

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at New Philadelphia City Council Chambers
November 19, 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, November 19, 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 Scott Barnhart, James Cugliari, Tom Fisher, John Hoopingarner, Darrin Lautenschleger, Kelli Karns, Karen Miller, John Olivier, and Boris Slogar.

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. Kokovich, seconded by Mr. Boyle, the minutes of the October 22, 2010, meeting of the Board of Directors were approved.

4. FINANCIAL

Mr. Cugliari presented the financial report for the period ending October 31, 2010. The total revenue for operations excluding Atwood Resort is \$9,097,665.00 with expenses of \$8,157,584.00, resulting in an excess of revenues over expenses of \$940,081.00. Including the resort operations, expenses exceed revenues by \$203,211.00, thus showing the significant impact the resort operations continue to have on the main district operations.

Conservation Fund

- Revenues are 52.29% of budget with expenses at 95.73% of budget.
- There was \$123,771.00 received in the forestry operations for the month; a timber sale at Mohawk and Clendenning provided \$110,095.00 in timber harvesting.
- Farm Operations-Sharecrops revenue are beginning to come in during the month of November. Currently through November 10, 2010, \$175,245.00 from operations at Mohawk and Wills Creek.

Recreation Fund-Parks

- Revenues are 99.14% of budget and \$280,000.00 ahead of last year at this time.
- Vacation cabin revenue is 91.73% of budget and \$18,600.00 ahead of last year. Approximately \$25,000.00 in vacation cabin reservations was realized on November 1, 2010 for the 2011 season.
- Park camping revenue has met and exceeded budget by 1% or \$35,000.00; also \$90,000.00 ahead of 2009 revenue.
- Camper trailer storage is 68.22% of budget and on pace with budget expectations. It is currently about \$40,000.00 ahead of 2009, due mainly to timing.
- Expenses are 86.20% of budget and continue to run behind 2009 by approximately \$180,000.00.

Recreation Fund-Non Park

- Revenues are 91.88% of budget.
- All marina operations, including Piedmont, are at or exceeding budget.
- Cottage Sites, Club Sites, and Multiple Docks are all in line with budget expectations.
- Expenses are 83.51% of budget.
- As has been reported in past months, the main difference for the increase in total expenses is due to our operation of Piedmont Marina.

Atwood Resort Operations

- The Atwood Resort Operation closed on October 3, 2010.
- To date, expenses exceed revenues by \$1,143,292.00 with the district providing cash advances in 2010 of nearly \$900,000.00 through October.
- There is an ongoing effort to wrap up the affairs of the operation of Atwood Resort that will have a financial impact on the district. We do continue to put things in place to utilize the Line-of-Credit approved by the Board at its October meeting.

Maintenance Assessment Fund

- Total revenues came in at 105% of budget and about \$457,000.00 ahead of budget.
- Expenses are currently \$2,667,912.00 or 37.49% of budget.

Cash flow continues to be the main area of concern as we wrap up 2010. Staff continues to keep expenses in line. The line of credit, once in place, will help relieve some of the cash flow issues in the winter months.

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

5. PAYMENT OF BILLS

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

6. BUSINESS

6.01a LEASE TRANSACTIONS

On motion by Mr. Boyle, 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 CLENDENING MARINA CAMPGROUND LEASE

On motion by Mr. Kokovich, seconded by Mr. Pryce, proposed revisions for the campground lease at Clending Marina, as recommended and set forth in the above memorandum, were approved.

6.02a PARK AUDITS – 2010

On motion by Mr. Parham, seconded by Mr. Boyle, park audits for the 2010 park season, as recommended and set forth in the above memorandum, were approved

6.02b 2011 BUDGET

Members of the Board received a draft 2011 budget for review and discussion purposes. No action was required.

6.03a HUMAN RESOURCES SUMMARY

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

6.03b OUT-OF-STATE TRAVEL – FEMA HAZUS-MH TRAINING

On motion by Mr. Boyle, seconded by Mr. Kokovich, a request for authorization for out-of-state travel for Tom Fisher, IS/IT Manager, to attend FEMA's Emergency Management Institute courses, as recommended and set forth in the above memorandum, was approved.

6.04a PARK VACATION CABIN RATES FOR 2011

On motion by Mr. Boyle, seconded by Mr. Pryce, a proposal to freeze rates for the 2011 park vacation cabin season at the 2010 levels, as recommended and set forth in the above memorandum, was approved.

6.04b PARK RATES FOR 2011

On motion by Mr. Kokovich, seconded by Mr. Boyle, a proposal for an approximately 2% increase in daily and seasonal camping rates for the 2011 season, as recommended and set forth in the above memorandum, was approved.

6.04c DOCKING FEES FOR 2011

On motion by Mr. Kokovich, seconded by Mr. Pryce, the proposed docking fee schedule for 2011, as recommended and set forth in the above memorandum, was approved. (Mr. Boyle-abstain; and Mr. Parham-abstain)

6.05 EMPLOYMENT CONTRACT WITH CHIEF COUNSEL

On motion by Mr. Parham, seconded by Mr. Boyle, the employment contract with KPLD Law for legal services for the period of December 1, 2010, through November 30, 2011, as recommended and set forth in the above memorandum, was approved.

6.06 2010/2011 SHORELINE STABILIZATION PROJECTS

On motion by Mr. Kokovich, seconded by Mr. Parham, the Board authorized the following, as recommended and set forth in the above memorandum:

- Award of a contract for the Atwood Lake shoreline stabilization project to the apparent low bidder, Massillon Construction and Supply, LLC, at their bid price of \$284,500, contingent upon the results of reference checks;
- If the low bidder does not meet the necessary requirements and is found not to be the best and most responsible bidder, award of the contract to the second lowest bidder, also contingent upon the results of reference checks (if the second lowest bidder does not meet the requirements, then the third lowest bidder would be considered); and
- Award of a contract for the Seneca Lake shoreline stabilization project to the lowest and best bidder at a cost not to exceed \$421,554

6.07 ATWOOD LAKE RESORT AND CONFERENCE CENTER

This matter was discussed in executive session. No action was taken in open session for this matter.

6.08 SCHEDULE OF BOARD MEETINGS FOR 2011

Members of the Board received a proposed schedule of meetings for 2011 for discussion. A final schedule will be presented for consideration at the December meeting.

6.09 OTHER BUSINESS

Mr. Cugliari reported that the MWCD is the recipient of the “Silver Advantage Award” from the Ohio Plan Risk Management, Inc., for dedication to risk management and excellent loss experience in the year 2010.

7. REPORTS

7.01 SUMMARY OF MARINA OPERATIONS

Board members received a copy of the Summary of Marina Operations report through October 31, 2010. No action required. It was noted that the Tappan Marina report is for the period ending September 30, 2010 (their report for the period ending October 31 was not received in a timely fashion).

7.02 DEATH AT CHARLES MILL

A Crestline woman was killed late Tuesday night, November 2, 2010, after the SUV she was driving exited the south side of U.S. 30 into the Black Fork of the Mohican River. The location of the accident is less than one (1) mile from the Charles Mill Park entrance.

Brenda C. Scott, 44, of Crestline was traveling west on U.S. 30 near Ohio 603 about 9:30 p.m. when she attempted to pass a commercial tractor-trailer transporting cattle. Her 1999 Chevrolet Tahoe clipped the front of the truck, hit the guard rail and went off the south side of the road into the river, landing on its roof, according to Lt. Michael Vinson, commander of the Mansfield post of the State Highway Patrol. Scott was the lone occupant of the vehicle.

The driver of the truck, Ronald A. Wilson of Saint Mary’s, West Virginia, was transported to Mansfield MedCentral Hospital with minor injuries.

A Mansfield trooper was first on the scene and, when he discovered the body floating in the water, immediately jumped in the river. He was soon joined by a Richland County Sheriff's deputy. Both were transported to MedCentral Hospital with minor injuries related to the water's cool temperatures. Air temperatures were in the 30-degree range.

The crash occurred where Black Fork flows into Charles Mill Lake, which averages only 5 feet in depth overall. The center of the riverbed serves as the Ashland and Richland county line. The crash sequence began in Ashland County, but the vehicles came to a stop and Scott's body was recovered in Richland County.

After being delayed for more than an hour, traffic was rerouted from U.S. 30 onto nearby roads, including Ohio 603.

About 50 emergency responders were on the scene including Ashland City and Franklin and Mifflin Township fire departments, Ashland County and Richland County sheriff's offices, the Ashland and Mifflin posts of the State Highway Patrol and Muskingum Watershed rangers. Shelly Smith & Sons and On-Call also responded and were able to extract the SUV from the water by 10:45 p.m.

Mr. Olivier mentioned that some of the rescue equipment utilized by MWCD personnel was purchased through a Muskingum Watershed Conservancy Foundation grant.

7.03 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.

Relative to Goal No. 2, "To develop financial operating principles," Mr. Cugliari reviewed a revised preliminary list of "Financial Principles" that, when in final form, will be presented for consideration.

- 1) The Muskingum Watershed Conservancy District (MWCD) is the manager of more than 50,000 acres of public property and numerous recreational facilities – it is not intended to be an economic development agency for any one county, city, or even the entire conservancy district.
- 2) Short-term assets will be financed with short-term liabilities, while long-term assets should be financed with long-term sources of financing when absolutely necessary, while working towards a goal to fund all capital improvements out of operations.
- 3) A minimum of 20% of operating revenues annually shall be set aside for capital improvements/assets, debt reduction, and unforeseen circumstances that may occur.
- 4) An overall cash operating balance of a minimum of 25% of the operational expenses annually shall be maintained.
- 5) There shall be a goal of preparing long-range budgets that forecasts our three to five years of operations along with the long-range cash flow projection and capital budget.
- 6) Solid investment strategies shall be put in place so that a proper return can be realized (investment policy).
- 7) Recessions and economic booms will occur – during recessions, we must tighten our belt, during good economic times, we must save.
- 8) Each major recreational activity should fund itself. This is the only way that we can keep all programs competitive.
- 9) We cannot borrow using land as collateral – land is not an endowment account we can tap for any project, crisis or budget shortfall.

Mr. Cugliari will incorporate suggestions made by Board members and the Financial Principles will be presented at the December meeting for approval.

Mr. Hoopingarner indicated that executive management has discussed the future goal requested by the Board – strategic planning. Mr. Boyle attended a meeting in which the Lakeland Group made a presentation. There are two other strategic planning firms are under consideration.

7.04 USACE PROJECTS STATUS REPORT

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

- Planning for Phase 2 of the Dover Dam project is underway. Meetings to review progress and status of the Phase 1 of the project are held on a regular basis.
- The Project Partnership Agreement between the Corps and MWCD for the Bolivar Dam rehabilitation project is nearly completed and will be brought to the Board for consideration within the next two months.

7.05 PARTNERS IN WATERSHED MANAGEMENT UPDATE

Mr. Slogar recalled that the Partners in Watershed Management Program (PWM) was created to:

- Support the work of agencies and groups involved in conservation programs, water quality issues, and flood reduction and mitigation projects;
- Provide assistance to local communities, agencies and groups involved in projects and programs that support the conservation and flood control aspects of the mission of the MWCD; and
- Leverage other cost-share dollars.

PWM programs (*indicates year-round program)

- Stream Gauging (in partnership with USGS)*
- Acid Main Drainage Abatement (in partnership with ODNR)*
- Flood Hazard Mitigation (in partnership with OEMA)*
- Soil and Water Conservation District projects (in partnership with ODNR)*
- Snag and Clear Debris Removal*
- Flood Cleanup*
- Other PWM Projects (deadline October 1)

Technical Review Advisory Group

The mission of the Technical Review Advisory Group (a non-decision making body) is to act as a sounding board and to provide technical advice to the MWCD Chief Engineer in identifying and prioritizing projects for consideration in the PWM Program under the categories of:

- Dam Safety/Flood Control
- Floodplain Management
- Green Best Management Practices
- Watershed Management/Water Quality

The intended outcome for the reviewer is to analyze the applicant's project with the goal of providing a recommendation as to whether the project is appropriate for implementation (regardless of whether PWM funding is ultimately provided). Each reviewer will answer the following questions with respect to each application under consideration in their area of expertise:

- 1) Is the project reasonable and in-line with current standards and trends Is the project feasible (can it be implemented as described?)
- 2) Does the project meet the needs and objective of the applicant?
- 3) Are there alternatives which should be considered in lieu of or in addition to the proposed solution?
- 4) Is the cost/benefit and/or return on investment positive (as appropriate)?
- 5) Is implementation of the project self-sustaining Will the solution continue and function in the future without the aid of the PWM Grant Program? How will the project be maintained?
- 6) Will the project have a positive impact upon the Muskingum Watershed?
- 7) Are there other questions/issues/concerns?

The Technical Advisory Review Group (TRAG) is comprised of experts from Ohio's water management community. A total of 13 projects were submitted for consideration in 2011 totaling \$2.1 million. The projects have gone through the initial review process and the projects that the TRAG will review have been identified.

7.06 FEMA HAZUS-MH TRAINING REPORT

Mr. Fisher presented information relative to a recent FEMA HAZUS-MH course he attended in Emmitsburg, Maryland, October 11-15, 2010. HAZUS-MH stands for Hazards of the United States – Multi Hazard. It is a GIS-based hazard modeling tool utilizing Esri software currently used by the MWCD to maintain the assessment record. The types of hazards models at this particular training session were hurricane winds, earthquakes, and riverine and coastal floods – the MWCD will use the riverine flood model.

Current scientific and engineering knowledge is coupled with the latest GIS technology to produce estimates of hazard-related damage before, or after a disaster occurs. HAZUS-MH assists in estimating physical damage to residential and commercial buildings, schools, critical facilities, and infrastructure; economic loss, including lost jobs, business interruptions, repair and reconstruction costs; and social impacts, including estimates of shelter requirements, displaced households, and population exposed to scenario floods, earthquakes, and hurricanes.

Mr. Fisher explained that HAZUS-MH works to:

- Understand the environment (census, elevation, and soils)
- Describe the hazard (flood 100 yr/500 yr)
- Determine what is at risk (property, life, and economy)
- Analyze the impact (damage/loss estimation)
- Describe the impact (maps, charts, and graphs)

HAZUS inventory (the inputs) provides public data for analysis. MWCD data will enhance the accuracy of damage and loss estimations. Techniques for integrating user-provided data are covered in advanced HAZUS-MH courses. HAZUS results (the outputs) provide information about direct damage, induced damage, direct losses, and indirect losses.

HAZUS-MH allows users to:

- IDENTIFY vulnerable areas
- ASSESS level of readiness and preparedness
- ESTIMATE potential losses from flood events
- DECIDE on how to allocate resources
- PRIORITIZE mitigation measures

Mr. Fisher emphasized MWCD's role in the community – “flood water doesn't stop at the county line.” FEMA currently requires that counties have a plan for emergency preparedness, mitigation, and response/recovery. There is a potential for stronger partnerships with county EMAs and an opportunity to educate communities on the impact of flooding.

The course that Mr. Fisher attended, as well the future courses he has requested to attend, provide low-cost, high-benefit training. Air/auto travel costs are reimbursed by FEMA; housing is provided on the EMI campus; course instruction is at no cost; and five days of meals cost \$97.90. This is a great opportunity to meet and building relationships with other people in the profession and good exposure for MWCD at a total cost to MWCD of \$97.90 plus one week of an employee's salary. Once Mr. Fisher completes his intended courses he will

be certified as a HAZUS-MH Professional and Practitioner.

Mr. Fisher mentioned that there are additional opportunities for training available through FEMA including communications (public affairs administrator) and safety (safety administrator).

7.07 CHARLES MILL HORSEPOWER – PUBLIC MEETING

Mr. Barnhart reported that a meeting was held on November 6 at the Pleasant Hill Park Activity Center with approximately 90 in attendance. This meeting was sponsored by the Ohio Department of Natural Resources, Division of Watercraft. The request as presented in a petition for change in horsepower is to increase from 9.9 HP to 30 HP.

7.08 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. OTCO is performing a GIS survey of all the underground facilities of the ARWSD for mapping purposes. This project is being done at no cost to ARWSD.

7.09 IMMINENT OR PENDING LITIGATION

This matter was discussed in Executive Session.

8. LEGISLATIVE REVIEW

8.01 CURRENT LEGISLATIVE ACTIVITIES

Mr. Hoopingarner reported that legislative related activities will be focused on acquainting newly elected officials with the MWCD. Much activity has already been announced with the merger of several state agencies.

9. SUBDISTRICTS

**9.01a BLACK FORK SUBDISTRICT
BUDGET AND APPROPRIATION RESOLUTION FOR 2011**

On motion by Mr. Kokovich, seconded by Mr. Parham, the budget and appropriation resolution for 2011 for the Black Fork Subdistrict of the Muskingum Watershed Conservancy District, as recommended and set forth in the above memorandum, was approved.

**9.01b BUFFALO CREEK SUBDISTRICT
BUDGET AND APPROPRIATION RESOLUTION FOR 2011**

On motion by Mr. Kokovich, seconded by Mr. Parham, the budget and appropriation resolution for 2011 for the Buffalo Creek Subdistrict of the Muskingum Watershed Conservancy District, as recommended and set forth in the above memorandum, was approved.

**9.01c CHIPPEWA SUBDISTRICT
BUDGET AND APPROPRIATION RESOLUTION FOR 2011**

On motion by Mr. Kokovich, seconded by Mr. Parham, the budget and appropriation resolution for 2011 for the Chippewa Subdistrict of the Muskingum Watershed Conservancy District, as recommended and set forth in the above memorandum, was approved.

9.01d DUCK CREEK SUBDISTRICT
BUDGET AND APPROPRIATION RESOLUTION FOR 2011

On motion by Mr. Kokovich, seconded by Mr. Parham, the budget and appropriation resolution for 2011 for the Duck Creek Subdistrict of the Muskingum Watershed Conservancy District, as recommended and set forth in the above memorandum, was approved.

9.02 DREDGING PROJECTS – STRUCTURES IV-A AND V-D (CHIPPEWA)
CONSTRUCTION ADMINISTRATION SERVICES

On motion by Mr. Parham, seconded by Mr. Kokovich, an amendment to an existing Gannett Fleming contract in an amount not to exceed \$35,000 for providing construction administration services for dredging projects at Structures IV-A and V-D in the Chippewa Subdistrict, as recommended and set forth in the above memorandum, was approved.

9.03 CHIPPEWA SUBDISTRICT – PROJECT ADVISORY COMMITTEE

Mr. Slogar reported that the Chippewa Project Advisory Committee met in October. This group is comprised of the following members:

- 1) Robert Workman, land owner and contractor (one of the dams is located on his property)
- 2) Tom James, Medina County Park District Director
- 3) Rodney Tornes, ODNR Dam Safety
- 4) John Knapp, NRCS-Wayne County
- 5) David Kopchak, NRCS-Medina County
- 6) Don Steiner, landowner and contractor

The group reviewed both last year's projects and those planned for the coming year. Mr. Slogar commented that their input is very beneficial to Subdistrict staff.

EXECUTIVE SESSION

On motion by Mr. Parham, seconded by Mr. Kokovich, the Board of Directors entered into executive session at 12:18 p.m. to discuss matters related to ORC §121.22 (G) (1) and (2). On roll call: Mr. Boyle-yes; Mr. Horstman-yes; Mr. Kokovich; Mr. Parham-yes; and Mr. Pryce-yes. On motion by Mr. Kokovich, seconded by Mr. Boyle, the Board returned to open session. The executive session ended at 1:24 p.m.

10. ADJOURN

There being no further business, on motion by Mr. Boyle, seconded by Mr. Kokovich, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is Friday, December 17, 2010, at 9:00 a.m. at the New Philadelphia City Council Chambers.

11/19/2010

Approved 12/17/2010