

**SUMMARY OF MINUTES  
BOARD OF DIRECTORS  
MUSKINGUM WATERSHED CONSERVANCY DISTRICT  
Held at New Philadelphia City Council Chambers  
April 23, 2010, 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, April 23, 2010, 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. Boyle, Mr. Horstman, and Mr. Pryce.

On motion by Mr. Boyle, seconded by Mr. Pryce, Mr. Parham and Mr. Kokovich were excused.

Present from MWCD staff were Scott Barnhart, Mary Burley, James Cugliari, John Hoopingarner, Kelli Karns, Darrin Lautenschleger, Karen Miller, John Olivier, Boris Slogar, and Mark Swiger.

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

**2. INTRODUCTION OF VISITORS AND PUBLIC COMMENT**

Also in attendance for all or portions of this meeting were: John F. Meeske (*Chairman/CEO of Resorts and Clubs, Inc.*); Ray Gill, Jr. (*Architect, R Gill & Associates*); Charles R.R. Cherney (*President, Cherney & Associates, Inc.*); Kathy Davis (*Washington County SWCD*); Kevin Crock (*Project Engineer, City of Marietta*); Nick Wagner, A.J. McAbier, Kari Kimberly, and Luca Frasher (*KSU students*); Joe Gordon and Peter Kiko (*Kiko Auctions, Canton*); Michael Oberholzer (*Agent with Romig Agency*); and Eric Reip (*New Philadelphia resident*).

**3. APPROVAL OF MINUTES**

On motion by Mr. Pryce, seconded by Mr. Boyle, the minutes of the March 19, 2010, meeting of the Board of Directors were approved.

**4. FINANCIAL**

Mr. Cugliari presented the financial report for the period ending March 31, 2010. The total revenue for operations excluding Atwood Resort is \$2,811,035.00 with expenses of \$1,774,288.00, resulting in an excess of revenues over expenses of \$1,036,747.00.

**Conservation Fund**

- Total revenues are 10.26% of budget and down from 2009. Two areas down from 2009 are Timber Harvesting and Farm Operation – Sharecrops.
- Expenses are in line with budget expectations at this point.

**Recreation Fund – Parks**

- Total revenues are 42.24% of budget and, at this point, appear to be in line with budget expectations. Seasonal camping lotteries were very strong indicating that this portion of camping revenues will be good.
- In the Special Events revenue column, the first payment of \$36,934.60 was received from Alive.
- Expenses are in line with budget and running about 7% lower than last year at this time.

**Recreation Fund – Non-Park**

- Total revenues are 19% of budget.

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- The main difference in the marina revenue areas is that we are receiving 100% of the funds at Piedmont Marina compared to last year which was under the lease agreement. The total Piedmont Marina revenue for marina operations is \$91,679.50 and for camping it is \$51,904.41.
- Revenues are beginning to come in for Cottage Sites and Multiple Docks and are in line with budget.
- Expenses are higher than last year to date mainly due to our operation of Piedmont Marina and higher cost in our Road Maintenance Program.

All other operations of the MWCD are within our budget expectations as we wrap up the first quarter of the year. We will continue to streamline expenses throughout all of 2010.

### **Maintenance Assessment Fund**

- First half settlements from the counties have begun to come in.
- Total expenses are in line with budget expectations.

On motion by Mr. Boyle, seconded by Mr. Pryce, the financial report was accepted as presented.

## **5. PAYMENT OF BILLS**

On motion by Mr. Pryce, seconded by Mr. Boyle, a report of the payment of bills for the period ending March 31, 2010, was approved as presented.

## **6. BUSINESS**

### **6.01a LEASE TRANSACTIONS**

On motion by Mr. Boyle, seconded by Mr. Pryce, 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 MWCD authorized.

### **6.01b BEDROCK STONE COMPANY**

On motion by Mr. Boyle, seconded by Mr. Pryce, a lease with Bedrock Stone Company for the removal of loose sandstone and the reclamation of the former Cleveland Quarry Company site at Beach City at the rate of \$10.00 per ton, as recommended and set forth in the above memorandum, was authorized.

### **6.02a GENERAL LIABILITY INSURANCE RENEWAL**

On motion by Mr. Pryce, seconded by Mr. Boyle, renewal of the general liability insurance and membership in The Ohio Plan at an annual premium of \$159,458.00 for the period May 1, 2010 through May 1, 2011, as recommended and set forth in the above memorandum, was approved.

### **6.02b CLEAN VESSEL ACT GRANT – PIEDMONT MARINA**

On motion by Mr. Boyle, seconded by Mr. Pryce, a proposed resolution of authorization for application of a grant request through the ODNR Division of Watercraft Clean Vessel Act Grant Program, as recommended and set forth in the above memorandum, was adopted.

**6.02c 2010 BUDGET FOR PIEDMONT MARINA AND CAMPGROUND**

On motion by Mr. Pryce, seconded by Mr. Boyle, a proposed budget for operation of the Piedmont Marina and Campground, as recommended and set forth in the above memorandum, was adopted.

**6.03a HUMAN RESOURCES SUMMARY**

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

**6.03b GROUP HEALTH BENEFIT PLAN REVIEW**

The group health benefit plan for MWCD employees is due for renewal on June 1, 2010. AultCare has been the provider for MWCD employees since June 1, 2000.

The current plan is under review and we anticipate that a recommendation for approval will be prepared for consideration at the May 21, 2010 meeting.

Michael Oberholzer of Romig Insurance Agency, agent for MWCD, reviewed plan status and options with the Board members.

**6.04 PARTNERS IN WATERSHED MANAGEMENT GRANT PROGRAM --  
2010 FUNDING RECOMMENDATIONS**

Mr. Pryce requested that an overall metrics report be provided to the Board regarding runoff estimations for proposed projects, stating that this would aid the Board in their efforts to be consistent with determining which projects would be funded. Mr. Pryce asked how much are we willing to invest in prevention of runoff? Referring to the proposed project in the City of Marietta where BMP's are proposed as a part of a parking lot project, how many would say that this is a nice looking project and want to do the same?

Kevin Krock, project engineer for the City of Marietta, explained that the above-referenced project reduces the runoff from a parking lot that would normally measure at 100% impervious area to approximately 84%, resulting in about 15% reduction in runoff. The cost of simply paving the parking lot, without the BMP features, was estimated to be \$75,000. However, with the inclusion of the BMP features, the cost of the project is estimated at \$400,000 with the actual construction costs estimated at \$350,000.

Mr. Pryce inquired about the significant difference in costs and questioned whether or not individuals and/or businesses would be willing to bear these types of costs. Mr. Krock responded that, in the case of the City of Marietta, officials plan to require increased uses of BMP's and have ordered additional "green" measures incorporated into construction projects. Mr. Slogar pointed out that the purpose of the specific project in the City of Marietta is educational in nature and will serve as an example to be followed. In addition, there are water quality improvements resulting from this proposed project.

Mr. Boyle stated that, although the funding would be from a different category of projects under the Amendment to the Official Plan, Washington County also will benefit from funding assistance with an early flood warning system.

On motion by Mr. Pryce, seconded by Mr. Boyle, funding for projects 1, 2, 3, 4 and 6, as recommended and set forth in the above memorandum, were approved. Mr. Pryce indicated that his intent would not be to completely close out or deny funding for project 5 (City of Marietta, Municipal Parking BMP Construction/Education Program), but requests additional information before making a final decision.

**6.05 MEMORANDUM OF UNDERSTANDING – WASHINGTON TOWNSHIP**

On motion by Mr. Boyle, seconded by Mr. Pryce, a memorandum of understanding between MWCD and Washington Township (Harrison County) Trustees for roadside vegetation maintenance along Bose Road at Clendening Marina, as recommended and set forth in the above memorandum, was approved.

**6.06a PURCHASE OF VEHICLE**

On motion by Mr. Pryce, seconded by Mr. Boyle, lease/purchase of a 2010 Ford F-250 4x4 truck from Donnell Ford for use at the Piedmont Marina, as recommended and set forth in the above memorandum, was approved.

**6.06b FIREWORKS EXHIBIT CONTRACT**

On motion by Mr. Boyle, seconded by Mr. Pryce, an agreement for providing seven (7) fireworks displays for the 2010 season with American Fireworks Company of Hudson, Ohio, at a total cost of \$35,000.00, as recommended and set forth in the above memorandum, was approved.

**6.06c SHARE CROP MATERIALS**

On motion by Mr. Boyle, seconded by Mr. Pryce, purchase of materials for the 2010 share crop season, as recommended and set forth in the above memorandum and listed below, was approved.

**Wills Creek Reservoir**

- 125 tons liquid nitrogen from Agland at a cost of \$25,875.00
- Chemicals delivered from Didinger at a cost of \$14,946.50
- 25 tons 10-34-0 fertilizer from Didinger at a cost of \$9,498.50

**Mohawk Reservoir**

- Chemicals delivered from Didinger at a cost of \$24,572.64
- 35.5 tons potash from Didinger at a cost of \$15,794.66
- 10-22.5-0 fertilizer from Agland at a cost of \$14,220.53
- 33 tons 9-23-31 fertilizer from Didinger at a cost of \$15,776.31
- 10.5 tons 46-0-0 fertilizer from Didinger at a cost of \$4,293.98
- 69 tons Nutralime from Didinger at a cost of \$7,448.55

**6.07 COOPERATIVE WORK AGREEMENT –  
ODNR DIVISION OF SOIL AND WATER RESOURCES**

A draft of a Cooperative Work Agreement with the ODNR Division of Soil and Water Resources (DSWR) was presented to the Board of Directors on December 18, 2009 for review. Additional work with the DSWR has resulted in a revised draft of the agreement as well as a Work Plan, both of which are attached.

These two documents will enable us to capitalize on the strengths and resources of each party to assist landowners and communities within the Muskingum Watershed to plan and install conservation projects. These projects will improve water quality, reduce sedimentation to streams and lakes, reduce flooding and educate users of the land and waters of ways to conserve, enhance and protect these valuable natural resources. This will be accomplished through an application process that utilizes over 60 employees in the 18 county Soil and Water Conservation District (SWCD) offices to work with the local citizens and communities to identify projects for submittal to the DSWR office. Projects would be evaluated and ranked by both the DSWR and

MWCD staff based on the degree to which they meet the stated goals, the participation of partners, local support, and the level of matching or in-kind services. The final decision for funding projects will be that of the MWCD.

In this way, MWCD maintenance assessment funds would be directed to local projects that are endorsed by the individual county SWCD technical staff that routinely survey and design conservation practices for the USDA farm bill and urban programs.

While no action is required by the Board at this time, it is anticipated that recommendation for approval will be presented to the Board at the May 21, 2010, meeting.

**6.08 ATWOOD LAKE RESORT AND CONFERENCE CENTER**

This matter was deferred to executive session.

**6.09 DEVELOPMENT ADVISORY COMMITTEE APPOINTMENTS**

On motion by Mr. Boyle, seconded by Mr. Pryce, the following appointments were made to the MWCD Development Advisory Committee: Jeff Heacock to an unexpired term ending December 31, 2011; John M. Prelac to a three-term ending December 31, 2012; and Robert C. Prince to a three-year term ending December 31, 2012.

**6.10 ANNUAL REPORT OF OPERATIONS 2009**

On motion by Mr. Pryce, seconded by Mr. Boyle, the narrative content of the Annual Report of Operations 2009 was approved for preparation for presentation to the Conservancy Court along with financial sections to be added.

**6.11 OTHER BUSINESS**

No other business at this time.

**7. REPORTS**

**7.01 SUMMARY OF MARINA OPERATIONS**

Members of the Board received a copy of the Summary of Marina Operations report for the period through March 31, 2010.

**7.02 UPDATE ON 2010 GOALS**

Mr. Hoopingarner presented the following revised 2010 goals for consideration by the Board:

1. To implement projects and programs under the Amendment to the Official Plan. This goal will address work to be performed in the seven categories set forth in the plan: upgrades to dams, sediment removal, shoreline protection, water quality improvements, watershed management, reservoir maintenance and partnering with local, state and federal agencies. A plan of work will be developed with specific objectives for each category.
2. To develop financial operating principles. This goal will identify and define key principles relative to financial management including operating margins, overhead costs, revenue producing vs. non-revenue producing functions, and borrowing money. This goal will result in the production of financial statements

that clearly indicate for separation of capital and operating expense, separation of personnel cost from supply, service and other costs, connect some metrics to our major services, consolidate Atwood Resort activities, include a monthly economic summary, and assure our continued compliance with the Ohio Revised Code. In September of each year, a top-down proposed budget will be presented to the Board for consideration – this report will be presented in the economic summary format adopted by the Board.

3. To divest Atwood Lake Resort and Conference Center. This goal will focus on the sale or lease of the Resort operation, reduce and eventually eliminate the financial liability of the MWCD relative to the Resort, and preserve the integrity of the land in light of our mission.
4. To address recreation operations in light of current economic conditions and customer demands. This goal will continue our effort of market analysis and customer feedback. We will continue to survey our users to ensure customer satisfaction. This information will assist in planning for capital projects.

**FOR FUTURE CONSIDERATION...**

To develop a strategic plan of management for there Muskingum Watershed Conservancy District. This goal will identify a specific time frame within which we consider the development of projects and services, market trends, changes in customer needs and preferences, technological change, capital intensity, and social, political and economic change as we plan the scope of future projects and services in our watershed.

On motion by Mr. Boyle, seconded by Mr. Pryce, the revised 2010 goals were adopted as presented.

**7.03 USACE ASSESSMENT PROJECTS STATUS REPORT**

Mr. Slogar reported on the status of U.S. Army Corps of Engineers current projects in the Muskingum Basin:

- The Corps will be submitting a request for maintenance assessment (local cost-share) dollars totaling \$624,538 for Phase I of the Dover Dam rehabilitation project based upon a federal appropriation of \$17.48 Million. Phase I consists of the installation of up to 18 anchors tying the dam structure down to bedrock to prevent the possibility of sliding along the riverbed during large storm events. Phase I plans and specifications are currently undergoing an internal USACE technical review. Once the review is complete, it is anticipated that the contract for Phase I will be advertised in early June with the contract being awarded sometime in September. Phase II of the project (consisting of final anchor installation, construction of a parapet wall and stop log closure along the dam abutments, and downstream armoring) will likely be advertised in May of 2011.
- With regards to the Bolivar Dam project, the partnership agreement between USACE and MWCD is currently under legal review and is expected to be finalized and executed sometime this summer.

**7.04 ATWOOD REGIONAL WATER AND SEWER DISTRICT UPDATE**

No report at this time due to the absence of Mr. Parham.

**7.05 IMMINENT OR PENDING LITIGATION**

Bush vs. Ashland County, in which MWCD was named as a defendant, has been dismissed relative to MWCD on summary judgment.

## **8. LEGISLATIVE REVIEW**

### **8.01 CURRENT LEGISLATIVE ACTIVITIES**

No business at this time. However, the Ohio Conservancy District Conference is hosting a legislative breakfast on May 19 in Columbus.

## **9. SUBDISTRICTS**

### **9.01 CHIPPEWA SUBDISTRICT – ANNUAL INSPECTION REPORT**

Mr. Slogar reported that the annual inspection of the 8 dams and 33 miles of channels of the Chippewa Subdistrict of the Muskingum Watershed Conservancy District was conducted recently.

## **EXECUTIVE SESSION**

On motion by Mr. Boyle, seconded by Mr. Pryce, the Board of Directors entered into executive session at 11:01 a.m. to discuss matters related to ORC §121.22 (G) (1) employment and (2) sale of property. On roll call: Mr. Boyle-yes; Mr. Horstman-yes; and Mr. Pryce-yes. On motion by Mr. Pryce, seconded by Mr. Boyle, the Board returned to open session. The executive session ended at 12:45 p.m.

## **10. ADJOURN**

There being no further business, on motion by Mr. Pryce, seconded by Mr. Boyle, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is Friday, May 21, 2010, at 9:00 a.m. at the New Philadelphia City Council Chambers.

*04/22/2010*

*Approved 5/21/2010*