

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at the New Philadelphia City Council Chambers
January 20, 2012, 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, 150 East High Avenue, New Philadelphia, Ohio, on Friday, January 20, 2012, 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, Mr. Kokovich, Mr. Parham, and Mr. Pryce.

Present from MWCD staff were Scott Barnhart, Mary Burley, James Cugliari, John Hoopingarner, Darrin Lautenschleger, Sean Logan, Karen Miller, Shawn Murphy, Debbie Russell, Boris Slogar, and Mark Swiger.

Mr. Boyle, 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: Curt Schneider (*Chartwell Group*); Cliff Easlick (*Dover resident*); Tom Wheaton, Jeff Ohler, and Doyle Hawk (*Carroll County Commissioners*); Glenn Enslin (*Carroll County Economic Director*); Bob Stratton (*Sherrodsville resident*); Carol McIntire (*Editor, Free Press Standard*); Duane Wood (*District Program Administrator, Wayne County Soil and Water Conservation District*); Jeff VanLoon (*District Manager, Medina County Soil and Water Conservation District*); Jim Pringle (*MWCD Legal Counsel*).

3. APPROVAL OF MINUTES

On motion by Mr. Horstman, seconded by Mr. Parham, the minutes of the December 16, 2011, meeting of the Board of Directors were approved.

4. FINANCIAL

Mr. Cugliari presented the financial report for the period ending December 31, 2011. The total operating revenues are \$26,473,657.00 with expenses of \$10,023,779.00 resulting in an excess of revenue over expenses of \$16,449,878.00.

Conservation Fund

- Revenues in all categories met and exceeded budget with the exception of Pine Pulpwood Operations which fell about \$10,000.00 short.
- Expenses finished at 79.33% of budget.

Recreation Fund – Parks

- Total revenues finished at 100.36% of budget with all major categories nearly meeting budget expectations.
- Total expenses finished slightly over budget by about 3.5%.

Recreation Fund – Non Park

- Total revenues finished at 94.64% of budget.
- Most major revenue categories nearly met budget expectations with some missing target by 1-2%.
- Total expenses were 81.15% of budget.

Maintenance Assessment Fund

- Total revenues finished at 4.6% ahead of budget.
- Total expenses finished 9.95% ahead of budget but this was due to paying of the loan to OWDA.

Overall, the operations of the Conservancy District have performed very well. We have had the opportunity this year to pay off the majority of our debt and also begin reinvesting dollars back into our operations. We are faced with many challenges in 2012, but are in a better financial position than we have been in many years.

The total cash balance is \$20,955,028.00 of which \$9,112,568.00 is maintenance assessment and the balance is operational.

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

5. PAYMENT OF BILLS

On motion by Mr. Kokovich, seconded by Mr. Horstman, a report of the payment of bills for the period ending December 31, 2011, was approved as presented.

6. BUSINESS

6.01a LEASE TRANSACTIONS

On motion by Mr. Horstman, 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 GULFPORT ENERGY CORPORATION LEASE

This matter was discussed in executive session. In open session, the following action was taken: On motion by Mr. Pryce, seconded by Mr. Parham, staff was authorized to negotiate with Gulfport Energy for lease of mineral rights on property located at Clendening Reservoir, as recommended and set forth in the above memorandum.

6.01c CLEAR WATER CORPORATION – WATER LINE EXTENSION

On motion by Mr. Pryce, seconded by Mr. Horstman, staff was authorized to negotiate to enter into a permit agreement with Clear Water Corporation for installation of a water line on MWCD property at Seneca Reservoir, as recommended and set forth in the above memorandum.

6.01d AGREEMENTS FOR RADIO TOWER INSTALLATION

Staff has entered into agreements with the Village of Deersville and the Guernsey County Commissioners to install two-way radio towers on their respective water tower structures. This would allow for moving the existing radio towers to better locations for Tappan and Seneca parks allowing more reliable communication for the staff. The existing tower locations at Tappan and Seneca are located on deteriorating fire towers and would be cost prohibitive to replace with free standing radio towers.

There has also been a mandate by the Federal Communications Commission (FCC) which requires all agencies to convert to narrowband voice channels by December 31, 2012, which will require equipment replacement on our radio towers. These two tower locations were recommended by our current two-way radio

vendor as ideal locations for the new radio system.

There is no cost to MWCD to use these towers and the agreements are for a term of 10 years. This is provided for information only and no action is required by the Board.

6.02 GRANT APPLICATION – NATIONAL SAFE BOATING COUNCIL

On motion by Mr. Kokovich, seconded by Mr. Horstman, a resolution of authorization for application of grant funding from the National Safe Boating Council, as recommended and set forth in the above memorandum, was approved.

6.03a HUMAN RESOURCES SUMMARY

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

6.03b POSITION DESCRIPTION REVISION – SENECA/TAPPAN PARK MANAGERS

On motion by Mr. Kokovich, seconded by Mr. Parham, revisions to the position description for the Seneca and Tappan park managers, as recommended and set forth in the above memorandum, were approved.

6.03c PERSONNEL POLICY – EMPLOYMENT OF LAW ENFORCEMENT PERSONNEL

On motion by Mr. Kokovich, seconded by Mr. Horstman, a new personnel policy entitled “Employment of Law Enforcement Personnel,” as recommended and set forth in the above memorandum, was approved.

6.03d PERSONNEL POLICY – INFORMATION SYSTEMS AND TECHNOLOGY

On motion by Mr. Pryce, seconded by Mr. Parham, the revised personnel policy entitled “Information Systems and Technology,” as recommended and set forth in the above memorandum, was approved.

6.04 PARK CONCESSION OPERATIONS – TAPPAN

On motion by Mr. Kokovich, seconded by Mr. Pryce, entering into a lease agreement with Sarah Law for operation of the food service and general store at Tappan Lake Park, as recommended and set forth in the above memorandum, was approved.

6.05 SENECA MARINA DOCKING RATES

On motion by Mr. Kokovich, seconded by Mr. Parham, proposed docking rates for Seneca Marina, as recommended and set forth in the above memorandum, were approved.

6.06 PURCHASE OF BOAT DOCKS

On motion by Mr. Kokovich, seconded by Mr. Horstman, authorization to advertise, take bids and award a contract for purchase of docks at Atwood, Tappan and Seneca parks, as well as Piedmont and Seneca marinas, and an associated budget revision for the Seneca Marina docks, as recommended and set forth in the above memorandum, was granted.

6.07 ATWOOD LAKE WATER TREATMENT PLANT PROJECT

On motion by Mr. Pryce, seconded by Mr. Parham, advertisement of bids for the Atwood Lake water treatment plant project, as recommended and set forth in the above memorandum, was approved.

6.08 ATWOOD LAKE RESORT UPDATE

This matter was discussed in executive session. In open session, the following action was taken: On motion by Mr. Horstman, seconded by Mr. Pryce, the Board approved the execution of documents, including the proposed “Commercial Real Property Donation Agreement,” to transfer the Atwood Lake Resort property, to the Carroll County Commissioners. Commissioner Wheaton indicated that the Commissioners are planning to meet on Monday, January 23, to consider approval of the same documents.

6.09 STRATEGIC PLANNING UPDATE

Mr. Hoopingarner reported that several meetings have taken place to work on the development of the strategic plan. Jack Steele of Active Strategy will meet with MWCD representatives on February 1. Mr. Boyle has participated in these meetings as well and plans to attend the February 1 session. Mr. Slogar indicated that he is hopeful that the strategic plan can be completed for presentation to the Board at its February meeting.

6.10 OTHER BUSINESS

Members of the Board received a copy of a letter dated January 9, 2012, from Judge Ed Lane, Washington County, outlining his questions and concerns about the recent oil and gas leasing activity. Judge Lane is one of the newest members of the MWCD Conservancy Court. Staff is working with the Presiding Judge, Edward O’Farrell (Tuscarawas County) to respond to Judge Lane’s letter.

7. REPORTS

7.01 STATUS OF SENECA MARINA PROPERTY

Mr. Barnhart reported on the current conditions of the Seneca Marina property, illustrated by “before and after” photographs.

7.02 OIL AND GAS LEASE NEGOTIATIONS UPDATE

This matter was discussed in executive session.

7.03 MUSKINGUM RIVER ISSUES

Mr. Hoopingarner reported on the status of the Muskingum River Advisory Council, a group created by the Ohio legislature more than 20 years ago to advise the State on the condition of the locks and dams along the Muskingum River in the area between Coshocton and Marietta. This group was disbanded by the Ohio Legislature in 2010. MWCD held a seat on this Advisory Council along with representatives from the each of the 4 counties the area encompasses.

Mr. Hoopingarner was recently extended an invitation to attend a meeting at which interested parties gathered to determine whether or not there is an interest in establishing a group to continue the efforts to address concerns for the locks and dams, and other issues affecting the Muskingum River. There was a discussion of several concepts and the meeting was moderated by Duane Myers of Coshocton. Part of the discussion at the meeting was related to the possibility of MWCD serving a sponsor for this group. When the subject of the

potential of the availability of MWCD maintenance assessment funding, Mr. Hoopingarner informed the attendees that those funds could not be used for improvements of the locks and dams; there could, however, be a possibility of funding being available to address water quality and/or erosion/sedimentation issues.

Mr. Hoopingarner and Mr. Logan will be meeting with officials in Columbus during the coming week on other matters and will get input from those officials on this matter. It is anticipated that representatives of the group may attend the February Board meeting to address this subject.

Mr. Logan told the Board that the Muskingum River locks and dams are considered national landmarks and are the only remaining hand-operated locks remaining in the United States. The locks and dams are owned by the State of Ohio.

7.04 PRELIMINARY 2012 GOALS

The Board received a copy of the preliminary 2012 goals for review and discussion. It is anticipated that these goals can be finalized once the strategic plan is completed. The goals were drafted to give the Board an indication of the direction in which the organization will strive.

7.05 USACE PROJECTS STATUS REPORT

Mr. Slogar reported that the anchor drilling continues at the USACE Dover Dam project with 36 anchors to be installed in Phase I and 21 anchors in Phase II, making a total of 57 anchors; the project of installation of a seepage blanket at Bolivar Dam, being performed by Massillon Construction, is underway; and meetings with the residents of the Village of Zoar to discuss potential work on the Zoar Levee are conducted on a regular basis.

Mr. Slogar reported that 9 of the holes for the anchor drilling at the USACE Dover Dam project have been completed. The drilling is taking place on the downstream side of the dam. The contract is experiencing some difficulty in accomplishing the drilling due to the placement of the temporary anchors previously installed.

At Bolivar, the contractor is on-site working on the seepage berm. The seepage barrier which will be on the upstream side of the reservoir is a 4,000-foot concrete barrier with an average depth of 150 feet from the surface.

7.06 ATWOOD REGIONAL WATER AND SEWER DISTRICT UPDATE

No report at this time.

7.08 IMMINENT OR PENDING LITIGATION

This matter was discussed in executive session.

8. LEGISLATIVE REVIEW

8.01 CURRENT LEGISLATIVE ACTIVITIES

Mr. Hoopingarner advised the Board of upcoming meetings with State of Ohio officials to discuss matters of interest related to the MWCD.

9. SUBDISTRICTS

9.01 BLACK FORK SUBDISTRICT – PLANNING LOAN

On motion by Mr. Horstman, seconded by Mr. Parham, a proposed resolution authorizing staff to proceed with negotiations with OWDA for funding for a planning loan, as recommended and set forth in the above memorandum, was granted.

9.02 CHIPPEWA SUBDISTRICT – PARTNERSHIP OPPORTUNITY WITH USDA

Duane Wood and Jeff VanLoon addressed the Board concerning a program proposed for landowners along the Chippewa channel – the Chippewa Headwaters Incentive Program (CHIP). CHIP is a cooperative partnership between the MWCD, Medina SWCD, Wayne SWCD, and USDA which would promote and install conservation practices to prevent sediment and nutrients from washing into Chippewa Creek from agricultural practices.

Landowners adjacent to the channel will be contacted by the Medina and Wayne SWCDs this winter to attend informational meetings. Landowners will be encouraged to sign up for the CHIP program (they would be paid a per acre rate based on soil types). Landowners are then asked to follow a plan developed by the SWCD/NRCS offices to establish and maintain a filter strip or riparian buffer on their property along the Chippewa channel. Filter strips must be maintained for 10 years; and riparian buffers must be maintained for 15 years.

EXECUTIVE SESSION

On motion by Mr. Horstman, seconded by Mr. Pryce, the Board of Directors entered into executive session at 9:07 a.m. to discuss matters related to ORC §121.22 (G) (2). On roll call: Mr. Boyle-yes; Mr. Horstman-yes; Mr. Kokovich-yes; Mr. Parham-yes; and Mr. Pryce-yes. The executive session ended at 9:37 a.m.

On motion by Mr. Kokovich seconded by Mr. Horstman, the Board of Directors entered into executive session at 11:50 a.m. to discuss matters related to ORC §121.22 (G) (2) and (3). On roll call: Mr. Boyle-yes; Mr. Horstman-yes; Mr. Kokovich-yes; Mr. Parham-yes; and Mr. Pryce-yes. The executive session ended at 12:55 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 Friday, February 17, 2012, at 9:00 a.m. at the New Philadelphia City Council Chambers.