

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at The Frontier Power Company, Coshocton, Ohio
May 22, 2009, 9:00 a.m.**

A meeting of the Board of Directors of the Muskingum Watershed Conservancy District was held at the Frontier Power Company, Coshocton, Ohio, on Friday, May 22, 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 James Cugliari, Tom Fisher, John Hoopingarner, Mark Jukich, Kelli Karns, Darrin Lautenschleger, Karen Miller, and Mike Rektis.

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

2. APPROVAL OF MINUTES

On motion by Mr. Kokovich, seconded by Mr. Parham, the minutes of the April 17, 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: Brian Valot (*Atwood Marina West*); Dick and Sandy Henry (*Tappan Marina*); Daniel J. Moeglin, P.E., S.I. (*City Engineer/ARRA Coordinator for the City of Canton*); Vera V. Gatchell (*Project Manager for the Brown Township Flood Mitigation Project*); Didi Everhart (*Brown Township*); Kathie Dickerson (*The Coshocton Tribune*); Daniel Bolger and John H. Weaver (*South Licking Watershed Conservancy District*); and Eric Reip (*New Philadelphia resident*).

4. FINANCIAL

Mr. Cugliari presented the financial report for the period ending April 30, 2009. The total revenue is \$8,574,345.00 with expenses of \$2,782,534.00, resulting in an excess of revenues over expenses of \$5,791,811.00 (compared to revenue over expenses of \$2,031,310.00 during the same reporting period in 2008). The main difference is the collection of the maintenance assessment as indicated on page 3 of 5 of this report. The total cash balance is \$7,134,568.72 of which \$2,264,692.24 is in the general checking account and business high yield savings account and available for meeting operational needs. There is also a balance of \$4,556,560.03 in the Maintenance Assessment business high yield savings account, recently established to account for maintenance assessment funds received.

General Maintenance Fund

- Total revenues are 22.45% of budget.
- All revenue items, with the exception of Mineral Operations-Gas and Oil, are in line with budget expectations.
- Expenses are ahead of 2008 but are within budget projections.

Forestry Fund

- Overall forestry operations are in line with budget expectations through April.

Recreation Operations – Non Park

- Total revenues are 29.50% of budget.

- All revenue projections are in line with budget. Multiple docks is running ahead of budget and last year at this point, but as reported last month, it appears to be a timing issue.
- Expenses are 30.71% of budget and are ahead of last year. One line item specifically running ahead is in the cottage sites where we incurred increased real estate taxes in a couple counties that was not anticipated.

Recreation Operations – Parks

- Total revenues are 57.45% of budget and running slightly behind last year's numbers.
- Specifically in the park camping revenue item, revenues are down approximately \$64,000. Most if not all is due to timing of payments and the fact that we are now offering four equal installments instead of three. Seasonal camping to date is equal to or better than 2008 in the parks.
- Expenses are ahead of last year but still running within budget expectations.

Maintenance Assessment Fund

- Revenues in the Maintenance Assessment Fund are 50.62% of budget with \$4,555,446.00 received. There is only one county left to receive distribution/settlement from.

Overall, revenues are running in line with budget while expenses are ahead of last year at this point. We will continue to closely monitor the budget and make adjustments as necessary.

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

In addition, a summary of the assessment refund totals to date was distributed along with the maintenance assessment call center statistics through April 30, 2009.

5. PAYMENT OF BILLS

On motion by Mr. Kokovich, seconded by Mr. Horstman, a report of the payment of bills for the period ending April 30, 2009, was approved as presented.

6. BUSINESS

6.01 LEASE TRANSACTIONS

On motion by Mr. Parham, seconded by Mr. Tribbie, the 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.

6.02a BUDGET ADJUSTMENTS

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

6.02b OWDA MAINTENANCE ASSESSMENT LOAN

On motion by Mr. Kokovich, seconded by Mr. Tribbie, the terms of the maintenance assessment loan with OWDA, as recommended and set forth in the above memorandum, were confirmed.

6.03a HUMAN RESOURCES SUMMARY

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

6.03b ORGANIZATIONAL STRUCTURE PLAN

On motion by Mr. Horstman, seconded by Mr. Tribbie, the proposed organizational structure changes, as recommended and set forth in the above memorandum, were approved.

6.03c DESIGNATION OF DEPUTY SECRETARY

On motion by Mr. Parham, seconded by Mr. Horstman, the designation of Boris Slogar as deputy secretary, as recommended and set forth in the above memorandum, was authorized.

6.03d GROUP HEALTH BENEFIT PLAN REVIEW

On motion by Mr. Kokovich, seconded by Mr. Parham, the renewal of the group health plan for MWCD staff with AultCare, as recommended and set forth in the above memorandum, was approved. Mr. Pryce abstained from voting on this matter.

6.04 CITY OF CANTON, STARK COUNTY, FAIRHOPE NATURE PRESERVE

Daniel J. Moeglin, City Engineer for the City of Canton, addressed the Board summarizing the benefits of the 30th Street NE detention basin to a proposed lake. The proposed lake will perform as a regional retention pond detaining storm water from a watershed that spans across the City of Canton and Plain Township and covers over 220 acres. The lake will benefit both the water quality and flood prevention of the drainage courses downstream of the lake.

The lake will include a forebay for an initial containment of pollutants (such as petroleum products from roadway, suspended solids, and metals) and settling of sediments before the storm water enters the lake. The lake will also include 0.61 acres of deep emergent and shallow plantings that will uptake nutrients from the storm water runoff allow for the transpiration of detained runoff, and trap or filter solids in the lake. Finally, the lake will be surrounded with vegetation designed to minimize the need for mowing; this will reduce the susceptibility of pollutants entering the lake, stabilize embankments around the pond; and filter sediment from storm runoff.

The detention basin was designed with a capacity to detain storm water runoff from a 25-year and greater storm event. Conversion of the basin to a lake will increase the capacity of storm water detention by approximately 40 percent.

The funding requested by the city will be used as a local share, along with city funds, to leverage available grant funding from Ohio Public Works Commission. Funding from MWCD will be directly attributable to water quality and flood prevention improvements.

As well as improving water quality and flood prevention the proposed lake will be a key element of Canton's first nature preserve and will be a regional resource for educating people on water resources, silviculture, and wildlife as well as providing passive recreational opportunities.

The trails that will be in the Fairhope Nature Preserve will tie into the Stark Parks District and the efforts of the City of Canton have been coordinated with the Stark Parks District.

On motion by Mr. Parham, seconded by Mr. Horstman, an expenditure of \$43,200 for the Fairhope Nature Preserve Project, as recommended and set forth in the above memorandum, was authorized.

**6.05 BROWN TOWNSHIP, CARROLL COUNTY,
MALWAYNE FLOOD MITIGATION PROJECT**

Vera Gatchell, Project Manager for the Brown Township Flood Mitigation Project, and Didi Everhart, Brown Township, addressed the Board and answered questions concerning the project. This phase of their project involves the relocation of up to 30 homes. These homeowners are living in mobile residences that have been declared 100% damaged and willing to relocate.

Ms. Gatchell stated that this funding would be far-reaching in saving funds for Brown Township in the future in costs of safety and road repair efforts.

On motion by Mr. Kokovich, seconded by Mr. Parham, an expenditure of \$140,000 for the Malwayne Flood Mitigation Project, as recommended and set forth in the above memorandum, was authorized.

6.06 CITY OF CAMBRIDGE – WATER SUPPLY AGREEMENT

On motion by Mr. Kokovich, seconded by Mr. Parham, the proposed water supply agreement with the City of Cambridge as recommended and set forth in the above memorandum, was approved and will be presented to the Conservancy Court on June 6, 2009, for their consideration.

6.07 PROFESSIONAL SERVICES AGREEMENT – WEBSITE UPGRADE

On motion by Mr. Parham, seconded by Mr. Tribbie, an agreement with Spire Advertising & Web Design for professional services related to website upgrades, as recommended and set forth in the above memorandum, was approved.

6.08 OTHER BUSINESS

Mr. Tribbie was presented with a plaque in recognition of his service on the MWCD Board of Directors.

<p style="text-align:center">Certificate of Appreciation awarded to Thomas L. Tribbie</p> <p style="text-align:center">While serving as a member of the Board of Directors of the Muskingum Watershed Conservancy District, Thomas L. Tribbie consistently exhibited his professional knowledge, expertise and dedication for excellence in all of his actions relating to the MWCD, in support of its mission. We sincerely appreciate and commend Mr. Tribbie for his excellent service to the MWCD. Presented by the Board of Directors this 22nd day of May, 2009.</p>

7. REPORTS

7.01 SUMMARY OF MARINA OPERATIONS

Members of the Board received a Summary of Marina Operations report through April 30, 2009.

7.02 NEW MWCD LOGO

Members of the Board received a sheet illustrating the new MWCD logo with the following.



7.03 MUSKINGUM MARINA OWNERS ASSOCIATION

Members of the Board received a copy of a letter dated April 30, 2009, addressed to Bernie Schreiner of MWCD from C. Brian Valot, President, of the newly reorganized Muskingum Marina Owners Association (MMOA). The letter outlined four areas of concern that the MMOA would like to discuss over the next few months (listed below in order of priority).

- 1) Elimination of property tax payments by MWCD operators
- 2) Reductions in the docking percentage paid to the MWCD from 20% to 10%
- 3) Assistance with paving and parking areas
- 4) Shoreline stabilization for marina properties

Brian Valot and Dick and Sandy Henry were present to answer any questions from the Board. Mr. Valot addressed the Board and advised that the revitalization of the MMOA is to provide a forum from which the marina operators can work with MWCD to provide a quality boating experience with first class facilities and operations.

On motion by Mr. Parham, seconded by Mr. Horstman, the Board directed staff to work with the MMOA and report back to the Board at a future date.

7.04 LIGHTHOUSE MEMORIAL CHURCH ASSESSMENT (LICKING COUNTY)

MWCD received a letter dated May 4, 2009, from Bill Beard, Senior Pastor, Lighthouse Memorial Christian Union Church of Millersport, Ohio. The MWCD maintenance assessment for the church was reduced to \$72.00 per year. However, the letter states “What we are not understanding is why we even are assessed at all, being that we are a not for profit corporation (church). We would respectfully ask that you reconsider any assessment for our church property.”

Mr. Fisher spoke with Pastor Beard on May 11 regarding the MWCD assessment. The following items were discussed in that conversation:

- Pastor Beard was informed that his letter would be presented to the Board of Directors.
- Mr. Fisher explained the difference between an assessment and a tax and why the church, which is tax exempt, is benefited and assessed according to that benefit.
- Pastor Beard was informed of the 17 classifications of property that are exempt from assessments per Ohio Revised Code. A list of those exemptions was sent to Pastor Beard along with his assessment refund check.

- Pastor Beard was under the impression that the Ohio General Assembly enacted legislation to exempt churches from the MWCD assessment. Mr. Fisher responded that was, in fact, not the case.

Mr. Parham stated that the assessment of church properties is in accordance with Ohio law and MWCD does not have the authority to deviate from the process set forth in Ohio law. The Board directed staff to relay the above information to Pastor Beard.

7.05 SOUTH LICKING WATERSHED CONSERVANCY DISTRICT

Mr. Hoopingarner advised the Board that officials of the South Licking Watershed Conservancy District (SLWCD), located in Fairfield and Perry counties, have communicated with the MWCD recently. SLWCD has expressed an interest in a potential merger with the Muskingum Watershed Conservancy District. Members of the Board received a copy of a memorandum prepared by MWCD legal counsel outlining the procedure for uniting/merging two or more conservancy districts.

Daniel Bolger of the South Licking Watershed Conservancy District addressed the Board. The project has the potential to improve water quality, there is an immediate need for technical assistance to develop a benefit appraisal. From all the information available, becoming a subdistrict of the MWCD makes absolute common sense. The South Licking Court meets in December, however, it is anticipated that this meeting could be held sooner.

7.06 IMMINENT OR PENDING LITIGATION

There were no updates at this time.

7.07 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.

- Progress continues with the implementation of the maintenance assessment.
- The financial report and MWCD accounting continues to be refined to separate the maintenance assessment funds from the recreation funds.
- Work continues with Kent State University and other entities interested in the Atwood Resort property. Legal counsel has advised that an RFP process be undertaken.
- The organizational structure as it relates to the new emphasis on the maintenance assessment continues to be a focus of management. An agenda item in this meeting addresses this issue.
- The implementation of the reorganization of the parks areas continues. Focus will be on marketing and feedback from customers.

8. LEGISLATIVE REVIEW

8.01 CURRENT LEGISLATIVE ACTIVITIES

Mr. Hoopingarner reported that meetings with legislators are scheduled as needed. Staff continues to monitor for legislation that would affect the operation of conservancy districts. Representative Hall of the Wooster area has expressed that an area of concern continues to be the exemption of churches from the maintenance assessment.

9. SUBDISTRICTS

9.01 SEDIMENT REMOVAL ANALYSIS/DESIGN FOR STRUCTURE IV-A AND V-D

On motion by Mr. Parham, seconded by Mr. Horstman, expenditure of \$40,000 for sediment removal analysis and design services for Chippewa structures IV-A and V-D, as recommended and set forth in the above memorandum, was approved.

9.02 COOPERATIVE AGREEMENT WITH USGS FOR HYDRAULIC STUDY OF CHIPPEWA CREEK

On motion by Mr. Tribbie, seconded by Mr. Kokovich, expenditure of \$75,000 in FY 2009 and \$100,000 in FY 2010, for a cooperative agreement with the U.S. Geological Survey for a hydraulic study of Chippewa Creek, as recommended and set forth in the above memorandum, was approved.

9.03 BUDGET REVISIONS

On motion by Mr. Kokovich, seconded by Mr. Horstman, a revision to the Chippewa Subdistrict budget, as recommended and set forth in the above memorandum, was approved.

EXECUTIVE SESSION

On motion by Mr. Parham, seconded by Mr. Horstman, the Board of Directors entered into executive session at 11:20 a.m. to discuss matters related to ORC §121.22 (G) (1) (employment matters). On roll call: Mr. Horstman-yes; Mr. Kokovich-yes; Mr. Parham-yes; Mr. Pryce-yes; and Mr. Tribbie-yes. On motion by Mr. Kokovich, seconded by Mr. Tribbie, the Board returned to open session. The executive session ended at 12:10 p.m.

10. ADJOURN

There being no further business, on motion by Mr. Tribbie, seconded by Mr. Kokovich, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is July 24, 2009, at 9:00 a.m. at Atwood Lake Resort and Conference Center. The Conservancy Court will convene on Saturday, June 6, 2009, at 10:00 a.m. in the Tuscarawas County Court House in New Philadelphia, Ohio.

05/26/2009

Approved 7/24/2009