

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at New Philadelphia City Council Chambers, New Philadelphia, Ohio
March 20, 2009, 9:00 a.m.**

A meeting of the Board of Directors of the Muskingum Watershed Conservancy District was held at the New Philadelphia City Council Chambers, New Philadelphia, Ohio, on Friday, March 20, 2009, at 9:00 a.m., pursuant to notice duly given all Directors, and the general public in accordance with law.

1. ROLL CALL

Directors present were: Mr. Horstman, Mr. Kokovich, Mr. Parham, Mr. Pryce, and Mr. Tribbie.

Present from Conservancy District staff were Scott Barnhart, Mary Burley, James Cugliari, Tom Fisher, John Hoopingarner, Mark Jukich, Kelli Karns, David Lautenschleger, Darrin Lautenschleger, Karen Miller, John Olivier, James Pringle, Bernie Schreiner, Boris Slogar, and Mark Swiger.

Mr. Pryce, President of the Board of Directors, presided.

2. APPROVAL OF MINUTES

On motion by Mr. Horstman, seconded by Mr. Parham, the minutes of the February 20, 2009, meeting of the Board of Directors were approved.

3. INTRODUCTION OF VISITORS AND PUBLIC COMMENT

Also in attendance for all or portions of this meeting were: Rich Bourgault (*Dublin Management Group*); Mark Buchenic (*URS*); Brad Shick (*Atwood camper*); and Eric Reip (*New Philadelphia resident*).

4. FINANCIAL

Mr. Cugliari presented the financial report for the period ending February 28, 2009. The total revenue is \$1,159,609.00 with expenses of \$1,458,397.00, resulting in an excess of expenses over revenue of \$298,787.00 (compared to expenses over revenue of \$315,232.00 during the same reporting period in 2008). The total cash balance is \$1,301,603.10 of which \$994,235.67 is in the general checking account and business high yield savings account and available for meeting operational needs.

General Maintenance Fund

- Total revenues are 7.67% of budget.
- Farm Operations-Sharecrops revenues are ahead of last year as a result of crops from the 2008 season being sold in 2009. Expenses are also higher in this area as we made an earlier payment on materials this year to try and capture some of the discounts offered.
- Mineral Operations – Gas and Oil revenues are down substantially from the same reporting period in 2008.

Forestry Fund

- Forestry revenues are 13.47% of budget and ahead of 2008.

Recreation Operations – Non-Park

- There have been minimal amounts of revenue received in this area through February.
- Expenses are up in this area compared to 2008. Specifically in the areas of Atwood Resort and Conference Center and Cottage Sites.
- Atwood Resort expenses are higher as a result of the timing of payments to Aqua Ohio for the operation of the water treatment plant compared to 2008.

- Cottage Sites expenses are higher as a result of increases in real estate taxes, specifically in Ashland and Richland counties.

Recreation Operations – Parks

- Parks revenue is 18.63% of budget and ahead of last year. This is due entirely to the timing and reporting of park reports to the main office.
- Expenses are also ahead of pace from last year. This is noted specifically in the General Park line item where expenses in 2009 are more than 2008 by approximately \$44,000.00. This is mainly in the area of payroll (\$25,000.00), where there has been an extra pay this year and also as a result of scheduled maintenance repair work to be done in 2009.

Maintenance Assessment Fund

- The MWCD's portion of the maintenance assessment, \$34,895.00, is included in this month's report. A total of \$92,748.00 was expended from the maintenance assessment fund in February 2009.

All other areas are in line with budget. Park revenues as indicated above are beginning to come in and will be monitored to see how they compare to 2008. Expenses will continue to be monitored during these tough economic times and adjusted accordingly.

On motion by Mr. Kokovich, seconded by Mr. Parham, the financial report was accepted as presented.

5. PAYMENT OF BILLS

On motion by Mr. Horstman, seconded by Mr. Kokovich, a report of the payment of bills for the period ending February 28, 2009, was approved as presented.

6. BUSINESS

6.01a ASSIGNMENTS, CANCELLATIONS, NEW LEASES, FARM LEASES, MORTGAGE CONSENT AND AGREEMENT CANCELLATIONS, AND MORTGAGE CONSENT AND AGREEMENTS

On motion by Mr. Parham, seconded by Mr. Horstman, these assignments, cancellations, new leases, farm leases, mortgage consent and agreement cancellations, and mortgage consent and agreements were approved and execution by the proper officers of the Conservancy District authorized.

Additional information provided on the memorandum concerning sales transactions, along with other information provided by Mr. Hoopingarner and Mr. Swiger concerning delinquencies, was noted and will be provided as a regular part of this item for future meetings.

6.01b 40-YEAR COTTAGE SITE LEASE

On motion by Mr. Tribbie, seconded by Mr. Parham, revision and implementation of a 40-year cottage site lease on a case-by-case basis to accommodate current banking regulations, as recommended and set forth in the above memorandum, was approved.

In light of a 40-year lease term, Mr. Horstman asked about the frequency of inspections of individual cottage sites. In the past, an inspection occurred when a lease was due for renewal or a cottage was sold and the standard lease term was 14 years. Mr. Swiger reported that staff has discussed developing a program of periodic inspections. Once this concept is finalized, staff will report the process to the Board.

6.02a BUDGET ADJUSTMENTS

On motion by Mr. Kokovich, seconded by Mr. Parham, budget adjustments made during the month of February 2009, as recommended and set forth in the above memorandum, were approved.

6.02b BUDGET REVISION – MR&R REQUEST

On motion by Mr. Parham, seconded by Mr. Horstman, a budget revision in the amount of \$30,161 from the Recreation Improvement Fund: Construction to the Vacation Cabin Account, as recommended and set forth in the above memorandum, was authorized.

6.02c GRANT APPLICATION – ATWOOD EAST LAUNCH RAMP

On motion by Mr. Horstman, seconded by Mr. Kokovich, a resolution of authorization for application for financial assistance for the Atwood east launch ramp project, as recommended and set forth in the above memorandum, was adopted.

6.02d GRANT APPLICATION – SENECA LAUNCH RAMP

On motion by Mr. Tribbie, seconded by Mr. Kokovich, a resolution of authorization for application for financial assistance for the Seneca launch ramp project, as recommended and set forth in the above memorandum, was adopted.

6.03a HUMAN RESOURCES SUMMARY

On motion by Mr. Horstman, seconded by Mr. Parham, human resources activities, as recommended and set forth in the above memorandum, were approved.

6.03b REVISIONS TO DRUG-FREE WORKPLACE POLICY 708

On motion by Mr. Parham, seconded by Mr. Horstman, proposed revisions to Personnel Policy 708, Drug-Free Workplace, as recommended and set forth in the above memorandum, were adopted.

6.03c REVISIONS TO SAFETY GUIDELINE 2310, HEAD PROTECTION

On motion by Mr. Kokovich, seconded by Mr. Tribbie, proposed revisions to Safety Guideline 2310, Head Protection, as recommended and set forth in the above memorandum, were adopted.

6.03d VOLUNTARY BENEFIT PLANS – LIFE, DENTAL AND VISION

On motion by Mr. Kokovich, seconded by Mr. Horstman, implementation of voluntary benefit plans for life, dental and vision, as recommended and set forth in the above memorandum, was authorized.

6.03e ASSISTANT CHIEF ENGINEER

On motion by Mr. Parham, seconded by Mr. Kokovich, the creation and filling of a proposed assistant chief engineer position, as recommended and set forth in the above memorandum, was approved.

6.03f COLLECTIVE BARGAINING CONTRACT

This matter was discussed in executive session.

6.04 OPERATIONAL POLICY: USE OF GOLF CARTS

Mr. Shick expressed his agreement with the proposed policy and stated his appreciation for the difficult process of development of the policy. He pointed out the large amount of information, including portions of the Ohio Revised Code, that was necessary to review during the process.

On motion by Mr. Tribbie, seconded by Mr. Parham, a proposed operational policy, Use of Golf Carts, as recommended and set forth in the above memorandum, was adopted for implementation effective April 1, 2010.

6.05 CHARLES MILL MARINA SKI TOURNAMENT REQUEST

On motion by Mr. Horstman, seconded by Mr. Parham, a request from Charles Mill Marina owner Bob Schraedly to hold a water ski tournament in August of 2009, as recommended and set forth in the above memorandum, was approved.

6.06 EQUIPMENT AND PERSONNEL FEE SCHEDULE

On motion by Mr. Kokovich, seconded by Mr. Tribbie, the proposed equipment and personnel fee schedule, as recommended and set forth in the above memorandum, was approved.

Upon inquiry by Mr. Horstman, Mr. Slogar told the Board that this type of work is done only as requested and that, under normal circumstances, the marina operators, cottage site lessees, and others would utilize private contractors.

6.07 ANNUAL REPORT OF OPERATIONS 2008

Mr. Lautenschleger distributed draft copies of the narrative section of the Annual Report of Operations 2008 for review and comment. The final copy will be submitted for consideration at the April meeting. Board members were requested to contact Mr. Lautenschleger with any suggested changes or additions.

6.08 PROJECT PARTICIPATION AGREEMENT: USACE FOR DOVER DAM

Mr. Slogar reported that the USACE is preparing a Project Participation Agreement for the repairs to the Dover Dam. The current total cost estimate for this project is in excess of \$100 million with the non-federal proportionate share projected to be 3.45 percent. The MWCD would serve as the non-federal sponsor for this project

6.09 PURCHASE OF 2009 HONDA ELEMENT

On motion by Mr. Horstman, seconded by Mr. Parham, purchase of a 2009 Honda Element 2WD vehicle at a total cost not to exceed \$23,000, as recommended and set forth in the above memorandum, was approved.

OTHER BUSINESS

No other business at this time.

7. REPORTS

7.01 SUMMARY OF MARINA OPERATIONS

Members of the Board received a Summary of Marina Operations report through February 28, 2009.

Mr. Jukich reported that a meeting with the marina operators was held on Monday, March 16. All marinas were represented at the meeting.

7.02 MAINTENANCE ASSESSMENT STATUS UPDATE

Mr. Hoopingarner distributed a report entitled “2009 Assessment Call Center Metrics.” This report summarizes county-by-county the number of calls as well as the number of Phone Inquiry Records and Requests for Review as a result of the calls. General information calls were not included on the report. A total of 3,238 calls have been received as of March 12, 2009 with the largest volume of calls (56.03%) from the Stark County area.

Assessment funds have been received from Belmont and Noble counties. Mr. Hoopingarner and Mr. Cugliari met earlier this week with the Ohio Water Development Authority to discuss terms for repayment of the assessment loan.

Mr. Slogar continues to attend meetings throughout the district to gather information regarding potential projects. One of the major projects is a flood warning system for the Marietta area. He reported that in these meetings it has been made clear that MWCD is not a replacement for other funding sources and he has encouraged exploration of other available funding sources as well as MWCD. Staff is working on the procedures and protocols to develop a method of selection of projects that will be submitted for consideration.

Mr. Horstman inquired about the assessment credits program. Mr. Fisher stated that there have been approximately 20 applications submitted. The deadline for submitting assessment credits program applications is March 31. Mr. Slogar said that staff will begin the process of review of these applications and anticipates that this review should be completed by the end of April.

7.03 IMMINENT OR PENDING LITIGATION

There were no updates at this time.

7.04 WATER QUALITY TRADING WORKSHOP

Mr. Jukich attended a “Water Quality Credit Trading Workshop” on March 4-5 at Chesapeake College in Wye Mills, Maryland. The event was hosted by the Conservation Technology Information Center along with its partners, Environmental Trading Network, the International Certified Crop Advisers, and the Water Environment Federation.

Mr. Jukich explained that water quality trading is a market-based approach to improve water quality. It is an innovative, voluntary tool that connects industrial and municipal facilities, or “point sources,” with agricultural producers, “non-point sources,” to economically achieve water quality improvements. It is a flexible and cost-effective approach for maintaining, restoring, or enhancing water quality.

Expert speakers presented concepts, benefits and challenges of trading and the steps involved in developing a trading program. The training included breakout sessions to give participants specific skills to

develop or participate in a trading program. Case studies were highlighted so participants could learn from existing programs.

Mr. Jukich stated the need for MWCD to continue to gather information about water quality trading. This type of program has a great potential within the MWCD. Mr. Olivier has also attended a similar workshop and added comments about possible MWCD involvement.

7.05 UPDATE ON 2009 GOALS

Mr. Hoopingarner reported on the progress of meeting the “Goals for 2009” as adopted by the Board on January 23, 2009.

- Meetings continue with parties interested in the Atwood Resort property.
- With regard to addressing the organizational structure, there will be a discussion in executive session today with no action requested.
- The reorganization of the recreation group is currently being implemented and staff will be working on the marketing aspect of this goal.

8. LEGISLATIVE REVIEW

8.01 CURRENT LEGISLATIVE ACTIVITIES

Mr. Hoopingarner reported that meetings with newly-elected legislators is ongoing.

There is no pending legislation to date that would affect the operation of conservancy districts.

9. SUBDISTRICTS

9.01 PURCHASE OF 2009 JEEP LIBERTY

A 2009 Jeep Liberty Sport 4x4 has been purchased from Furey Chrysler Jeep of Malvern at their quoted outright purchase price of \$21,111.90. This purchase was approved, at a cost not to exceed \$25,000.00, at the February 20, 2009, Board meeting. This amount is included in the 2009 Chippewa Subdistrict budget. No Board action was required at this time.

EXECUTIVE SESSION

On motion by Mr. Parham, seconded by Mr. Horstman, the Board of Directors entered into executive session at 10:30 a.m. to discuss matters related to ORC §121.22 (G) (1) (employment matters) and (G) (4) (prepare for conducting or reviewing negotiations or bargaining sessions). On roll call: Mr. Horstman-yes; Mr. Kokovich-yes; Mr. Parham-yes; Mr. Pryce-yes; and Mr. Tribbie-yes. On motion by Mr. Tribbie, seconded by Mr. Kokovich, the Board returned to open session. The executive session ended at 12:00 p.m.

10. ADJOURN

There being no further business, on motion by Mr. Horstman, seconded by Mr. Parham, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is April 17, 2009, at 9:00 a.m. at the Sippo Lake, Canton, Ohio.