

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at New Philadelphia City Council Chambers
March 25, 2011, 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, John Knisley Building, 150 East High Avenue, New Philadelphia, Ohio, on Friday, March 25, 2011, 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, Kelli Karns, Darrin Lautenschleger, Karen Miller, John Olivier, Mike Rekestis, Boris Slogar, and Mark Swiger.

Mr. Kokovich, 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: Steven Grose and Jeff Bynum (*Concord Park Energy Development, LLC*); and Jim Pringle (*MWCD Legal Counsel*).

3. APPROVAL OF MINUTES

On motion by Mr. Parham, seconded by Mr. Horstman, the minutes of the February 18, 2011, meeting of the Board of Directors were approved.

4. FINANCIAL

Mr. Cugliari presented the financial report for the periods ending February 28, 2011. The total revenue for operations excluding Atwood Resort is \$1,127,899.00 with expenses of \$1,053,680.00, resulting in an excess of revenue over expenses of \$74,219.00.

Conservation Fund

- Total revenues for the year are \$80,880.00 which is ahead of last year, due mainly for forestry operations.

Recreation Fund-Parks

- Total revenues are \$884,968.00 and running slightly ahead of last year. Most, if not all, is due to timing.
- Expenditures are in line with budget.

Recreation Fund-Non Park

- Total revenues are ahead of last year at this point. The two main reasons are that the Piedmont Marina operations are in place and letters for docking decals were mailed earlier. This has resulted in Multiple Docks revenue coming in earlier, helping with cash flow.
- Expenses continue to run in line with budget. The main variation is in Cottage Sites, due to the timing of processing real estate taxes.

Maintenance Assessment Fund

- Settlements from the County Auditors are starting to come in during the month of March.
- Expenses are up considerably from 2010, mainly due to the Shoreline Protection projects.

Overall the cash flow position is improving considerably and we will continue to monitor and streamline expenses.

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

5. PAYMENT OF BILLS

On motion by Mr. Boyle, seconded by Mr. Parham, a report of the payment of bills for the period ending February 28, 2011, was approved as presented.

Mr. Pryce inquired about the monthly costs associated with the Resort property. Mr. Cugliari responded with approximate figures of major expenses: \$15,000, debt retirement; \$10,000, personnel; and \$25,000, utilities.

6. BUSINESS

6.01a LEASE TRANSACTIONS

On motion by Mr. Horstman, seconded by Mr. Parham, 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 GOLF COURSE RESIDENTIAL PROPERTY

On motion by Mr. Horstman, seconded by Mr. Pryce, a residence agreement for the golf course residence at Atwood Lake Resort and Conference Center, as recommended and set forth in the above memorandum, was authorized.

6.02a BUDGET REVISION – MR&R REQUEST

On motion by Mr. Pryce, seconded by Mr. Boyle, a budget revision making funds available for repair and replacement of items in the park vacation cabins, as recommended and set forth in the above memorandum, was approved.

6.02b BUDGET ADJUSTMENT

On motion by Mr. Parham, seconded by Mr. Horstman, budget adjustments, as recommended and set forth in the above memorandum, were authorized.

6.02c FUND TRANSFERS

On motion by Mr. Parham, seconded by Mr. Horstman, fund transfer resolutions for the year 2010, as recommended and set forth in the above memorandum, were adopted with a revision to the resolution language to eliminate the term “surplus.”

6.02d FINANCIAL OPERATING PRINCIPLES

A motion was made by Mr. Boyle, seconded by Mr. Pryce, for approval of the originally drafted financial operating principles. Mr. Parham stated his intention to vote against this motion and discussion ensued relative to specific language contained in the document. Mr. Boyle then made a motion to amend his original motion to include revisions to the originally drafted financial operating principles as follows:

- Replacement of the introductory paragraph as proposed by Mr. Pryce as follows: “Organizations and businesses are more likely to achieve their goals and strategic objectives and survive in the long term if they follow sound financial principles. The following is a list of financial principles for the Muskingum Watershed Conservancy District (MWCD) to use as a test in making financial decisions.”
- Revision to number 3 and 4 changing the word “shall” to “should.”
- Change the title of the document from “Financial Operating Principles” to “Financial Operating Guidelines.”

Following discussion, Mr. Parham made a motion, seconded by Mr. Horstman, to delete number 8 which reads “Each major recreational activity should fund itself. This is the only way that the MWCD can keep all programs competitive.” On roll call vote: Mr. Boyle-yes; Mr. Horstman; Mr. Kokovich-yes; Mr. Parham-yes; and Mr. Pryce-yes.

A vote was then conducted relative to the original motion, as amended by Mr. Boyle’s motion and as further amended by the above action. On roll call vote: Mr. Boyle-yes; Mr. Horstman; Mr. Kokovich-yes; Mr. Parham-yes; and Mr. Pryce.

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 BUILDING/FLEET TECHNICIAN

On motion by Mr. Boyle, seconded by Mr. Parham, a new position description for Building/Fleet Technician, as recommended and set forth in the above memorandum, was approved and posting and filling was authorized.

6.04 PURCHASE OF VEHICLE FOR ENGINEERING

On motion by Mr. Horstman, seconded by Mr. Boyle, the lease/purchase of a 2011 Ford Escape XLS from Wendell Ford in the total amount of \$18,418.53, as recommended and set forth in the above memorandum, was approved.

6.05 TRASH REMOVAL BIDS

On motion by Mr. Pryce, seconded by Mr. Horstman, a three-year agreement with Cardinal Waste Services for removal of trash at Piedmont Marina, as recommended and set forth in the above memorandum, was approved.

6.06 FIREWORKS EXHIBIT CONTRACT

On motion by Mr. Parham, seconded by Mr. Horstman, an agreement with Pyrotecnico for providing fireworks displays for the 2011-2013 seasons, as recommended and set forth in the above memorandum, was authorized. This is an approximate \$7,000 savings over the course of three years.

6.07 ATWOOD LAKE RESORT AND CONFERENCE CENTER

This matter was discussed in executive session. In open session, no action was taken.

6.08 STRATEGIC PLANNING

Mr. Hoopingarner and Mr. Slogar reported on the progress of working on strategic planning with the firm, Active Strategy. Completion of an environmental assessment is one of the first tasks to be undertaken and work is in progress on this effort. The next step will be completion of a strengths, weaknesses, opportunities, and threats (SWOT) with participation of the Board of Directors. When the strategic planning process reaches this point, a session separate from a regular meeting will be scheduled with the Board.

6.09 OTHER BUSINESS

There was no other business at this time.

7. REPORTS

7.01 SUMMARY OF MARINA OPERATIONS

Board members received a copy of the Summary of Marina Operations report through February 28, 2010. No action required.

7.02 UPDATE ON 2011 GOALS

Mr. Hoopingarner reported on the progress of work toward accomplishing the 2011 goals as adopted by the Board of Directors.

- 1) To develop and implement a strategic plan of management for the Muskingum Watershed Conservancy District.
- 2) To evaluate and recommend a course of action in light of current oil and gas development opportunities.
- 3) To reduce the negative financial liability of the Atwood Lake Resort and Conference Center so that it is no longer a material factor in the overall operations of MWCD.
- 4) To address recreation operations in light of current economic conditions and customer demands.
- 5) To identify and develop conservation programs under the Amendment to the Official Plan.
- 6) To submit for consideration of the Conservancy Court the Subsequent Appraisal Record as required by law.

7.03 SHORELINE STABILIZATION PROJECTS UPDATE

Mr. Slogar reported on the status of the current shoreline stabilization projects. Overall, 22 projects were initiated and completed, totaling over one (1) mile of improvements at Atwood, Charles Mill, Seneca and Tappan reservoirs. Aerial photographs illustrating the locations of the projects were distributed along with specific information on several projects as follows:

Reservoir	Contractor	Project Length	Cost
Tappan	MWCD	31 feet	\$3,600
Tappan	MWCD	412 feet	\$45,750
Charles Mill	Mark Haynes Construction, Inc.	482 feet	\$53,500
Charles Mill	Mark Haynes Construction, Inc.	300 feet	\$59,100
Atwood	MWCD	495 feet	\$45,750

Atwood	Scassa Asphalt	491 feet	\$67,300
Atwood	Scassa Asphalt	490 feet	\$49,800
Seneca	Stanley Miller Construction Co.	369 feet	(estimate) \$120,000
Seneca	Stanley Miller Construction Co.	316 feet	\$48,000
Seneca	Stanley Miller Construction Co.	322 feet	\$46,900

Mr. Rekestis provided an update on the status of a project located at Pleasant Hill Reservoir, Pine Hill. A photograph of the Pine Hill slope erosion area was distributed to the Board. This project is currently under review by a consulting firm due to additional erosion that has recently occurred. More information will be presented to the Board along with a recommendation for remedial action in the near future.

7.04 OIL AND GAS LEASING

This matter was discussed in executive session. In open session, no action was taken.

7.05 IN-RESERVOIR FLOOD EVENT REPORT

Mr. Lautenschleger distributed a map including the Atwood, Bolivar, Dover and Leesville dams which delineated the spillway elevations and flood crest information from the February/March 2011 flooding event.

7.06 USACE PROJECTS STATUS REPORT

Mr. Slogar reported that Dover Dam project will resume once the flood waters from the recent rains recede.

7.07 PARTNERS IN WATERSHED MANAGEMENT UPDATE

Mr. Slogar reported that the Partners in Watershed Management (PWM) projects for the coming year are currently under review. A meeting with Technical Review Advisory Group (TRAG) is scheduled in March and Mr. Slogar anticipates that recommendations for PWM projects will be presented to the Board at the March meeting. Preliminary information relative to the six (6) project under review by the TRAG was distributed.

7.07 ATWOOD REGIONAL WATER AND SEWER DISTRICT UPDATE

Mr. Parham indicated that there were no significant items to 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 reported on current legislative activities.

9. SUBDISTRICTS

9.01 CHIPPEWA SUBDISTRICT – STRUCTURE 59L REPLACEMENT

Construction bids have been received for the replacement of Structure 59L along the Chippewa Creek channel. This project includes replacement of the storm sewer and inlet structures, construction of a drive apron on State Route 585 and clearing of 4000 feet along the channel to allow access to the structure. Bids were opened on Wednesday, March 16 at the Chippewa Subdistrict office, and the results were as follows:

Bidder	Amount
MB Excavating LLC	\$19,219.50
DC Berger Excavating LLC	\$20,000.00
Haynes Construction	\$21,780.00
Jadco Construction Services Inc.	\$39,000.00
Scassa Asphalt	\$49,000.00

The contract for replacement of Structure 59L along the Chippewa Creek channel will be awarded to MB Excavating LLC at their bid price of \$19,219.50. This is provided for informational purposes only and no action is required.

EXECUTIVE SESSION

On motion by Mr. Parham, seconded by Mr. Horstman, the Board of Directors entered into executive session at 11:00 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 12:40 p.m.

10. ADJOURN

There being no further business, on motion by Mr. Parham, seconded by Mr. Pryce, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is Friday, April 22, 2011, at 9:00 a.m. at the Science and Technology Center, Kent State University Tuscarawas.

03/25/2011

Approved 04/22/2011