

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

Present from MWCD staff were James Cugliari, Samantha Green, John Hoopingarner, Darrin Lautenschleger, David Lautenschleger, Kelli Karns, Doug Little, Karen Miller, Mike Rekestis, Bernie Schreiner, 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: Eric Reip (*New Philadelphia resident*).

3. APPROVAL OF MINUTES

On motion by Mr. Parham, seconded by Mr. Boyle, the minutes of the July 23, and July 29, 2010, meetings of the Board of Directors were approved.

4. FINANCIAL

Mr. Cugliari presented the financial report for the period ending July 31, 2010. The total revenue for operations excluding Atwood Resort is \$7,046,052.00 with expenses of \$5,772,384.00, resulting in an excess of revenues over expenses of \$1,273,669.00, as indicated on page 3.

General Fund

- Revenues are 44.04% of budget. A reimbursement in the amount of \$69,590.00 from Chippewa Subdistrict was received in July.
- Expenses are 62.93% of budget and \$210,000.00 less than 2009 through the same reporting period.

Conservation Fund

- Revenues are 30.78% of budget.
- For the month of July, there was \$95,627.00 received with \$59,219.00 in the Timber Harvesting line item.
- Expenses are 84.05% of budget with the bulk of those in the Farm Operations-Sharecrops area.

Recreation Fund – Parks

- Total revenues are 84.69% of budget compared to 83.43% of budget in 2009.
- Vacation cabin revenues are running about 4.5% ahead of 2009.
- Park camping revenues are currently at 89.14% of budget, which is slightly ahead of 2009 (88.86%). Gross revenues are \$67,558.00 ahead of last year.
- A line item for the Alive Festival is added this month. Total revenues have exceeded budget while expenses are within budget, however some expenses are not accounted for to date.

- Overall expenses are 56.23% of budget compared to 58.95% in 2009. Total expenses are \$187,636.00 lower than 2009.

Recreation Fund – Non Park

- Total revenues are 67.30% of budget which compares to 64.06% in 2009.
- Note that there is a line item for Piedmont Marina operations and Piedmont Marina camping. Both line items are on target to meet budget.
- Multiple docks are 99.10% of budget as nearly all revenue is in for docking.
- Expenses are 67.03% of budget.
- The main area of increased expenses from 2009 is associated with the Piedmont Marina operations.

Recreation Improvement Fund

- The bulk of the expenses in this fund are for the Tappan launch ramp facility under Public Launch Improvements. We are sending a request to ODNR for reimbursement of these expenses.

All other areas of operation continue to run in line with projections. We will continue to streamline expenses for the balance of the year in an effort to maintain adequate cash flow.

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

5. PAYMENT OF BILLS

On motion by Mr. Kokovich, seconded by Mr. Parham, a report of the payment of bills for the periods ending July 31, 2010, was approved as presented.

6. BUSINESS

6.01a LEASE TRANSACTIONS

On motion by Mr. Kokovich, 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 FIRELANDS ELECTRIC EASEMENT – CHARLES MILL

On motion by Mr. Kokovich, seconded by Mr. Pryce, a request from Firelands Electric Cooperative, Inc., for a permanent easement to install an underground electric distribution line for the Sites Lake water treatment plant, as recommended and set forth in the above memorandum, was approved.

6.01c ENERVEST OPERATING – ASSIGNMENT OF DEEP MINERAL RIGHTS

This matter was discussed in executive session.

6.02 MATTERS RELATED TO FINANCE

No business at this time.

6.03 HUMAN RESOURCES SUMMARY

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

6.04 PROPERTY TAXES AT MARINAS

The Board directed staff to study this matter further.

6.05 HORSEPOWER REQUEST – CHARLES MILL

Board members received a copy of a petition that was presented to the MWCD at the July 30, 2010, Development Advisory Committee meeting.

The petitioners are requesting an increase on Charles Mill Lake from 10 horsepower to 30 horsepower.

This petition will be provided to the Ohio Department of Natural Resources' Division of Watercraft for its consideration. The Division of Watercraft is vested with jurisdiction for horsepower limits on all of Ohio's waterways. There is no action required by the Board and this petition is submitted to the Board for informational purposes only.

**6.06 PARTNERS IN WATERSHED MANAGEMENT PROGRAM
LICKING COUNTY FLOOD WARNING SYSTEM GRANT**

On motion by Mr. Pryce, seconded by Mr. Parham, a PWM grant award in the amount of \$124,000 for implementation of an early flood warning system in Licking County, as recommended and set forth in the above memorandum, was approved.

6.07 ATWOOD LAKE RESORT AND CONFERENCE CENTER

This matter was discussed in executive session.

6.08 OTHER BUSINESS

BLACK FORK SUBDISTRICT

Mr. Parham inquired about an article published recently regarding the Black Fork Subdistrict of MWCD. Mr. Hoopingarner responded that he, Mr. Slogar, and Attorney Pringle met with Shelby area officials to discuss the reactivation of the Black Fork Subdistrict. The Black Fork Subdistrict was originally formed for the purpose of providing a water supply for the City of Mansfield. However, the City of Mansfield found an alternative water supply source and the Subdistrict became inactive. Shelby area officials are looking to the reactivation of the Black Fork Subdistrict as a vehicle for providing a funding source to address localized flooding concerns – to provide a match for federal and/or state funding sources. One member of the Shelby area floodwater taskforce is Tom Depler, former MWCD director. The City of Shelby Council recently passed a resolution to officially request reactivation of the Black Fork Subdistrict but the official documents have not been received by MWCD to date.

MWCD LAKES NOT AFFECTED BY ALGAE

Darrin Lautenschleger reported that the MWCD lakes are not suffering from the potentially harmful effects of algae and continue to be safe for all routine recreational activities.

Several lakes and bodies of water in locations around Ohio have had health advisories issued for them this summer because of the rates of potentially harmful algal blooms or toxins present in the water. The MWCD lakes are not included in those warnings and have exhibited no signs of the presence of any of the harmful toxins.

Mr. Swiger reported that staff members have been visually monitoring the 10 MWCD lakes throughout the summer and have not found any unusual algae growth. There have been no signs of any of the algal toxins at the MWCD lakes. The MWCD lakes are safe for boating, fishing and swimming as permitted. There are no warnings or concerns listed at the MWCD lakes.

If MWCD staff members identify any signs of the toxins or other potentially harmful items, testing conducted by the Ohio Environmental Protection Agency (OEPA) would be conducted and the proper warnings and advisories would be posted and reported. Harmful algal blooms can produce poisons (toxins) that can cause illness or irritation in pets, livestock and humans. An algal bloom is an abundant or excessive growth of algae, according to the OEPA.

Earlier this summer, several state agencies issued warnings to eliminate contact with the water at Grand Lake St. Mary's in western Ohio due to the level of algal toxins found in the lake. The OEPA, the Ohio Department of Natural Resources and the Ohio Department of Health recommends people, pets and boats should not be in contact with the water, and fish caught in the lake should not be eaten. Since then, the state has conducted tests on other bodies of water in Ohio that have exhibited evidence of the presence of algae and other scums.

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 July 31, 2010.

7.02 PARKS REPORT

Members of the Board received a copy of a report of gross receipts for MWCD park facilities for the period ending August 8, 2010.

7.03 2009 RECREATIONAL BOATING ACCIDENT SUMMARY

Board members received a copy of the 2009 Recreational Boating Accident Summary Report for the State of Ohio as prepared by the Ohio Department of Natural Resources' Division of Watercraft. No action required.

7.04 UPDATE ON 2010 GOALS

Mr. Hoopingarner reported on the progress of work toward accomplishing the 2010 goals as adopted by the Board of Directors.

1. To implement projects and programs under the Amendment to the Official Plan.
2. To develop financial operating principles.
3. To divest Atwood Lake Resort and Conference Center.
4. To address recreation operations in light of current economic conditions and customer demands.

7.05 SHORELINE PROJECT UPDATE

Mr. Slogar introduced the staff involved in the Shoreline Protection Initiative Team – Doug Little, David Lautenschleger, and Samantha Green. He explained that the shoreline protection efforts will be among the major projects utilizing maintenance funds.

Mr. Lautenschleger gave an overview of the historical data stating that approximately 480 shoreline projects were identified – 322 from maps and past fieldwork; 150 from shoreline request logs; and miscellaneous additional projects from Pictometry review. A demonstration of the Pictometry, high resolution oblique (45 degree aerial photography flown in April 2010, was presented. Mr. Lautenschleger reviewed project in the database to demonstrate how current shoreline conditions are identified.

Mr. Little addressed the Board to explain the project prioritization process and how the scoring system to evaluate projects was developed. Factors include: project size; occupied dwellings; structures (docks, sheds, etc.); roadway hindrance/public access concerns; erosion concerns; and risk to public utilities.

There are currently 24 projects selected for construction during the 2010 /2011 drawdown period: 8 at Atwood; 4 at Charles Mill; 1 at Piedmont; 1 at Pleasant Hill; 8 at Seneca; and 2 at Tappan. The estimated total length of shoreline to be addressed for proposed 2010/2011 year is 10,500 feet with a total shoreline volume lost into the lake estimated at 29,500 cubic yards (equivalent of 5,000 tandem axle dump truck loads). The estimated 2010/2011 project cost is \$2.6 million.

Mr. Little indicated that design/construction considerations include contractor vs. MWCD crews – it is intended to maximize the amount of work that can be done with internal staff, however it will be necessary to contract much of the work since current MWCD staffing includes a 4-man construction crew. Projects will be bid on a reservoir by reservoir basis rather than by individual project.

Mr. Parham commented that this presentation was very helpful in making the Board aware of the value and importance of the oblique imagery technology. Mr. Pryce inquired whether the oblique imagery information is also available for streams within the watershed. Mr. Slogar responded that this information is available and will be more specifically addressed by the upcoming work in partnership with Ohio University. The current primary focus of MWCD staff is on shoreline erosion.

7.06 USACE ASSESSMENT PROJECTS STATUS REPORT

Mr. Slogar provided the following update on U.S. Army Corps of Engineers (USACE) projects:

- Dover Dam construction proposals for the installation of foundation anchors under Phase I of the rehabilitation project were due July 30 and are now under review. The USACE anticipates awarding a contract by August 31 with a “Notice to Proceed” likely to be granted in mid November.
- The Project Partnership Agreement between the USACE and MWCD for the Bolivar Dam rehabilitation project has been drafted and is currently under review by the USACE Division Office in Cincinnati as well as their headquarters in Washington. Execution of the PPA with MWCD will likely occur in late November.
- The Federal fiscal year will begin October 1 and indications are that their budget appropriations will likely match their requests. If so, this means that both the Dover and Bolivar projects will remain on schedule.
- The USACE has selected the Muskingum Basin as the recipient of a \$100,000 grant to conduct a basin-wide study. USACE personnel are working with MWCD staff to develop a project scope. At this point, MWCD staff is interested in having the USACE research and analyze sediment

sources upstream of MWCD reservoirs for the purpose of developing mitigation strategies in the future.

Mr. Hoopingarner added that the USACE is spearheading an Ohio River Basin Study effort in which he has been invited to participate. The ultimate goal is to form an Ohio River Basin Consortium for the purposes of watershed management and the general good of water availability and quality.

7.07 ATWOOD REGIONAL WATER AND SEWER DISTRICT UPDATE

Mr. Parham, who represents the MWCD on the Atwood Regional Water and Sewer District (ARWSD) Board of Trustees, reported. The Board of Trustees is an eight-member board and there has not been a full slate of members for some time. With the most recent addition of Robert Hanshaw, representing the Village of Dellroy where he serves as village councilman, there is a full roster of members. On the back burner for ARWSD is the development of a regional water system for the Atwood/Carroll County region. The availability of grant funding in comparison to the total cost estimate of a regional water supply system makes the project highly unlikely at this time.

7.08 IMMINENT OR PENDING LITIGATION

No report at this time.

8. LEGISLATIVE REVIEW

8.01 CURRENT LEGISLATIVE ACTIVITIES

Mr. Hoopingarner and Mr. Lautenschleger recently met with Josh O’Farrell, newly appointed Ohio Representative from Tuscarawas County. Representative O’Farrell received a lot of general information regarding the MWCD. Arrangements are also being made to hold meetings with legislators within the Black Fork Subdistrict that would include MWCD and local officials.

9. SUBDISTRICTS

No business at this time.

EXECUTIVE SESSION

On motion by Mr. Parham, seconded by Mr. Boyle, the Board of Directors entered into executive session at 10:51 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. On motion by Mr. Parham, seconded by Mr. Kokovich, the Board returned to open session. The executive session ended at 12:50 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, September 17, 2010, at 9:00 a.m. at the New Philadelphia City Council Chambers.

08/20/2010

Approved 9/17/2010