

**SUMMARY OF MINUTES  
BOARD OF DIRECTORS  
MUSKINGUM WATERSHED CONSERVANCY DISTRICT  
Held at the New Philadelphia City Council Chambers  
October 18, 2013, 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 Chamber, 150 East High Avenue, New Philadelphia, Ohio, on Friday, October 18, 2013, 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, Ms. Limbach, Mr. Parham and Mr. Pryce.

Present from MWCD staff were Scott Barnhart, Donnie Borland, Jim Crandall, Jim Cugliari, John Hoopingarner, Darrin Lautenschleger, Sean Logan, Tony Luther, Joe McGlothlin, Karen Miller, John Olivier, Jim Pringle, Boris Slogar, and Mark Swiger.

Mr. Parham, 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: Boris Goldstyn and Kirk Hendricks (*KeyBanc Capital Markets*), Brent Winslow (*CONSOL Energy*); Dave Fisher (*Freeport resident*); Doug McClarnan and JoEllen Hayes (*MWCD Development Advisory Committee*); Andrew Pack, Bruce Rankin, and James Dobrozsi (*Woolpert*); Leon Younger (*PROS Consulting*); Marc Hanna and Luke Diserio (*AMD, Wellsburg, WV*); Tim Vonville (*Turner Oil & Gas*); Keith Fuller and Ryan Dean (*American Energy*); Jamison Gates (*Kent State University Stark*); Zac Morris (*Senior Manager, Government Services, Rea & Associates, Inc.*); Chad Amos (*Ohio Department of Natural Resources*); Richard Regula (*Stark County Commissioner*); and Tom Jedlinski (*CDM Smith*).

Commissioner Regula addressed the Board conveying appreciation to the MWCD for its partnership support of Zimber Ditch and Nimishillen Creek projects in Stark County. He stated that Stark County officials are committed to addressing water quality issues and have plans for upcoming sewer projects in that area.

**3. APPROVAL OF MINUTES**

On motion by Ms. Limbach, seconded by Mr. Horstman, the minutes of the September 20, 2013, meeting of the Board of Directors were approved.

**4. FINANCIAL**

Mr. Cugliari presented the financial report for the period ending September 30, 2013. The total operating revenue is \$55,434,956.00, which includes \$44,239,753.00 oil and gas lease signing bonus payment, or \$11,195,203.00 without the lease signing bonus; and operating expenses of \$9,576,917.00, resulting in an excess of revenue over expenses of \$1,618,286.00. The operational surplus does not include the oil and gas lease signing bonus or the expenses incurred in the Recreation Improvement Fund and Debt Retirement.

**Maintenance Fund – General**

- Interest income has exceeded budgeted amounts by about \$130,000.00 for the year.
- Expenses are 67.64% of budget and are within budget expectations.
- The Health Insurance Laser line item had \$161,857.00 expended in the month with the year-to-date amount at \$330,003.00.

**Conservation Fund**

- Timber Harvesting generated \$114,881.00 for the month and is now at 68.55% of budget.
- Expenses are 60.36% of budget and within expectations.

**Recreation Fund-Parks**

- Total revenues are 96.55% of budget with approximately \$177,000.00 remaining to meet budget.
- Vacation Cabin revenue is 97.52% of budget and about \$4,000.00 ahead of last year.
- Park Camping has met and exceeded budget and about \$144,000.00 ahead of last year.
- Camper Trailer Storage revenue is beginning to come in and will be where the majority of the revenue will be generated during the balance of year. This line item alone will nearly make up the amount needed to meet the revenue budget in this section.
- Expenses are 72.91% of budget and continue to run within budget expectations.
- The Lake Patrol line item for the month is higher than 2012 due to \$36,615.00 being paid for new boats.

**Recreation Fund-Non Park**

- Overall revenues are 90.24% of budget.
- Leased Marina Operations revenue is 97.08% of budget and currently about \$13,000.00 short of reaching budget.
- Piedmont Marina revenues overall are performing well with revenues currently about \$24,000.00 short of meeting budget. Expenses are running above budget projections as we enter the fourth quarter of the year.
- Seneca Marina revenues are 88.78% of budget with expenses currently at 87.44% of budget. However, expenses are running ahead of budget, with the budget numbers being shown reflective of budget adjustments.
- NOTE: Additional information on Seneca and Piedmont Marina Operations is provided as a part of the financials.
- Cottages, Clubs and Docking revenues are all at budget expectations.
- Overall expenses are at 80.45% of budget.

**Recreation Improvement Fund**

- 46.22% of budget has been expended for the year as a part of the deferred maintenance budget.
- The major areas of expenditure continue to be the improvements in the parks, the Atwood water treatment plant, and upgrading our fleet and equipment (see attachment of Major Project Contracts).

**Maintenance Assessment Fund**

- The collection of the assessment is complete for 2013 with budget being met and exceeded by 4.00%. The total collection for the year was \$11,169,108.00 compared to \$11,018,802.00 in 2012 (see attached schedule).
- Expenses were 71.33% of budget and within budget expectations.

Overall, operations continue to perform well. As we enter the fourth quarter, we will continue to monitor expenses and keep within budget expectations.

Members of the Board inquired about the auditor's fees associated with the collection of the maintenance assessment and the method of calculating the same. It was pointed out that there appears to be variance from county to county on the amount of fees collected by the auditors. Mr. Cugliari suggested that some inquiries can be made at the state level to determine whether these fees are justifiable.

Mr. Goldstyn and Mr. Hendricks, representatives of KeyBanc Capital Markets, presented an overview of the District's investment portfolio.

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

## **5. PAYMENT OF BILLS**

On motion by Mr. Boyle, seconded by Ms. Limbach, a report of the payment of bills for the period ending September 30, 2013, was approved as presented.

## **6. BUSINESS**

### **6.01a LEASE TRANSACTIONS**

On motion by Mr. Horstman, seconded by Ms. Limbach, 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 SHORT-TERM WATER SUPPLY AGREEMENT – SENECA/ANTERO NOV 2013 – JAN 2014**

On motion by Mr. Horstman, seconded by Mr. Boyle, an agreement for short-term water supply from Seneca Lake with Antero Resources, as recommended and set forth in the above memorandum, was approved.

Mr. Logan observed that while determining the market price for bulk water for hydraulic fracturing purposes is elusive, there are indicators that the price per thousand gallons is decreasing. Noting that the proposed \$4.25 per 1,000 gallon rate is somewhat lower than the current water supply agreement with Antero and lower than what a nearby municipal drinking water system charges for bulk water for hydraulic fracturing, Mr. Logan said that the proposed rate is significantly higher than the next closet rate Antero pays. Mr. Logan read from an email message received on October 9, 2013, from Mark Kachmar of Antero Resources: “While we still consider \$4.25/1000 gallons to be higher than market rate in the area of our operations (given availability of water at that time of year), Antero can agree to this rate for the next three month term. To be clear, it is Antero’s desire to utilize Seneca Lake for as much of its water sourcing as would be allowed by the MWCD and as is internally economically justified (by Antero) given alternative sources. Obviously, the closer that Seneca Lake water is priced to our available alternative water sources, the more likely that that latter can be accomplished” Mr. Logan further stated that the current the water supply system that Antero is building around Seneca Reservoir supports MWCD’s desire to reduce the pressure on withdrawing from inappropriately-sized water sources and to reduce the number of tanker-trucks associated with developing MWCD minerals.

### **6.01c ENERVEST OPERATING – ASSIGNMENT OF DEEP MINERAL RIGHTS**

On motion by Ms. Limbach, seconded by Mr. Boyle, assignment of deep mineral rights on property located at Clendening Reservoir to American Energy, as recommended and set forth in the above memorandum, was approved.

### **6.02a BUDGET ADJUSTMENTS**

On motion by Mr. Boyle, seconded by Mr. Horstman, budget adjustments made during the month of September 2013, as recommended and set forth in the above memorandum, were approved.

### **6.02b BUDGET REVISIONS**

On motion by Mr. Boyle, seconded by Mr. Horstman, a budget revisions, as recommended and set forth in the above memorandum, were approved.

**6.02c CLENDENING MARINA AUDIT REPORT**

Rea & Associates, Inc. has completed its review of the financial records of the Clendening Marina operations. Zac Morris and Annie Yoder (*Senior Manager with Rea & Associates, specializing in government services and is a member of the Association of Certified Fraud Examiners*) performed this review. Mr. Morris presented a report of the findings of the review to the Board, a copy of which is on file in the Finance Department of the MWCD.

On motion by Mr. Pryce, seconded by Mr. Horstman, the Clendening Marina audit report as prepared by Rea & Associates, Inc., as recommended and set forth in the above memorandum, was accepted and approved.

Representatives of MWCD and Rea & Associates will meet with Clendening Marina management to discuss the audit report and convey its findings.

**6.02d 2014 NAVIGATIONAL AIDS GRANT PROGRAM**

On motion by Ms. Limbach, seconded by Mr. Pryce, a resolution of authorization for application of a grant through the Ohio Department of Natural Resources Navigational Aids Grant Program, as recommended and set forth in the above memorandum, was adopted.

**6.02e 2014 MARINE PATROL ASSISTANCE GRANT PROGRAM**

On motion by Ms. Limbach, seconded by Mr. Pryce, a resolution of authorization for application of a grant through the Ohio Department of Natural Resources Marine Patrol Assistance Grant Program, as recommended and set forth in the above memorandum, was adopted.

**6.02f 2014 PRELIMINARY BUDGET**

Mr. Cugliari presented some preliminary information for preparation of the 2014 budget. No action was requested.

Mr. Pryce suggested that it would be helpful to the Board and provide a clearer financial picture to have budget information provided that does not include oil and gas revenues and capital improvements.

**6.03a HUMAN RESOURCES SUMMARY**

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

**6.04a CLENDENING MARINA CAMPGROUND SHOWER BUILDING**

On motion by Mr. Pryce, seconded by Ms. Limbach, advertisement for bids and award of a contract to the lowest and most responsive bidder in an amount not to exceed \$85,000 for the site work associated with the Clendening Marina Campground shower building, as recommended and set forth in the above memorandum, was authorized.

**6.04b PLEASANT HILL BEACH CHANGING ROOM PROJECT**

On motion by Mr. Boyle, seconded by Ms. Limbach, advertisement for bids and award of a contract to the lowest and most responsive bidder in an amount not to exceed \$40,000 for construction of a changing room facility at Pleasant Hill beach, as recommended and set forth in the above memorandum, was authorized.

**6.04c PLEASANT HILL LAKE PARK DUMP STATION**

On motion by Mr. Boyle, seconded by Ms. Limbach, advertisement for bids and award of a contract to the lowest and most responsive bidder in an amount not to exceed \$60,000 for the construction of a dump station at Pleasant Hill Lake Park, as recommended and set forth in the above memorandum, was authorized.

**6.04d PINE HILL BOAT CLUB SHORELINE STABILIZATION – REQUEST FOR BIDS**

On motion by Ms. Limbach, seconded by Mr. Pryce, advertisement for bids for a shoreline stabilization project at Pine Hill Boat Club located at Pleasant Hill, as recommended and set forth in the above memorandum, was authorized.

**6.05 MARINE EVENT POLICY REVISION**

On motion by Mr. Boyle, seconded by Ms. Limbach, revisions to the operational policy entitled “Marine Event Policy,” as recommended and set forth in the above memorandum, were approved.

**6.06 PARK MASTER PLAN**

The Board was presented with the park master plan and business plans at the September Board meeting for review. Representatives from Woolpert and Pros Consulting will be in attendance this month to answer any questions that the Board may have on the plans.

Each of the park capital improvement plans contain a roadmap and prioritized plan for implementation of improvements, a suggested annual table of improvements along with an annual estimated cost. The staff anticipates that this table of completion will vary slightly depending on the required infrastructure upgrades and planning necessary to support the improvements. Upon approval of the plans, our group will immediately begin working with our engineering group to begin the necessary planning for implementation of our first annual master plan capital improvement budget and schedule.

The staff recommends approval of the park master plans and business plans. A master plan capital improvement budget and schedule will be presented on an annual basis to the Board.

Mr. Pack and Mr. Younger made a presentation to the Board which began with a review of the entire master planning process and scheduling for the period of August 2012 to date.

The proposed park master plan recommends themes for each park/recreation area: Atwood (*Special Events/Entertainment*); Charles Mill (*Discovering Nature*); Piedmont (*Fishing Retreat*); Pleasant Hill (*Edge Sports*); Seneca (*Water Park*); and Tappan (*Edge Sports*).

Mr. Pack reviewed the park facility plans/common needs that were identified, i.e. upgraded utilities/roads, ADA compliance, new entrances/gateways, modernized RV campgrounds, new tent campgrounds, modernized cabins and marinas, enhanced recreation opportunities, and expanded trails.

Mr. Younger reviewed the common elements involved in development of the park business plans, i.e. demographic analysis, outdoor nature-based trends, benchmarking, community input and survey results, organizational structure recommendations, core programming recommends, programming standards, marketing standards, maintenance standards, financial projections, and performance measures.

Pro Forma Assumptions included various percentages of occupancy for specific periods of the season. Pricing assumptions were based on projected market rates in 5 years, modern RV and tent campgrounds, renovation of park facilities, additional park amenities, marketing/promotional discounts, and concurrent improvements phased in at all locations.

The total overall projected costs for improvements are over \$163 million and would be anticipated to be completed by the year 2020.

On motion by Mr. Pryce, seconded by Mr. Horstman, the park master plans and business plans, as recommended and set forth in the above memorandum, were approved. This approval excludes any consideration of the Atwood Peninsula area. Mr. Pryce requested that financial information/cash flow analysis be prepared for a 5-year period to indicate how much oil and gas money is needed to complete the proposed plan. In addition, he stated that there should be control mechanisms in place over construction costs and system and operating reports. He further added that constructions costs can easily get out of hand. Mr. Younger assured the Board that the proposed plans are expected to be connected to the strategic plan dashboard which is already in place.

There followed some discussion about the Atwood Peninsula area where there are currently 17 vacation cabins which were formerly offered as vacation rentals through the Atwood Lake Resort and Conference Center. Mr. Parham began the discussion by recalling a proposal that he presented at the September 2013 meeting and added that, in general, Atwood residents do not want more cottages which would bring more congestion to the lake area, for example, additional boats.

Ms. Limbach requested the other members of the Board to briefly state their position regarding the Atwood Peninsula.

- Mr. Pryce stated that he originally thought that the Peninsula area would provide a way to determine how future cottage sites could be developed. However, now he believes that the numbers do not support that route. He stated that he is now inclined to agree with Mr. Parham's proposal and sell the cottages.
- Mr. Horstman stated that we (MWCD) have a lot of "stuff" on our plate and many projects on the horizon. He stated that we are just out of the difficulties that operation of Atwood Resort presented to MWCD. The Peninsula is a valuable piece of property. Mr. Horstman added that once the area would be moved into residential, its fate would be out of our hands. He added that he doesn't "think that we know what we want to do with it (the Peninsula) 5 years from now." He indicated that he feels it would be tough to make the existing cabins "residential" in their current location and that there would be a lot of work necessary to get ready to do something with them. He feels that it may be in the best interest to move the cabins.
- Mr. Boyle stated his agreement with Mr. Horstman. We are not ready to determine the fate of the Peninsula. He suggested that it might be wise to find a way to offer them to another organization, such as a youth camp, or other entity.

Upon hearing from the other members of the Board, Ms. Limbach urged that she, too, thinks that there is "enough on our plate" for now. She suggested that staff might explore the possibility of removing the cabins such as mentioned by both Mr. Horstman and Mr. Boyle. Leaving them just sit and continue to deteriorate will only serve to create an eyesore for the area. If the cabins can be moved, sold, or donated, it would give us more flexibility to determine what should be done with the Peninsula in the future.

Mr. Hoopingarner stated that it not staff's recommendation to carve out the 17 vacation cabins and create cottage sites. Staff does agree that we are not ready to make a decision as to exactly how the Peninsula should be used. He stated that since the September Board meeting, some of the representatives from area youth camps have been contacted to determine whether they would be interested in obtaining any or all of the cabins. Staff feels that the cabins should be eliminated and allow the area to rest.

On motion by Mr. Pryce, seconded by Ms. Limbach, staff was directed to have the cabins eliminated from the peninsula area at no cost to the District. In addition, there are 2 residences located in the same area, formerly occupied by Resort personnel, that will remain and be made available as long-term rentals. On roll call: Mr. Boyle-yes; Mr. Horstman-yes; Ms. Limbach-yes; Mr. Parham-no; and Mr. Pryce-yes.

## **6.07 OTHER BUSINESS**

### **FINES LEVIED AGAINST GULFPORT ENERGY**

Mr. Logan provided an update on the current status of the situation reported at the September 2013 meeting, in regards to notice of violations and fines levied by Ohio Department of Natural Resources (ODNR) against Gulfport Energy.

Mr. Logan reported that it appears that Gulfport Energy is committed to coming into compliance with all Ohio Department of Natural Resources regulations. An illustration of such efforts is a document recently issued by James D. Palm, Chief Executive Officer of Gulfport Energy Corporation, entitled "Environmental, Health and Safety (EHS) Guiding Principles" was distributed to the Board.

## **7. REPORTS**

### **7.01 SUMMARY OF MARINA OPERATIONS**

Members of the Board received a Summary of Marina Operations report through September 30, 2013. No action was requested. In addition a narrative summary entitled "Marinas Report," as prepared by John Olivier, Deputy Chief – Marina Operations, was distributed; and a report of the financial performance of Piedmont and Seneca marinas was distributed.

- Dennis Kissman, marina consultant, is nearing completion of his review of the current marina lease, and will provide report outlining recommendations for changes and improvements.
- Lunde Williams, marina consultant, is developing comprehensive standards for all marinas on MWCD lakes. Lunde Williams has met with all operators. Their project will also contain an outline of a phased implementation plan as well. An outline of the standards project includes:
  - Code and Regulatory Standards
  - Performance Standards
  - Facilities Standards
  - Implementation Plan Outline
- Audits of marina operations were performed by Rea & Associates this past season. Atwood West and Charles Mill marinas were completed early this summer. An audit of Clendening was completed recently as well. Recommendation for improvements in accounting practices will be made.
- New restroom has been completed at Clendening. Unit for Leesville Petersburg Marina scheduled for installation October 11. Installation of new shower building at Seneca Lake Marina has begun. The old restroom building has been demolished and site work mostly completed. New unit to be installed in 2 – 3 weeks. Septic system design work is planned for similar shower facility at Clendening Marina.

- Keith Ott, Leesville South Fork Marina, is beginning to plan for new rental cabin units at the marina.
- John Olivier, Deputy Chief of Marina Operations, is working with Seneca Lake Marina Manager Jeff Davis and Piedmont Manager Matt Miller on standardizing administrative practices at both marinas. This includes docking guidelines, docking agreements and rental boat agreements.
- Design work is continuing on the service building at Seneca.
- Site meeting held concerning design of launch ramp, parking, restroom, and waterfront improvements at Piedmont Lake Marina.
- Fitness-type piece of playground unit installed at Piedmont campground. Project was suggested by campers. Approximately 100 campers and dockers attended end-of-season cookout.
- Most marina docking agreements/permits expire October 15. Boats will be moving off docks. Docks and boats will be moved to winter storage locations. This is actually a very busy time for marinas throughout the District.
- The Dockside Restaurant at Seneca Lake Marina is still exceeding revenue projections. Restaurant operation recognized with “Snazzy” award from Cambridge/Guernsey CV&B. Restaurant will remain open Thursdays through Sundays as long as business warrants.

## **7.02 COST-SHARE COOPERATIVE WORK AGREEMENT**

Mr. Amos presented information to the Board regarding the cost-share cooperative work agreement with the SWCD.

- **Stream Exclusion Fencing** – A program that partners with the U.S. Fish and Wildlife Service to pay landowners for fencing off streams from livestock access and allows them to develop alternative water sources. To date, 25 projects have been completed in Coshocton, Muskingum, Knox, Holmes, Tuscarawas Washington and Morgan counties. The project cost is paid for 100% up to \$10,000 with U.S. Fish and Wildlife Service paying for 75% and MWCD funds covering 25%. Landowners must maintain the practice for 10 years and no mowing or grazing is allowed inside the riparian area established by the fence. Invasive species may be controlled if found in that area.
- **Nutrient Management Related Activities** – Washington, Harrison and Carroll SWCDs all have programs to address local issues involving soil testing and manure management. Carroll and Harrison SWCDs have 1,500 acres and 9 landowners currently enrolled in their program. Washington SWCD has 6 landowners signed up and will start sampling after crops have been removed this fall. Information on the Nutrient Management workbook that is being used as a minimum for these landowners can be found at <http://oema.osu.edu/NMW.html>
- **Cover Crops** – The Cover Crop Program is off to a great start. Over 21,000 acres were approved out of over 27,000 acres applied for. 16 counties make up the program with Holmes County having 4,952 acres approved after 6,600 acres applied for. To date, around 12,000 acres have been confirmed as planted. Nearly 10,000 acres of those were done by aerial seeding. Those counties that coordinated the aerial seeding were Holmes, Carroll, Coshocton, and Guernsey. To watch a video of cover crops being planted, visit <http://bit.ly/ohiocovercrops> video courtesy of Wayne SWCD.

## **7.03 OFFICE SPACE/STORAGE**

Mr. Hoopingarner presented information relative to MWCD main office space needs assessment as prepared by Mr. Slogar.

Staff has been looking for commercial garage space (with adjoining office space) in the Dover-New Philadelphia area for the past 18 months. The commercial market is saturated with oil and gas interests buying properties and driving up costs. The commercial garage/office space would relieve congestion in the main office building by moving some engineering staff permanently. The intent was to augment the move by reconfiguration



of space on the first floor, moving the IS/IT staff to the residential structure, and moving the Conservation Group to the third floor. The proposed temporary solution for a 3-4 year period is:

- Do not reconfigure the first floor
- Move all engineering staff into a leased space (this would give engineering much-needed project development space for both current staff and consultant teams)
- The former engineering space would provide measurable relief for main office congestion and meet the current space needs for parks and recreation staff

A 3-4 year lease on a temporary location would provide time to analyze and design a permanent office space solution along with conference/training room needs, board meeting space needs, and record storage/archive needs. In addition, it would allow time to acquire or design and build a construction services/field services building.

Mr. Hoopingarner informed the Board that when the main office building was renovated in 1998, the original plan was to expand the building. Due to inadequate funding, due in part to asbestos abatement needs, the building expansion was curbed back to focus on remodeling the existing office space, adding new accessible restrooms, accessible access to the building, and an elevator. A second wing was designed for construction but not executed in the final construction. Currently, work spaces are full and some employees are doubled-up. Much-needed conference space has been converted into office space and, in some cases, hallways have been converted into office space.

Mr. Slogar undertook a benchmarking comparison and found that:

- Ohio Department of Administrative Services (DAS) Directive GS-D-11 (2009) reviewed office space standard for state government. DAS established a standard of 250-300 square feet of space per state employee (including common areas, conference rooms, ancillary areas and other shared spaces).
- Using the lower State of Ohio value of 250 square feet per employee, MWCD main office building could accommodate 33 employees. Currently, the main office building houses 48 employees (173 square feet per employee).
- Future plans call for an additional 7 employees (many of which will be contract employees tied to master plan implementation, deferred maintenance program, and dredging program). This would then total 55 employees (151 square feet per employee).
- Renovation of the residential structure will ease strain a little bit moving 6 employees out of main office.
- By comparison, Mr. Slogar's research showed that Miami Conservancy District (MCD) has 28 employees in 7,888 square feet (282 square feet per employee).

Mr. Hoopingarner concluded the report on office space/storage needs by stating that a 3-4 year lease for engineering staff would provide the space needed for engineering to effectively manage and administer the dredging program and master plan/deferred maintenance implementation while providing the parks and recreation staff space to meet current and project requirements. During this 3-4 year period, management will develop plan for the main office building that includes additional office space as well as develop a much-needed construction and field services solution for the future.

The following cost estimations were provided to the Board:

- Leasing office space is estimated to be \$5,000 per month plus the cost of Internet connectivity and telecommunications (estimated to be \$500 per month). Furnishing office space is a one-time estimated cost of \$40,000. Summing these costs over a 3-year period yields a total cost of \$238,000.
- Main office first floor renovation is estimated to cost \$150,000 plus a one-time furnishing cost of \$35,000 for a total cost of \$175,000. Renovation of the first floor office space would meet park and recreation

staff space needs but would still leave the engineering staff in need of additional office space (approximately 3,000 square feet or \$36,000 per year plus phone and Internet cost of \$500 per month and a one-time furnishing cost of \$20,000). The 3-year cost for this scenario yields a total cost of \$331,000.

**7.04 UPDATE ON 2013 GOALS**

Mr. Hoopingarner reviewed the 2013 goals with the Board.

- 1) Oil and Gas Development
- 2) Park Capital Improvements
- 3) Marina Operations
- 4) Fiscal Management

**7.05 STRATEGIC PLAN IMPLEMENTATION UPDATE**

No specific report at this time. Related items were discussed along with other matters during the meeting.

**7.06 USACE PROJECTS STATUS REPORT**

Mr. Slogar reported on the status of the U.S. Army Corps of Engineers projects at Dover Dam and Bolivar Dam.

- **Dover** – The work on the stilling basin anchoring continues with 40 installed to date. The contractor is preparing to pave the parking area along State Route 800.
- **Bolivar** – The proposals are still under review and the Corps anticipates making the selection of a contractor and award of the contract sometime in December.

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

Mr. Parham reported that at their next meeting on Monday, October 21, 2013, the Atwood Regional Water and Sewer District Board of Trustees will consider potential increases in sewer rates.

**7.08 IMMINENT OR PENDING LITIGATION**

Attorney Pringle provided an update to the Board relative to imminent or pending litigation during an executive session (below).

**8. SUBDISTRICTS**

**8.01 REPLACEMENT OF HYDRAULIC STRUCTURES ALONG CHIPPEWA CREEK**

On motion by Mr. Pryce, seconded by Ms. Limbach, a request to advertise for bids and award the replacement of four hydraulic structures to the lowest and/or most responsive bidder, as recommended and set forth in the above memorandum, was approved.

**9. EXECUTIVE SESSION**

On motion by Ms. Limbach, seconded by Mr. Pryce, the Board of Directors entered into executive session at 1:25 p.m. to discuss matters related to ORC §121.22 (G) (3). On roll call: Mr. Boyle-yes; Mr. Horstman-yes; Ms. Limbach-yes; Mr. Parham-yes; and Mr. Pryce-yes. The executive session ended at 1:50 p.m.

**10. ADJOURN**

There being no further business, on motion by Mr. Pryce, seconded by Ms. Limbach, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is Friday, November 15, 2013, at 9:00 a.m. at the New Philadelphia City Council Chambers.

*10.18.2013, km*

*Approved 11.15.2013*