

Mallard Lakes Board Meeting — January 10, 2026

Transcript — Special Flood Meeting Discussion and Public Comment (Complete)

*Personal audio recording made by a meeting participant pursuant to Delaware law (11 Del. C. § 1335).
Meeting conducted via Zoom.*

*The lawsuit Mallard Lakes Community Association, Inc. v. Simone Reba (Civil Action No. 2025-1116-DH)
was active at the time of this meeting.*

*Note: Part 1 is a summary transcript of the meeting's tidal water discussion. Some exchanges have been condensed
where content was repetitive of information already presented earlier in the same meeting. The complete audio
recording is preserved and available.*

Participants Identified in This Recording

DM — Dave Morris, Board President

CR — Chris Reutershan, Board Vice President

DN — Dan Nelson, Board Treasurer

SS — Stacey Selby, Maintenance Manager

CB — Chris Becker, Security Board Member

SR — Simone Reba, Unit Owner and recording participant

[Owner] — other unit owners, not individually identified

Part 1 — Board Explanation of the Special Flood Meeting

Tidal Water Report Overview and Vote Explanation

[CR]: The owners meeting presented an update on the Tidal Waters report. The conclusion was that a special meeting would be held in the new year to discuss issues raised in the report. Specifically there were two issues that came up that we'd like to put to a vote.

[CR]: Number one — elevation of buildings. There are 23 buildings at serious risk, defined as being within the FEMA 100-year flood zone. The cost has not been re-verified, but based on information obtained after Sandy, we extrapolated the total cost at approximately \$21 million — about \$75,000 per unit for buildings on piles and \$125,000 for cement pads. The first vote is with respect to each member's individual unit and their willingness to underwrite the cost to elevate their building. It will be given to everyone

but answers will come back building by building. 100% of the owners in any building would have to agree to pay the costs associated with elevating their building — both direct and indirect costs. If moving equipment tears up the road it will be added into the cost. Vote number one is: are you willing to underwrite the cost and authorize the board to proceed with moving forward to elevate the building? And I want to make one thing perfectly clear — it is not their building. It is the condominium building. You are agreeing to let them elevate their building.

[CR]: Vote number two relates to the floodgate. The conclusion of the report was that the only thing we have been able to come up with to reduce daily inundation of water within the salt pond would be some form of tide-limiting gate. The so-called gate is fairly simple to conceive — water is controlled coming in. Stacey, myself, and Tom Haddon met with DeIDOT. They were very clear — no one is touching our drain. But they would consider a proposal that attaches beside the drain and has a bulkhead type dock structure with piles. However, you may not — and we cannot agree to a floodgate that impedes the flow of high water events, about 25 times a year — full moons, northeasters, and similar events. DeIDOT won't agree in any way. The initial estimates, based on the St. Michael's project, would include initial studies, a third-party project manager, permits, and related costs — approximately \$250,000 plus contingencies, working out to approximately \$670 per unit. If permits and approvals are obtained, the second vote would be: will you authorize the costs to have it built? If it ends up costing more, there will be another vote to cover the additional expense. The special meeting will be held at the end of March. Voting will be entirely electronic or you can send a ballot to Legum and Norman. There will be a Q&A at the March board meeting. Over the next two or three weeks the board will prepare a notification to owners on the specifics of the vote with the exact date.

[DN]: The reason we're doing this is that anything over \$20,000 has to gain approval of the community.

Owner Questions — Guarantees and Engineering Studies

[Owner]: If we build this, what guarantees do we have that it would work?

[CR]: It is anticipated that in the first bucket of money with the project manager there would be studies that would give comfort that it is going to work and could be done.

[SR]: As a person whose building would have to be elevated — has there been an engineering study?

[CR]: No.

[SR]: Isn't it premature to vote?

[CR]: We're giving everyone the option to elevate their building.

[SR]: Has there been an engineering study that says the tidal gate is the right option?

[CR]: In the event the project goes forward, at any point in time it becomes infeasible, it will be cut and run.

[SR]: I'm not even saying that. I'm saying I don't personally believe the tidal gate will part the waters. We need a feasibility study to look at the entire community to determine the overall best solution. Jumping to the fact that we need a tidal gate without this isn't the best move in my We should do the feasibility study before we ask anyone to spend money.

[CR]: Thank you for your comment.

Government Funding Exchange

[SR]: If we had a feasibility study it would actually help us obtain government grants.

[CR/DN]: There are no government programs.

[SR]: There are. Not available now, but we don't have to jump to a solution yet.

[CR]: Thank you for your comment.

[Owner]: Has there been physical inundation in all 23 of these buildings?

[CR]: There are two different issues — catastrophic flooding and daily tidal inundation.

[CR explained the distinction between catastrophic flooding such as Sandy and daily tidal inundation affecting shorelines and underbuilding areas.]

[CR]: We had 24 units flooded during Sandy.

[DN]: Look at this picture — you can see why the island was flooded. Treasure Beach caused the problem, not the culvert.

[Owner]: Talking about the floodgate — it has to be open during high water events.

[SR]: That's why we need a feasibility study.

[DN]: There is no money.

[SR]: There is funding. We need a partner. This is not undoable.

[CR]: Thank you very much.

[DM]: Owners of that building are responsible for elevating their buildings. Ancillary costs have to be considered. That is why it has to go to the owners for a vote.

[SR]: Which is why we need government support, which is absolutely available.

[Owner]: Didn't the Army Corps review putting piles around the island?

[CR]: Piles have never been an option.

[SR]: That's not true.

[DN]: Dewey Beach had funding from the Federal Government. They withdrew.

[SR]: There is no funding for FEMA, but there is funding for the Army Corps of Engineers. In 2016 we were determined eligible.

[ARCHIVAL NOTE: Mallard Lakes' CAP 205 eligibility was reconfirmed by USACE in December 2025 — one month before this meeting. CAP 205 is a flood damage reduction program — mitigation, not repair. It does not require existing flood damage. The non-federal cost share under CAP 205 must be paid by a government entity such as a county or state agency, not by private owners or associations. If Sussex County served as the non-federal sponsor, the cost to Mallard Lakes owners could be zero.]

[SR]: Feasibility and government funding will not be considered. Is that correct?

[CR]: Voting today to consider two options presented only.

[ARCHIVAL NOTE: The board confirmed that the only options to be considered at the Special Meeting were the two presented — building elevation and tidal gate. A broader feasibility study examining all options and government funding pathways was explicitly not included.]

Vote Process Clarification — Owner and Chris Becker

[Owner]: Piggybacking on what you just asked — the meeting is to present these two options?

[CR]: The two options were already discussed at the owners meeting.

[Owner]: So the special meeting will be the actual vote. People have time between now and the meeting to discuss amongst themselves.

[CR]: Correct — notice, Q&A at the March board meeting, then the vote.

[Owner]: Is everyone voting on both resolutions?

[CR]: During Sandy, thousands of buildings weren't in the flood zone but were flooded anyway because of the storm surge. Just because you're not in the flood zone doesn't mean your building is not at risk.

[CB]: Everyone is voting on their own building for elevation.

[Chris Becker, the Security Board Member, clarified the vote structure — each owner votes for their own building on the elevation question, not for the entire community.]

[Board]: Board made on holding the special flood meeting and it was seconded.

Part 2 — Late Meeting Exchange and Public Comment

[The recorder had stopped recording and restarted later in the meeting after an owner raised additional questions. The specific question that generated this segment is not captured on the recording. This segment begins with Dave Morris explaining the volunteer effort behind the research before the exchange with the Vice President occurred.]

Dave Morris — Context on Volunteer Effort

[DM]: Some of these people donated hundreds of hours into this subject matter. This isn't something we're just trying to make a quick decision on. But at the same time, when does their time — or our time — become more valuable than just this singular item? That's why one of the items to be voted on is: do we bring in an outside company to do all this? Because right now this is all being done on our time, on our dime. Nobody's getting paid and we're not asking for any funds for this. So that's why one of those questions is: do we want to go outside? And if you all vote yes, you're looking to do this — a third party will be the one doing all these decisions — at our cost.

[Board Member]: We're not charging you.

[CR]: If this is defeated, this issue is put to rest.

[SR]: Correct. It's done. Except why —

[Board Member]: Except for maintenance... repair... periodic consultation.

[ARCHIVAL NOTE: The following exchange occurred after the researcher stated that nothing the community faced was more important than addressing future flooding, that available government programs existed that could help, and that a feasibility study should precede any commitment to a specific solution.]

Vice President's Response

[CR — raised voice]: Let me just say one thing. Just to put this to an end. You are looking at somebody here who has developed over 50 million square feet of projects over 40 years. You are someone who has done nothing. And that's all I have to say.

[The Vice President raised his voice during this statement. Board President Dave Morris and Maintenance Manager Chris Becker were audibly saying under their breath words to the effect of 'don't do it' prior to this statement — visible to those present but not clearly captured on the recording.]

[SR]: I don't think you're an environmental engineer.

Maintenance Manager's Clarification

[SS]: I want to add — I'm not making this personal. I want to clarify something for the people who are listening online. You're making a valid point to somebody who hasn't been behind the scenes and understands what's going on. We didn't pull the idea of a floodgate out of our hat. This has been recommended to us. It's been studied. It's been evaluated — every side of the coin. This funding we're talking about involves all these things. You don't just say okay let's go build a floodgate. There are NEPA studies, feasibility studies, permits — all these things take place. At some point during this course, if an expert comes up and says you know what, this is probably not the best solution, maybe you should go in this direction. There's no way we would say oh no, put in a floodgate.

[ARCHIVAL NOTE: The Maintenance Manager's clarification — that NEPA studies, feasibility studies, and permits are all part of the normal process — validates the researcher's position that a feasibility study should precede any commitment to a specific solution. This statement was made by a board-aligned participant in the context of defending the board's process.]

[SR]: That's awesome, thank you. No, I'd love to hear that. Thank you so much. And I'm so happy you're getting an expert. I think that's awesome. And I'm not trying to be contrary. I'm just trying to understand.

[DN]: I'm not getting an expert — we're asking the owners to approve us to get one.

[SR]: Right, exactly. And if they say no —

[DN]: It's done.

[SR]: Right, I understand. I got it. Thank you. I appreciate it. Thank you.

[DM]: All right. Can we move forward?

[Owner]: One moment please. Where are you going with this discussion? The comment about 'you have done nothing' — that is personal. All of us come here — it takes a modicum of courage to come here and speak to the board. And to be told that you have done nothing puts a different slant on it. So just like you said before — it doesn't take much to be kind. Kindness is everything.

[DN]: On both sides.

[SR]: I have done nothing to not be kind. I've been nothing but professional with all of you.

[DN]: No, you haven't.

[SR]: Yes, I have.

Part 3 — Post-Meeting Closing Exchange

[The following exchange occurred after the meeting was formally adjourned as participants were departing. The recording had been turned off and then back on by the recorder prior to this exchange. Dan Nelson had previously given explicit permission to be recorded during this meeting.]

[DN]: Goodbye.

[SR]: So, go ahead.

[DN]: Goodbye.

[SR]: Goodbye for what?

[DN]: If you don't shut that off, I'm gonna call the police.

[SR]: Why are you gonna do that?

[CB]: You told her she could turn it on. So now we can't, but... Don't tell me.

[ARCHIVAL NOTE: The Treasurer threatened to call police on a unit owner who was legally recording a meeting she was participating in pursuant to Delaware law (11 Del. C. § 1335). The Treasurer had previously given explicit permission to be recorded during this same meeting. The Security Board Member directly contradicted the Treasurer's threat, noting that permission had already been given. The active lawsuit at this time concerned the owner allegedly representing herself as a board member — it had no connection to audio recording. Delaware law permits recording of any conversation by a participant regardless of other parties' consent.]

Recordings preserved in original format. Transcript prepared May 2026.

Source: Personal recording by meeting participant. Meeting: Mallard Lakes Community Association Board Meeting, January 10, 2026.

Archive: ML Sustainability Independent Research — mlsustainability.godaddysites.com