payable or covered by a law or agency of a government. This includes Worker's Compensation and Occupational Disease Laws.
- 3) Missed appointments, filling out claim forms, or dietary instruction.
- 4) Replacing a lost or stolen appliance.

COORDINATION OF BENEFITS:

Dental benefits of this plan coordinate with benefits of other plans that also provide dental benefits. The benefits of the plan which covers the person directly (that is, as an employee, member or subscriber), are considered first (primary) to those of the plan which covers the person as a dependent. If eligible dependent children are covered under both parents, the plan of the parent whose birthday falls earliest in a year will be the primary benefit plan (Birthday Rule).

REQUEST FOR BENEFITS FOR DENTAL:

The employee or provider of service must submit receipts or a proposed treatment plan to INTEGRA Administrative Group, Inc. The receipt must have charges clearly defined and any charges for appliances clearly separated from any other charges.

After review by INTEGRA Administrative Group, Inc., plan reimbursement will be made directly to the employee or to the provider of service if an assignment of benefits is on file.

Benefit Plan Sheet is for Informational Purposes ONLY. Please see Plan Booklet for specific information on Plan.

CLAIMS ADMINISTRATOR: INTEGRA ADMINISTRATIVE GROUP, INC.
110 SOUTH SHIPLEY STREET, SEAFORD DE 19973
(302)-629-3518 OR (800)-959-3518

THE CITY OF SEAFORD
VISION & HEARING PLAN OF BENEFITS - Effective June 1, 2025

5/7/25

VISION PLAN:

Plan Year: June 1 – May 31

Maximum Vision Benefit per Individual (Plan reimburses up to)_____	\$500
Maximum Vision Benefit per Family (Plan reimburses up to)_____	\$1,500

Vision Benefit applies to Vision Hardware, Contact Lens Fitting Exam and Contact Lenses.

LIMITS AND EXCLUSIONS:

This plan does not cover expenses due to:

- 1) Free vision treatment or charges that in the absence of this plan you are not required to pay.
- 2) Services that is payable or covered by a law or agency of a government. This includes Worker's Compensation and Occupational Disease Laws.
- 3) Missed appointments, filling out claim forms.
- 4) Replacing lost or stolen glasses.
- 5) Lasik surgery
- 6) Vision Exam is covered under the Medical Plan. If you are not covered under the Medical Plan, then a Vision Exam is covered under the Vision Plan up to \$70 per year.

OPTOMETRISTS:

Employees and their dependents can see the Optometrist of their choice.

You may access a list of HPN providers available at cityofseaford.claimsbridge.com.

HPN providers may be a lesser out of pocket cost for you.

COORDINATION OF BENEFITS

Vision benefits of this plan coordinate with benefits of other plans that also provide Vision benefits. The benefits of the plan which covers the person directly (that is, as an employee, member or subscriber), are considered first (primary) to those of the plan which covers the person as a dependent. If eligible dependent children are covered under both parents, the plan of the parent whose birthday falls earliest in a year will be the primary benefit plan (Birthday Rule).

ELIGIBLE EMPLOYEE/DEPENDENTS:

All full time employees (30 hours per week) are eligible.

Your spouse, unless you are legally separated or divorced.

Your dependent children less than twenty six (26) years of age.

HEARING AIDES:

The Plan will pay a 50% Benefit up to \$750 per Hearing Aide to a Maximum Benefit of \$1,500 (every 3 years).

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CLAIMS ADMINISTRATOR: INTEGRA ADMINISTRATIVE GROUP, INC.
110 SOUTH SHIPLEY STREET, SEAFORD DE 19973
(302)-629-3518 OR (800)-959-3518

THE CITY OF SEAFORD
HPN PLAN OF BENEFITS - Effective June 1, 2026

	<u>HPN & FIRST HEALTH</u>	<u>OUT – OF - NETWORK</u>	
Individual Deductible	\$250	\$500	Deductible Year: January 1 – December 31
Family Deductible (Embedded)	\$500	\$1,000	
Individual Out-of-Pocket *	\$1,000	\$3,000	
Family Out-of-Pocket * (Embedded)	\$2,000	\$6,000	
Individual Annual Maximum	UNLIMITED		4/24/26
<i>*Medical Co-pays apply and will not continue when out of pocket is met. RX Co-pays do not apply.</i>			
(Embedded limit = in a Family Unit, an individual is limited to the individual maximum)			

Pre Certification is **MANDATORY** for all In-Patient Admissions, Out-Patient Surgery, IV Infusion Therapy, Durable Medical Equipment (DME) and Home Health Care. For Pre Certification, please call Välenz: 1-877-608-2200.
Pre Authorization **MUST BE APPROVED** for non-routine diagnostics for suspicion of cancer and prior to the inception of any chemotherapy regimen. For Pre Authorization call Välenz: 1-877-208-5002

<u>DESCRIPTION OF SERVICES</u>	<u>HIGH PERFORMANCE NETWORK (HPN)</u> (Charges above negotiated amounts are not billable to the Member)	<u>FIRST HEALTH PROVIDERS</u> (Charges above negotiated amounts are not billable to the Member)	<u>OUT - OF - NETWORK PROVIDERS</u> (Charges above Reasonable & Customary (R & C) amounts are permitted & are billable to the Member)
<u>FACILITY CHARGES</u>			
Urgent Care Facility	You pay \$50 Co-pay, Plan pays 100%	You pay \$50 Co-pay, Plan pays 100%	You pay \$50 Co-pay, Plan pays 100%
In-Patient Hospital (Semi Private Room) (per stay)	You pay \$150 Co-pay, Plan pays 100%	After Deductible is met, Plan pays 90%	After Deductible is met, Plan pays 70%
Emergency Room Emergency Use	You pay \$200 Co-pay, Plan pays 100%	You pay \$200 Co-pay, Plan pays 90%	You pay \$200 Co-pay, Plan pays 90%
Non Emergency	You pay \$50 Co-pay, Plan pays 50%	After Deductible is met, Plan pays 50%	After Deductible is met, Plan pays 50%
Ambulance to Hospital	You pay \$100 Co-pay, Plan pays 100%	You pay \$100 Co-pay, Plan pays 100%	You pay \$100 Co-pay, Plan pays 100%
Revive / Swift MD - FREE telemedicine consult: Schedule a telemedicine consultation with a doctor 24/7 by calling 833-SWIFTMD (833-794-3863) or by going online to www.swiftmd.com			
<u>PROFESSIONAL SERVICES</u>			
In – Patient Surgeon Hospital or Surgical Facility	You pay \$100 Co-pay, Plan pays 100%	You pay 10%, Plan pays 90%	After Deductible is met, Plan pays 70%
Out - Patient Surgery Doctor's Office	You pay \$50 Co-pay, Plan pays 100%	You pay \$50 Co-pay, Plan pays 90%	After Deductible is met, Plan pays 70%
Surgical Facility	You pay \$100 Co-pay, Plan pays 100%	You pay \$100 Co-pay, Plan pays 90%	After Deductible is met, Plan pays 70%
Anesthesia	Plan pays 100%	You pay 10% Plan pays 90%	After Deductible is met, Plan pays 70%
Hospital Visits	You pay \$25 Co-pay, Plan pays 100%	You pay \$25 Co-pay, Plan pays 90%	After Deductible is met, Plan pays 70%
<u>OFFICE VISIT</u>	You pay \$25 Co-pay, Plan pays 100%	You pay \$25 Co-pay, Plan pays 100%	After Deductible is met, Plan pays 70%

Benefit Plan Sheet is for Informational Purposes ONLY. Please see Plan Document for specific information on Plan.

THE CITY OF SEAFORD
HPN PLAN OF BENEFITS - Effective June 1, 2026

<u>DESCRIPTION OF SERVICES</u>	<u>HIGH PERFORMANCE NETWORK (HPN)</u> (Charges above negotiated amounts are not billable to the Member)	<u>FIRST HEALTH PROVIDERS</u> (Charges above negotiated amounts are not billable to the Member)	<u>OUT - OF - NETWORK PROVIDERS</u> (Charges above Reasonable & Customary (R & C) amounts are permitted & are billable to the Member)
PREVENTIVE CARE: (go to https://www.healthcare.gov/coverage/preventive-care-benefits/ for covered services) (Preventive Care also covers annual Adult vision screening)			
	Plan pays 100%	Plan pays 100%	You pay 30% Plan pays 70%
THERAPY (Including Physical)	You pay \$25 Co-pay, Plan pays 100%	You pay \$25 Co-pay, Plan pays 100%	After Deductible is met, Plan pays 75%
DIAGNOSTIC LAB	<u>Beebe Express Labs,</u> <u>TidalHealth Labs or LabCorp</u> You pay \$35 Co-pay, Plan pays 100%	You pay \$35 Co-pay, Plan pays 90%	After Deductible is met, Plan pays 70%
DIAGNOSTIC X-RAY	You pay \$35 Co-pay, Plan pays 100%	You pay \$35 Co-pay, Plan pays 90%	After Deductible is met, Plan pays 70%
MRI/CAT/PET	You pay \$35 Co-pay, Plan pays 90%	You pay \$35 Co-pay, Plan pays 90%	After Deductible is met, Plan pays 70%
CHIROPRACTIC	You pay \$25 Co-pay, Plan pays 100%	You pay \$25 Co-pay, Plan pays 100%	After Deductible is met, Plan pays 75%
OTHER COVERED CHARGES	You pay \$25 Co-pay, Plan pays 100%	You pay \$25 Co-pay, Plan pays 90%	After Deductible is met, Plan pays 70%

Organ and Tissue transplantation is provided under a separate fully insured policy with UnitedHealthcare Insurance Company (UHC), Managed Transplant Program (MTP). This transplant benefit is managed by OptumHealth, a UnitedHealthcare company, who has contracted with Transplant Centers of Excellence (COE) Facilities nationwide. These COE Facilities have the highest survival rates and volumes for the best clinical outcomes. Please see the Annual Employee Booklet for details on the Transplant Benefit.

Benefit Plan Sheet is for Informational Purposes ONLY. Please see Plan Document for specific Information on Plan.

THE CITY OF SEAFORD
HPN PLAN OF BENEFITS - Effective June 1, 2026

PRESCRIPTION DRUG CARD:

Deductible Year: June 1 – May 31

There is a \$25 Prescription Deductible per person per plan year, \$50 per family, that is separate from your Plan Year Medical Deductible.

Brand Prescriptions are \$100 Max for 30 Day Supply, \$300 Max for 90 Day Supply.

Maximum OOP: \$7,700 Individual. \$15,400 Family

After the Plan Year Prescription Deductible has been met, then the following Co-pays apply:

30 DAY SUPPLY:

You pay \$15 Co-pay for Generic Drugs

You pay the Greater of \$20 or 25% (\$100 Max) for Preferred Brand Name Drugs

You pay the Greater of \$30 or 30% (\$100 Max) for Non-Preferred Brand Name Drugs

90 DAY SUPPLY:

You pay \$30 Co-pay for Generic Drugs

You pay the Greater of \$40 or 20% (\$300 Max) for Preferred Brand Name Drugs

You pay the Greater of \$60 or 25% (\$300 Max) for Non-Preferred Brand Name Drugs

*Mail Order Pharmacy information is found in your Employee Booklets.

Value Max Specialty is a program offered by Prime Therapeutics to help provide copay assistance if you take any specialty medications.

Please contact Value Max at 800-424-0472 if you have any questions about this program or see your Employee Booklet for more information.

Payer Matrix (If available) - Specialty and Injectable Drugs Program: Plan participants that use specialty drugs listed on the Payer Matrix specialty drug list, may automatically be enrolled in the Payer Matrix program which assists participants to qualify for cost savings. If the participant qualifies, they may receive the specialty drug at a \$0 copay. Financial information may be required to qualify.

Medtipster program: \$0 copayment applies on qualifying Medtipster generic drugs at preferred retail pharmacies.

Detailed information available at: <https://free.medtipster.com>.

Visit <https://integratpa.com>, click on the Prime Therapeutics link and login to access helpful information about your prescription services.

Benefit Plan Sheet is for Informational Purposes ONLY. Please see Plan Document for specific Information on Plan.

THE CITY OF SEAFORD
DENTAL PLAN OF BENEFITS - Effective June 1, 2026

9/16/2025

DENTAL PLAN:

Plan Year: June 1 – May 31

Maximum Dental Benefit per Individual (Plan reimburses up to)	\$500
Maximum Dental Benefit per Family (Plan reimburses up to)	\$1,500

Orthodontics:

(Limited to dependent children to age 26)

DENTISTS:

Employees and their dependents can see the dentist of their choice.

ELIGIBLE EMPLOYEE/DEPENDENTS:

All full time employees (30 hours per week) are eligible.

Your spouse, unless you are legally separated or divorced.

Your dependent children less than twenty six (26) years of age.

LIMITS AND EXCLUSIONS:

This plan does not cover expenses due to:

- 1) Free dental treatment or charges that in the absence of this plan you are not required to pay.
- 2) Services that are payable or covered by a law or agency of a government. This includes Worker's Compensation and Occupational Disease Laws.
- 3) Missed appointments, filling out claim forms, or dietary instruction.
- 4) Replacing a lost or stolen appliance.

COORDINATION OF BENEFITS:

Dental benefits of this plan coordinate with benefits of other plans that also provide dental benefits. The benefits of the plan which covers the person directly (that is, as an employee, member or subscriber), are considered first (primary) to those of the plan which covers the person as a dependent. If eligible dependent children are covered under both parents, the plan of the parent whose birthday falls earliest in a year will be the primary benefit plan (Birthday Rule).

REQUEST FOR BENEFITS FOR DENTAL:

The employee or provider of service must submit receipts or a proposed treatment plan to INTEGRA Administrative Group, Inc. The receipt must have charges clearly defined and any charges for appliances clearly separated from any other charges.

After review by INTEGRA Administrative Group, Inc., plan reimbursement will be made directly to the employee or to the provider of service if an assignment of benefits is on file.

Benefit Plan Sheet is for Informational Purposes ONLY. Please see Plan Booklet for specific information on Plan.
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CLAIMS ADMINISTRATOR: INTEGRA ADMINISTRATIVE GROUP, INC.
110 SOUTH SHIPLEY STREET, SEAFORD DE 19973
(302)-629-3518 OR (800)-959-3518

THE CITY OF SEAFORD
VISION & HEARING PLAN OF BENEFITS - Effective June 1, 2026

9/16/25

VISION PLAN:

Plan Year: June 1 – May 31

Maximum Vision Benefit per Individual (Plan reimburses up to)	\$500
Maximum Vision Benefit per Family (Plan reimburses up to)	\$1,500

Vision Benefit applies to Vision Hardware, Contact Lens Fitting Exam and Contact Lenses.

LIMITS AND EXCLUSIONS:

This plan does not cover expenses due to:

- 1) Free vision treatment or charges that in the absence of this plan you are not required to pay.
- 2) Services that is payable or covered by a law or agency of a government. This includes Worker's Compensation and Occupational Disease Laws.
- 3) Missed appointments, filling out claim forms.
- 4) Replacing lost or stolen glasses.
- 5) Lasik surgery
- 6) Vision Exam is covered under the Medical Plan. If you are not covered under the Medical Plan, then a Vision Exam is covered under the Vision Plan up to \$70 per year.

OPTOMETRISTS:

Employees and their dependents can see the Optometrist of their choice.

You may access a list of HPN providers available at cityofseaford.claimsbridge.com.

HPN providers may be a lesser out of pocket cost for you.

COORDINATION OF BENEFITS

Vision benefits of this plan coordinate with benefits of other plans that also provide Vision benefits. The benefits of the plan which covers the person directly (that is, as an employee, member or subscriber), are considered first (primary) to those of the plan which covers the person as a dependent. If eligible dependent children are covered under both parents, the plan of the parent whose birthday falls earliest in a year will be the primary benefit plan (Birthday Rule).

ELIGIBLE EMPLOYEE/DEPENDENTS:

All full time employees (30 hours per week) are eligible.

Your spouse, unless you are legally separated or divorced.

Your dependent children less than twenty six (26) years of age.

HEARING AIDES:

The Plan will pay a 50% Benefit up to \$750 per Hearing Aide to a Maximum Benefit of \$1,500 (every 3 years).

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CLAIMS ADMINISTRATOR: INTEGRA ADMINISTRATIVE GROUP, INC.
110 SOUTH SHIPLEY STREET, SEAFORD DE 19973
(302)-629-3518 OR (800)-959-3518

NB#3
4.20.26
CLEAN COPY

City of Seaford
LEASE AGREEMENT

THIS LEASE made this ____ day of _____, 2026, by and between THE CITY OF SEAFORD (Landlord) AND _____ (Tenant).

WITNESSETH:

1. PREMISES AND TITLE

- 1.1 That for and in consideration of the payment of the rental and performance of the covenants and agreements hereinafter set forth, Landlord leases to Tenant, and Tenant accepts from Landlord, that certain real property described as follows:
- 1.2 106 Spring Street, Seaford, Sussex County, Delaware containing 3,600 square feet of leased floor area including use of the parking lot on the south side of the building, and the grass lot directly north of the building fronting on High Street, containing approximately 4,770 square feet of area, as an outside patio space per approval by the Board of Adjustment on January 3, 2024.
- 1.3 Landlord warrants that it has title to the Leased Premises and that it has the right to lease the same for the term of this Lease. Landlord covenants that Tenant upon the payment of the rent herein stipulated and the performance of all the covenants and agreements there under, shall have the peaceful and quiet possession, use and enjoyment of the Leased Premises, without hindrance on the part of the Landlord or any party claiming by, through or under it, for the term of this Lease and Landlord further warrants that it shall defend Tenant in such peaceful and quiet use, and enjoyment and possession of the Leased Premises against any such claim.

2 TERM

- 2.1 The term of this Lease shall be for a period of three years commencing on the May 1, 2026 for the purpose of a Meadery and Brewery.

- 2.2 Tenant shall have, and is hereby granted, an option to renew at terms and conditions to be negotiated between the parties. Notice of intent to renewal shall be given by the tenant to the landlord not less than 90 days prior to the expiration of this lease or any renewal thereof.

3 RENTAL

- 3.1 Tenant covenants and agrees to pay Landlord for the use of the Leased Premises during the Term an annual rent in accordance with the following schedule, which annual rental shall be paid in equal monthly installments which shall be payable in advance on the first day of each calendar month. Rent for each subsequent year, paid in equal monthly installments is set forth below:

Year one (1) - \$2,000/month (May 2026 – April 2027) (Total of \$24,000 for year 1)

Year two (2) - \$2,000/month (May 2027 – April 2028) (Total of \$24,000 for year 2)

Year three (3) - \$2,060/month (May 2028 – April 2029) (Total of \$24,720 for year 3)

- 3.2 No security deposit will be required.
- 3.3 Landlord does hereby grant to Tenant the right, at its option, to extend the terms of this Lease for (1) three-year period with annual increases to be negotiated.
- 3.4 A late charge equal to 5% of the rent due will be charged for rental payments paid after the 5th day of the month.

4 USE OF LEASED PREMISES

- 4.1 The Leased Premises shall be used and occupied by Tenant for the purposes of a Meadery and Brewery, for the sale and service of alcohol, as well as manufacturing, with production areas, tasting room, bathrooms, outdoor seating area and other ancillary areas.
- 4.2 Landlord shall provide lighting for the parking area.

- 4.3 Tenant shall observe and comply with all orders or directives of the appropriate authorities pertaining to the manner in which Tenant uses the Leased Premises.
- 4.4 Landlord warrants that there is no restriction, conditions, or covenants in the chain of title to the Leased Premises, nor is there any zoning ordinances or other municipal or governmental statute, action, law or regulation, impending, limiting or prohibiting the use of the Leased Premises by Tenant for the purposes described in Paragraph 4.1. The tenant shall submit to the City of Seaford and obtain approval to have outdoor seating on the premises.
- 4.5 The leased space will be kept in such a manner as to reflect the professional decorum of a business as determined by Landlord. Trucks, vans and other similar service vehicles are to be parked to the rear of the building or in any other area designated by the Landlord. The purpose of this paragraph is to ensure the maintenance of the leased facility of the highest caliber.
- 5 TAXES AND ASSESSMETNS**
- 5.1 Landlord shall promptly pay all taxes, assessments, duties, impositions, burdens and tax/assessment charges whatsoever, levied, assessed, charged or imposed by the appropriate authorities upon the Leased Premises.
- 6 UTILITIES AND SNOW REMOVAL**
- 6.1 Landlord shall, at its expense, furnish and make available to the Leased Premises water and sewer hookup services and all necessary utility services and provide equipment for heat, air conditioning, and interior electric services. Any additional electrical distribution upgrades, water and sewer over and above the normal services available in the premises on the date of commencement of lease shall be provided by Tenant who shall bear the full responsibility for payment for said services and additional equipment.
- 6.2 Tenant shall pay all charges for electricity, water and sewer, fuel oil, natural gas, or propane used by them on the premises during the term of this lease and all extensions thereof.
- 6.3 Tenant shall pay for the installation and utilization of its telephone and internet connection and computer wiring if such wiring is desired.

- 6.4 Tenant shall be responsible for the removal of snow for the Leased Premises.
- 6.5 Tenant shall be responsible for maintenance of the lawn, shrubs, flower boxes, trees, etc. and shall pay for same.
- 6.6 Tenant shall be responsible for their trash service.

7 SIGNS

- 7.1 Tenant may provide identifying signage on the High Street and Spring Street façade of the building that will be tasteful, and in accord with the City of Seaford signage regulations. If desired by the tenant, free standing signage may be provided on the High Street frontage of the property.

8 TRADE FIXTURES, MACHINERY AND EQUIPMENT

- 8.1 Landlord agrees that all trade fixtures, machinery, equipment, furniture or other personal property of whatever kind and nature be kept or installed on the Leased Premises by Tenant shall not become the property of Landlord or a part of the realty no matter how affixed to the Leased Premises and may be removed by Tenant at any time and from time to time during the term of this Lease.

9 ALTERATIONS, REPLACEMENTS, AND IMPROVEMENTS

- 9.1 Tenant may make any alterations, additions, or improvements to the Lease Premises reasonably necessary to facilitate the operation of its business as described in Paragraph 4.1 with the prior written consent of Landlord, which consent shall not be unreasonably withheld.
- 9.2 Any such alterations, additions, or improvements, unless expressly agreed otherwise, may be removed by Tenant at any time, provided that Tenant shall repair any damage to the Leased Premises caused by such removal.

10 REPAIR AND MAINTENANCE

- 10.1 Tenant is to be responsible for all mechanical equipment and systems and to keep them in good order, condition, and repair to the satisfaction of Landlord during the term of this lease.
- 10.2 Landlord shall, at its expense, maintain the Leased Premises in good order, repair and condition and will make all necessary repairs and replacements, without limitation, the structure, site improvements, exterior walls, gutters,

roof. Tenant will be responsible to maintain the water and sanitary sewer system within the leased space.

10.3 The Tenant shall keep, maintain, and repair at its expense all interior portions of the building, including structural portions, and keep the plumbing, electrical, lighting, heating, and air conditioning systems in good repair for the leased space.

10.4 Upon the expiration of this Lease, Tenant shall surrender the Leased Premises in the same condition, as the same existed on the commencement date, reasonable wear and tear damage by unavoidable casualty excepted.

11 CASUALTY INSURANCE

11.1 During the term of this Lease, Landlord shall maintain, at its expense, an "All Risk" form of insurance in full force and effect on the building located on the Leased Premises insuring the same against loss or damage by fire, water, wind, the elements, unavoidable accident, and any other causes included under said form of insurance.

12 PUBLIC LIABILITY INSURANCE

12.1 During the term of this Lease, Tenant shall maintain insurance against public liability for personal injury or death or damage to property occurring in the demised premises arising out of the use and occupancy thereof by Tenant. Such insurance shall be with minimum limits of \$500,000/\$1,000,000 for personal injury or death and \$100,000 for property damage. Tenant shall provide landlord an insurance certificate at the beginning of the lease term and thereafter at least once a year.

13 FIRE OR OTHER CASUALTY

13.1 If any or all of the improvements located on the Leased Premises are damaged, then the rights of the parties shall be determined as follows:

13.1.1 If less than all of the improved area of the Leased Premises is destroyed and the extent of the damage is such extent and with substantially the same efficiency as before the occurrence of the damage, Landlord shall, at its expense, and as promptly as possible, repair said damage and restore the Leased Premises to its condition prior to the damage. During the

restoration and repair period, Tenant's liability for rent and other sums payable hereunder shall be reduced by a percentage equal to the improved area of the Leased Premises rendered unsuitable for the normal operation of Tenant's business.

- 13.1.2 If all of the improved area of the Leased Premises is destroyed or the extent of the damage is such that Tenant is prevented from conducting its business on the Leased Premises to substantially the same extent and with substantially the same efficiency as before the occurrence of the damage, then Tenant shall have the option to either terminate this Lease or to require to make such repairs and improvements as shall be necessary to restore the Leased Premises so as to permit Tenant to carry on its business to substantially the same extent and with substantially the same efficiency as before the occurrence of the damage. Such option shall be exercised by Tenant's written notice to Landlord within ten days after the date of which the damage occurred. If the election is (i) To restore the Leased Premises, such restoration shall be completed by Tenant, at its expense, as promptly as reasonably possible (due allowance being made for the time taken for the settlement of insurance claims,) and during the restoration period Tenant's liability for rent shall be abated in its entirety; and further, the balance of the particular term of this Lease in which the damage occurred shall be extended by a period of time equal to the time of the restoration period; (ii) To terminate this Lease, the rent and other sums payable hereunder shall be prorated and adjusted between Landlord and Tenant on a per diem basis to the date of the occurrence of the damage. Upon receipt of payment by the party due to be paid under such adjustment, this Lease shall be null and void with no further obligations, rights or duties surviving between the parties hereto except as otherwise specifically provided for herein.

14 CONDEMNATION

- 14.1 If at any time during the term of this Lease, the Leased Premises, or a portion thereof, is taken by eminent domain, condemnation, or public authority ("Condemnation"), the rights of the parties shall be determined as follows:

14.1.1 If the extent of the Condemnation is such that Tenant is not prevented from conducting its business on the Leased Premises to substantially the same extent and with substantially the same efficiency as before the Condemnation and Landlord can repair the damage caused by the Condemnation within thirty days, Landlord shall, at its expense, and as promptly as possible, repair said damage and restore the Leased Premises to its condition prior to the Condemnation. During the restoration and repair period and thereafter during the balance of the term of this Lease, Tenant's liability for rent other sums payable hereunder shall be reduced by an amount mutually agreed upon by Landlord and Tenant. In the event Landlord and Tenant cannot agree upon the rent adjustment then this Lease shall terminate and the rent other sums payable hereunder shall be reduced by an amount mutually agreed upon by Landlord and Tenant on a per diem basis to the date Tenant is required to yield possession of the condemned portion of the Leased Premises or the title thereof vests in the condemning authority which event shall first occur. Upon such termination, Tenant shall surrender possession of the Leased Premises to Landlord and the rent and other sums payable by either party hereunder shall be prorated on a per diem basis to the date of such termination and adjusted between Landlord and Tenant and upon receipt of payment by the party due to be paid under such adjustment, this Lease shall be null and void with no further obligations, rights or duties surviving between the parties hereto.

14.2 In the event of such Condemnation, whether whole or partial, Landlord shall be entitled to receive the amount of such award allocated to the taking of the fee simple and leasehold interests hereunder. Further, Tenant shall have the right to claim and recover from the condemning authority such compensation as may be separately awarded or recoverable by Tenant on account of any alterations, replacement and improvements made to the Leased Premises by Tenant, damage to Tenant's business by reason of Condemnation and the expenses of removing and relocating Tenant's business.

15 SUBORDINATION OF LEASE

15.1 Tenant agrees, at any time hereafter, on demand, to execute any instrument, releases or other documents that may be required by Landlord for the purpose to subjecting and subordinating the Lease to the lien of any such mortgage or deed of trust, whether original or substituted, provided the terms of such mortgages, deeds of trust, instruments, releases or other documents do not modify the terms of this Lease, and further provided that so long as Tenant is not in default under this Lease, the holder of such lien in consideration of said subordination, shall agree not to disturb Tenant in its occupancy of the Leased Premises, pursuant to the terms of this Lease.

16 ASSIGNMENT OR SUBLEASE

16.1 Tenant shall not have the right to assign this Lease or sublet the Leased Premises or any part thereof upon and with the prior written consent of Landlord, which consent shall not unreasonably be withheld.

17 ACCESS TO LEASED PREMISES

17.1 Landlord shall have the right to enter the Leased Premises at all reasonable hours for emergencies or for the purpose of making any repairs, alterations, additions or improvements to the Leased Premises. All such repairs, alterations, additions, and improvements shall be done in a manner so as not to unreasonably interfere with Tenant's use of the Leased Premises. During the repair period, Tenant's liability for rent and other sums payable hereunder shall be reduced by a percentage equal to the improved area of the Leased Premises rendered unsuitable for the normal operation of Tenant's business.

18 DEFAULT BY TENANT

18.1 The following shall be deemed a default by Tenant under the terms of this Lease ("Event of Default"):

- 18.1.1 The failure by Tenant to pay any rent or other sum of money due hereunder within thirty days after written notice from Landlord that such payment has not been made.
- 18.1.2 The failure by Tenant to perform any other of the terms, conditions, or covenants of this Lease to be observed or performed by Tenant for more

than thirty days after written notice from Landlord of such default, unless such default is of a nature that it cannot practically be cured within such thirty day period and Tenant is proceeding with due diligence to cure such default.

- 18.1.3 The making by Tenant of an assignment for the benefit of creditors.
- 18.1.4 The filing of a petition by or against Tenant for adjudication as a bankrupt under the Bankruptcy Code, as now or hereafter amended or supplemented, or for reorganization within the meaning of Chapter 11, of the Bankruptcy Code, or the commencement of any action or proceeding for the dissolution or liquidation of Tenant, whether instituted by or against Tenant, or for the appointment of a receiver or trustee of the property of Tenant, provided that no such filing or proceeding instituted by a third party shall be regarded as a default hereunder if Tenant shall promptly move to have the same dismissed, rescinded or rendered inoperative and Tenant prosecutes such action with due diligence and continues to perform and discharge all of the covenants and obligations on its part to be performed or discharged under this Lease during the pendency of such proceedings.
- 18.2 Upon the occurrence of an Event of Default, Landlord shall have the immediate right of re-entry and possession of the Leased Premises, which such right shall remain continuous until such time as Tenant shall have cured such Event of Default. Notwithstanding such re-entry and possession of the Leased Premises by Landlord, Tenant shall remain liable for the rent and other sum payable hereunder whether or not the Leased Premises are reletted by Landlord and for all expenses which Landlord may incur in re-entering the Leased Premises and repairing and maintaining the same less such proceeds, if any, which result from the reletting of the Leased premises.
- 18.3 Additionally, upon the occurrence of any Event of Default, Landlord shall have the right to terminate this Lease by written notice of such intention to Tenant. In the event Landlord elects to terminate this Lease, Tenant's liability for rent and other sums payable hereunder and to perform any other term,

condition, covenant, or agreement on its part to be performed under this Lease shall cease and terminate as to any period subsequent to the date of which Landlord delivers to Tenant written notice of such termination. Tenant shall remain liable, however, for all rent and the performance of all terms, conditions, covenants, and agreement relating to matters prior to the date of such termination.

19 DEFAULT BY LANDLORD

19.1 In the event of the failure by Landlord to perform any of its obligations under this Lease or to make any payments required to be made by Landlord hereunder or to make any payments arising out of or with respect to any encumbrances on the Leased Premises, then Tenant may, at its election, perform such obligations or make such payments and in default of prompt reimbursement for the cost thereof Landlord, Tenant may deduct the amount of such expenditures from the next maturing installment or installments of rent or other sums payable hereunder by Tenant. Tenant at its election, shall have the right to recover the amount of such advantages, together with attorney's fees and costs incurred in connection with the recovery thereof, in any court of competent jurisdiction. Such remedy shall be in addition to any and all other rights and remedies provided at law or in equity or otherwise specifically provided for herein.

20 REMEDIES CUMULATIVE

20.1 No mention in this Lease of any specific right or remedy shall preclude either party from exercising any other right or from having any other remedy or from maintaining any action to which it may be otherwise entitled either at law or in equity.

21 WAIVER

21.1 The failure of either party to insist in any one or more instances upon a strict performance of any covenant of this Lease or the waiver by either party of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver or relinquishment of such term, covenant, or condition or any subsequent breach of same or any other term, covenant or condition

herein contained. No covenant, term or condition of this Lease shall be deemed to have been waived by either party unless waived by written instrument.

22 SURRENDER OF POSSESSION AND HOLDING OVER

22.1 Tenant will surrender possession of the premises to Landlord at the expiration or prior termination of this Lease unless the term has been extended.

22.2 Any holding over by Tenant of the Leased Premises after expiration of this Lease shall operate and be construed as a tenancy from month-to-month on the same terms, covenants, conditions, provisions and agreements as set forth in this Lease for the period immediately prior to the expiration thereof, except that the monthly rent for such holding over period shall be equal to one hundred twenty-five percent (125%) of the monthly rent payable immediately prior to the expiration of this Lease.

23 MISCELLANEOUS PROVISIONS

23.1 Notices required to be given hereunder by either party to the other may be either personally delivered or sent by registered mail properly addressed and prepaid, to the following address of the parties. **Landlord: City of Seaford, Attn: City Manager, PO BOX 1100, Seaford, DE 19973. Tenant: Brimming Horn Meadery, Attn: Jon Talkington, 10078 Middleford Rd., Seaford, DE 19973** or other address as the Landlord and Tenant shall advise each other in writing.

23.2 No change or modification of this Lease shall be valid unless the same is in writing and signed by both parties.

23.3 The terms and provisions of this Lease are to the benefit of and binding upon the respective heirs, executors, administrators, successors, and assigns of Landlord and Tenant.

24 TERMINATION OF LEASE

24.1 Landlord shall provide Tenant ninety days, (90), written notice of intent to sell the building.

24.2 Tenant shall have the right to terminate the lease upon thirty, (30) days written notice of intent to relinquish lease.

IN WITNESS WHEREOF, the parties hereto have executed and sealed this
Lease as of the day and year first above written.

ATTEST:

LANDLORD:

City of Seaford

Date

Witness

Lessee

NB# 3
4.28.26
RED-LINE

City of Seaford
LEASE AGREEMENT

THIS LEASE made this ____ day of _____, 20246, by and between
THE CITY OF SEAFORD (Landlord) AND _____ (Tenant).

WITNESSETH:

1. PREMISES AND TITLE

- 1.1 That for and in consideration of the payment of the rental and performance of the covenants and agreements hereinafter set forth, Landlord leases to Tenant, and Tenant accepts from Landlord, that certain real property described as follows:
- 1.2 106 Spring Street, Seaford, Sussex County, Delaware containing 3,600 square feet of leased floor area including use of the parking lot on the south side of the building, and the grass lot directly north of the building fronting on High Street, containing approximately 4,770 square feet of area, as an outside patio space per approval by the Board of Adjustment on January 3, 2024.
- 1.3 Landlord warrants that it has title to the Leased Premises and that it has the right to lease the same for the term of this Lease. Landlord covenants that Tenant upon the payment of the rent herein stipulated and the performance of all the covenants and agreements there under, shall have the peaceful and quiet possession, use and enjoyment of the Leased Premises, without hindrance on the part of the Landlord or any party claiming by, through or under it, for the term of this Lease and Landlord further warrants that it shall defend Tenant in such peaceful and quiet use, and enjoyment and possession of the Leased Premises against any such claim.

2. TERM

- 2.1 The term of this Lease shall be for a period of three years commencing on the May 1, 20236 for the purpose of a Meadery and Brewery.

2.2 Tenant shall have, and is hereby granted, an option to renew at terms and conditions to be negotiated between the parties. Notice of intent to renewal shall be given by the tenant to the landlord not less than 90 days prior to the expiration of this lease or any renewal thereof.

3 RENTAL

3.1 Tenant covenants and agrees to pay Landlord for the use of the Leased Premises during the Term an annual rent in accordance with the following schedule, which annual rental shall be paid in equal monthly installments which shall be payable in advance on the first day of each calendar month. Rent for each subsequent year, paid in equal monthly installments is set forth below:

~~Initial three (3) months - \$0/month (May - July 2023)~~

~~Next three (3) months - \$1,200/month (August - October 2023)~~

~~Remaining six (6) months of year one - \$1,500/month (November 2023 - April 2024) (Total of \$12,600 for year 1)~~

Year one (1) - \$2,000/month (May 2026 - April 2027) (Total of \$24,000 for year 1)

Year two (2) - \$2,000/month (May 202~~4~~⁷ - April 202~~5~~⁸) (Total of \$24,000 for year 2)

Year three (3) - ~~\$2,500~~^{\$2,060}/month (May 202~~5~~⁸ - April 202~~6~~⁹) (Total of ~~\$3024,072~~^{\$24,060} for year 3)

3.2 No security deposit will be required.

3.3 Landlord does hereby grant to Tenant the right, at its option, to extend the terms of this Lease for (1) three-year period with annual increases to be negotiated.

3.4 A late charge equal to 5% of the rent due will be charged for rental payments paid after the 5th day of the month.

4 USE OF LEASED PREMISES

4.1 The Leased Premises shall be used and occupied by Tenant for the purposes of a Meadery and Brewery, for the sale and service of alcohol, as well as

manufacturing, with production areas, tasting room, bathrooms, outdoor seating area and other ancillary areas.

- 4.2 Landlord shall provide lighting for the parking area.
- 4.3 Tenant shall observe and comply with all orders or directives of the appropriate authorities pertaining to the manner in which Tenant uses the Leased Premises.
- 4.4 Landlord warrants that there is no restriction, conditions, or covenants in the chain of title to the Leased Premises, nor is there any zoning ordinances or other municipal or governmental statute, action, law or regulation, impending, limiting or prohibiting the use of the Leased Premises by Tenant for the purposes described in Paragraph 4.1. The tenant shall submit to the City of Seaford and obtain approval to have outdoor seating on the premises.
- 4.5 The leased space will be kept in such a manner as to reflect the professional decorum of a business as determined by Landlord. Trucks, vans and other similar service vehicles are to be parked to the rear of the building or in any other area designated by the Landlord. The purpose of this paragraph is to ensure the maintenance of the leased facility of the highest caliber.

5 TAXES AND ASSESSMETNS

- 5.1 Landlord shall promptly pay all taxes, assessments, duties, impositions, burdens and tax/assessment charges whatsoever, levied, assessed, charged or imposed by the appropriate authorities upon the Leased Premises.

6 UTILITIES AND SNOW REMOVAL

- 6.1 Landlord shall, at its expense, furnish and make available to the Leased Premises water and sewer hookup services and all necessary utility services and provide equipment for heat, air conditioning, and interior electric services. Any additional electrical distribution upgrades, water and sewer over and above the normal services available in the premises on the date of commencement of lease shall be provided by Tenant who shall bear the full responsibility for payment for said services and additional equipment.

6.2 Tenant shall pay all charges for electricity, water and sewer, fuel oil, natural gas, or propane used by them on the premises during the term of this lease and all extensions thereof.

6.3 Tenant shall pay for the installation and utilization of its telephone and internet connection and computer wiring if such wiring is desired.

6.4 Tenant shall be responsible for the removal of snow for the Leased Premises.

6.5 Tenant shall be responsible for maintenance of the lawn, shrubs, flower boxes, trees, etc. and shall pay for same.

6.6 Tenant shall be responsible for their trash service.

7 SIGNS

7.1 Tenant may provide identifying signage on the High Street and Spring Street façade of the building that will be tasteful, and in accord with the City of Seaford signage regulations. If desired by the tenant, free standing signage may be provided on the High Street frontage of the property.

8 TRADE FIXTURES, MACHINERY AND EQUIPMENT

8.1 Landlord agrees that all trade fixtures, machinery, equipment, furniture or other personal property of whatever kind and nature be kept or installed on the Leased Premises by Tenant shall not become the property of Landlord or a part of the realty no matter how affixed to the Leased Premises and may be removed by Tenant at any time and from time to time during the term of this Lease.

9 ALTERATIONS, REPLACEMENTS, AND IMPROVEMENTS

9.1 Tenant may make any alterations, additions, or improvements to the Lease Premises reasonably necessary to facilitate the operation of its business as described in Paragraph 4.1 with the prior written consent of Landlord, which consent shall not be unreasonably withheld.

9.2 Any such alterations, additions, or improvements, unless expressly agreed otherwise, may be removed by Tenant at any time, provided that Tenant shall repair any damage to the Leased Premises caused by such removal.

10 REPAIR AND MAINTENANCE

- 10.1 Tenant is to be responsible for all mechanical equipment and systems and to keep them in good order, condition, and repair to the satisfaction of Landlord during the term of this lease.
- 10.2 Landlord shall, at its expense, maintain the Leased Premises in good order, repair and condition and will make all necessary repairs and replacements, without limitation, the structure, site improvements, exterior walls, gutters, roof. Tenant will be responsible to maintain the water and sanitary sewer system within the leased space.
- 10.3 The Tenant shall keep, maintain, and repair at its expense all interior portions of the building, including structural portions, and keep the plumbing, electrical, lighting, heating, and air conditioning systems in good repair for the leased space.
- 10.4 Upon the expiration of this Lease, Tenant shall surrender the Leased Premises in the same condition, as the same existed on the commencement date, reasonable wear and tear damage by unavoidable casualty excepted.

11 CASUALTY INSURANCE

11.1 During the term of this Lease, Landlord shall maintain, at its expense, an "All Risk" form of insurance in full force and effect on the building located on the Leased Premises insuring the same against loss or damage by fire, water, wind, the elements, unavoidable accident, and any other causes included under said form of insurance.

12 PUBLIC LIABILITY INSURANCE

12.1 During the term of this Lease, Tenant shall maintain insurance against public liability for personal injury or death or damage to property occurring in the demised premises arising out of the use and occupancy thereof by Tenant. Such insurance shall be with minimum limits of \$500,000/\$1,000,000 for personal injury or death and \$100,000 for property damage. Tenant shall provide landlord an insurance certificate at the beginning of the lease term and thereafter at least once a year.

13 FIRE OR OTHER CASUALTY

13.1 If any or all of the improvements located on the Leased Premises are damaged, then the rights of the parties shall be determined as follows:

- 13.1.1 If less than all of the improved area of the Leased Premises is destroyed and the extent of the damage is such extent and with substantially the same efficiency as before the occurrence of the damage, Landlord shall, at its expense, and as promptly as possible, repair said damage and restore the Leased Premises to its condition prior to the damage. During the restoration and repair period, Tenant's liability for rent and other sums payable hereunder shall be reduced by a percentage equal to the improved area of the Leased Premises rendered unsuitable for the normal operation of Tenant's business.
- 13.1.2 If all of the improved area of the Leased Premises is destroyed or the extent of the damage is such that Tenant is prevented from conducting its business on the Leased Premises to substantially the same extent and with substantially the same efficiency as before the occurrence of the damage, then Tenant shall have the option to either terminate this Lease or to require to make such repairs and improvements as shall be necessary to restore the Leased Premises so as to permit Tenant to carry on its business to substantially the same extent and with substantially the same efficiency as before the occurrence of the damage. Such option shall be exercised by Tenant's written notice to Landlord within ten days after the date of which the damage occurred. If the election is (i) To restore the Leased Premises, such restoration shall be completed by Tenant, at its expense, as promptly as reasonably possible (due allowance being made for the time taken for the settlement of insurance claims,) and during the restoration period Tenant's liability for rent shall be abated in its entirety; and further, the balance of the particular term of this Lease in which the damage occurred shall be extended by a period of time equal to the time of the restoration period; (ii) To terminate this Lease, the rent and other sums payable hereunder shall be prorated and adjusted between Landlord and Tenant on a per diem basis to the date of the occurrence of the damage. Upon receipt of payment by

the party due to be paid under such adjustment, this Lease shall be null and void with no further obligations, rights or duties surviving between the parties hereto except as otherwise specifically provided for herein.

14 CONDEMNATION

14.1 If at any time during the term of this Lease, the Leased Premises, or a portion thereof, is taken by eminent domain, condemnation, or public authority ("Condemnation"), the rights of the parties shall be determined as follows:

14.1.1 If the extent of the Condemnation is such that Tenant is not prevented from conducting its business on the Leased Premises to substantially the same extent and with substantially the same efficiency as before the Condemnation and Landlord can repair the damage caused by the Condemnation within thirty days, Landlord shall, at its expense, and as promptly as possible, repair said damage and restore the Leased Premises to its condition prior to the Condemnation. During the restoration and repair period and thereafter during the balance of the term of this Lease, Tenant's liability for rent other sums payable hereunder shall be reduced by an amount mutually agreed upon by Landlord and Tenant. In the event Landlord and Tenant cannot agree upon the rent adjustment then this Lease shall terminate and the rent other sums payable hereunder shall be reduced by an amount mutually agreed upon by Landlord and Tenant on a per diem basis to the date Tenant is required to yield possession of the condemned portion of the Leased Premises or the title thereof vests in the condemning authority which event shall first occur. Upon such termination, Tenant shall surrender possession of the Leased Premises to Landlord and the rent and other sums payable by either party hereunder shall be prorated on a per diem basis to the date of such termination and adjusted between Landlord and Tenant and upon receipt of payment by the party due to be paid under such adjustment, this Lease shall be null and void with no further obligations, rights or duties surviving between the parties hereto.

14.2 In the event of such Condemnation, whether whole or partial, Landlord shall be entitled to receive the amount of such award allocated to the taking of the fee simple and leasehold interests hereunder. Further, Tenant shall have the right to claim and recover from the condemning authority such compensation as may be separately awarded or recoverable by Tenant on account of any alterations, replacement and improvements made to the Leased Premises by Tenant, damage to Tenant's business by reason of Condemnation and the expenses of removing and relocating Tenant's business.

15 SUBORDINATION OF LEASE

15.1 Tenant agrees, at any time hereafter, on demand, to execute any instrument, releases or other documents that may be required by Landlord for the purpose to subjecting and subordinating the Lease to the lien of any such mortgage or deed of trust, whether original or substituted, provided the terms of such mortgages, deeds of trust, instruments, releases or other documents do not modify the terms of this Lease, and further provided that so long as Tenant is not in default under this Lease, the holder of such lien in consideration of said subordination, shall agree not to disturb Tenant in its occupancy of the Leased Premises, pursuant to the terms of this Lease.

16 ASSIGNMENT OR SUBLEASE

16.1 Tenant shall not have the right to assign this Lease or sublet the Leased Premises or any part thereof upon and with the prior written consent of Landlord, which consent shall not unreasonably be withheld.

17 ACCESS TO LEASED PREMISES

17.1 Landlord shall have the right to enter the Leased Premises at all reasonable hours for emergencies or for the purpose of making any repairs, alterations, additions or improvements to the Leased Premises. All such repairs, alterations, additions, and improvements shall be done in a manner so as not to unreasonably interfere with Tenant's use of the Leased Premises. During the repair period, Tenant's liability for rent and other sums payable hereunder shall be reduced by a percentage equal to the improved area of the Leased Premises rendered unsuitable for the normal operation of Tenant's business.

18 DEFAULT BY TENANT

18.1 The following shall be deemed a default by Tenant under the terms of this Lease ("Event of Default"):

- 18.1.1 The failure by Tenant to pay any rent or other sum of money due hereunder within thirty days after written notice from Landlord that such payment has not been made.
- 18.1.2 The failure by Tenant to perform any other of the terms, conditions, or covenants of this Lease to be observed or performed by Tenant for more than thirty days after written notice from Landlord of such default, unless such default is of a nature that it cannot practically be cured within such thirty day period and Tenant is proceeding with due diligence to cure such default.
- 18.1.3 The making by Tenant of an assignment for the benefit of creditors.
- 18.1.4 The filing of a petition by or against Tenant for adjudication as a bankrupt under the Bankruptcy Code, as now or hereafter amended or supplemented, or for reorganization within the meaning of Chapter 11, of the Bankruptcy Code, or the commencement of any action or proceeding for the dissolution or liquidation of Tenant, whether instituted by or against Tenant, or for the appointment of a receiver or trustee of the property of Tenant, provided that no such filing or proceeding instituted by a third party shall be regarded as a default hereunder if Tenant shall promptly move to have the same dismissed, rescinded or rendered inoperative and Tenant prosecutes such action with due diligence and continues to perform and discharge all of the covenants and obligations on its part to be performed or discharged under this Lease during the pendency of such proceedings.

18.2 Upon the occurrence of an Event of Default, Landlord shall have the immediate right of re-entry and possession of the Leased Premises, which such right shall remain continuous until such time as Tenant shall have cured such Event of Default. Notwithstanding such re-entry and possession of the Leased Premises by Landlord, Tenant shall remain liable for the rent and other sum

payable hereunder whether or not the Leased Premises are reletted by Landlord and for all expenses which Landlord may incur in re-entering the Leased Premises and repairing and maintaining the same less such proceeds, if any, which result from the reletting of the Leased premises.

18.3 Additionally, upon the occurrence of any Event of Default, Landlord shall have the right to terminate this Lease by written notice of such intention to Tenant. In the event Landlord elects to terminate this Lease, Tenant's liability for rent and other sums payable hereunder and to perform any other term, condition, covenant, or agreement on its part to be performed under this Lease shall cease and terminate as to any period subsequent to the date of which Landlord delivers to Tenant written notice of such termination. Tenant shall remain liable, however, for all rent and the performance of all terms, conditions, covenants, and agreement relating to matters prior to the date of such termination.

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19.1 In the event of the failure by Landlord to perform any of its obligations under this Lease or to make any payments required to be made by Landlord hereunder or to make any payments arising out of or with respect to any encumbrances on the Leased Premises, then Tenant may, at its election, perform such obligations or make such payments and in default of prompt reimbursement for the cost thereof Landlord, Tenant may deduct the amount of such expenditures from the next maturing installment or installments of rent or other sums payable hereunder by Tenant. Tenant at its election, shall have the right to recover the amount of such advantages, together with attorney's fees and costs incurred in connection with the recovery thereof, in any court of competent jurisdiction. Such remedy shall be in addition to any and all other rights and remedies provided at law or in equity or otherwise specifically provided for herein.

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20.1 No mention in this Lease of any specific right or remedy shall preclude either party from exercising any other right or from having any other remedy or

from maintaining any action to which it may be otherwise entitled either at law or in equity.

21 WAIVER

21.1 The failure of either party to insist in any one or more instances upon a strict performance of any covenant of this Lease or the waiver by either party of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver or relinquishment of such term, covenant, or condition or any subsequent breach of same or any other term, covenant or condition herein contained. No covenant, term or condition of this Lease shall be deemed to have been waived by either party unless waived by written instrument.

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22.1 Tenant will surrender possession of the premises to Landlord at the expiration or prior termination of this Lease unless the term has been extended.

22.2 Any holding over by Tenant of the Leased Premises after expiration of this Lease shall operate and be construed as a tenancy from month-to-month on the same terms, covenants, conditions, provisions and agreements as set forth in this Lease for the period immediately prior to the expiration thereof, except that the monthly rent for such holding over period shall be equal to one hundred twenty-five percent (125%) of the monthly rent payable immediately prior to the expiration of this Lease.

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23.1 Notices required to be given hereunder by either party to the other may be either personally delivered or sent by registered mail properly addressed and prepaid, to the following address of the parties. **Landlord: City of Seaford, Attn: City Manager, PO BOX 1100, Seaford, DE 19973. Tenant: Brimming Horn Meadery, Attn: Jon Talkington, 10078 Middleford Rd., Seaford, DE 19973** or other address as the Landlord and Tenant shall advise each other in writing.

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24.1 Landlord shall provide Tenant ninety days, (90), written notice of intent to sell the building.

24.2 Tenant shall have the right to terminate the lease upon thirty, (30) days written notice of intent to relinquish lease.

IN WITNESS WHEREOF, the parties hereto have executed and sealed this Lease as of the day and year first above written.

ATTEST:

LANDLORD:

City of Seaford

Date

Witness

Lessee

MEMORANDUM

NB#4
4-28-26

TO: Charles Anderson, City Manager

FR: Berley Mears, DPW

RE: *Street Paving Spring 2026*

DT: April 28, 2026

The city received 4 bids in response to our bid advertisement for the above-referenced project on April 22, 2026. Please see the tabulation of the bids received below:

Bidder	Total Bid	Bid Bond
Delmarva Paving LLC	\$162,924.15	Yes
Terra Firm of Delmarva, Inc.	\$200,914.00	Yes
George & Lynch, Inc.	\$253,032.05	Yes
Jerry's, Inc.	\$194,336.10	Yes

It is my recommendation to award the Street Paving Bid Spring 2026 to Delmarva Paving, LLC, in the total amount of \$162,924.15. Delmarva Paving, LLC, was the lowest bidder and they have met all of the bidding requirements.

Please present this information to the Mayor and Council at their April 28, 2026, meeting for their consideration.

Please contact me should you have any questions.

Thank you.