

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at New Philadelphia City Council Chambers
August 26, 2016, 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, August 26, 2016, 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: Ms. Limbach, Mr. Maupin, and Mr. Sprang.

On motion by Ms. Limbach, seconded by Mr. Sprang, Mr. Pryce was excused.

Present from MWCD staff were Scott Barnhart, Barbara Bennett, Mary Burley, Jim Crandall, Jim Cugliari, John Hoopingarner, Ted Lozier, Anna Miller, Jim Pringle, and Boris Slogar.

Mr. Maupin, 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: J.D. Long (*Harrison News Herald*); Rob Moorehead, Al Fearon, and Doug McLarnan (*MWCD Development Advisory Committee*); Earl Kerr (*Chippewa Parks/Doylestown*); Terry Fercana (*Environmental Design*); Sean Logan (*Woolpert, Inc./Sean Logan & Associates, LLC*); David Kiefer (*Sterling, Wayne County volunteer*); and Ngoc Tran, Jon Dominy, and James Bailey (*PNC, Cleveland*).

3. APPROVAL OF MINUTES

On motion by Ms. Limbach, seconded by Mr. Sprang, the minutes of the July 22, 2016, meeting of the Board of Directors were approved with a correction to the residence location of David Kiefer from Shelby to Sterling.

4. FINANCIAL

Mr. Cugliari presented the financial report for the period ending July 31, 2016. The total operating revenue is \$12,635,325.00 with operating expenses of \$8,331,388.00 resulting in an excess of revenue over expense of \$4,303,937.00.

Conservation Fund

- Total revenues are 46.03% of budget and 2.89% ahead of 2015.
- Mineral Operations/Gas and Oil Royalties is at 50% of budget. The monthly total is somewhat misleading since Antero paid a couple of months of royalties after the recent over-payment was resolved.
- Total expenses are 49.42% of budget and down 7.24% from 2015. The majority of the difference is under Mineral Operations/Gas and Oil Royalties as a result of less legal fees being paid in 2016.

Recreation Fund-Parks

- Total revenues are 82.54% of budget and ahead of 2015 by 4.23%.
- Vacation Cabin revenue is 74.17% of budget and 7% ahead of 2015.
- Park Camping revenue is 90.30% of budget and 4.18% ahead of 2015.
- General Park revenue is 90% of budget and 41.92% ahead of 2015.
- The Alive Festival was held a month later, in July instead of June. Final accounting for this event is ongoing.

- Total expenses are 53.73% of budget and up .50% from last year.

Revenue Fund-Non Parks

- Total revenues are 70.73% of budget and 1.50% ahead of 2015.
- Overall, marina operations, both leased and MWCD operated revenues are on target from a budgetary perspective and ahead of 2015.
- Multiple Docks are 100% of budget with minimal increase from 2015.
- Total expenses are 56.63% of budget and down 1.73% from 2015.

Recreation Improvement Fund

- Total recreation improvement fund expenses are 17.85% of budget, nearly the same as in 2015.

Maintenance Assessment Fund

- Total revenues are 56% of budget with the beginning of receipt of second half settlements.
- Total expenses are 53.69% of budget and up 48% from 2015.
- Again, the main areas of increase are in Sediment Removal and Partners in Watershed Management.

Overall, operations continue to run efficiently from a financial perspective as we begin to wrap up the recreation season and begin the 2017 budget process.

On motion by Mr. Sprang, seconded by Ms. Limbach, the financial report was accepted as presented.

5. PAYMENT OF BILLS

On motion by Mr. Sprang, seconded by Ms. Limbach, a report of the payment of bills for the period ending July 31, 2016, was approved as presented.

6. BUSINESS

6.01a LEASE TRANSACTIONS

On motion by Ms. Limbach, seconded by Mr. Sprang, 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
CLENDENING/ASCENT RESOURCES (formerly AEU)**

On motion by Ms. Limbach, seconded by Mr. Sprang, an agreement with Ascent Resources through the end of November, 2016, to withdraw water from Clendening Reservoir, as recommended and set forth in the above memorandum, was approved.

**6.01c SHORT-TERM WATER SUPPLY AGREEMENT
TAPPAN LAKE/ECLIPSE RESOURCES**

On motion by Ms. Limbach, seconded by Mr. Sprang, an agreement with Eclipse Resources through the end of September, 2016, to withdraw water from Tappan Reservoir, as recommended and set forth in the above memorandum, was approved.

6.02a 2016 CLEAN OHIO FUND GRANT APPLICATIONS

On motion by Mr. Sprang, seconded by Ms. Limbach, resolutions of authorization for application for financial assistance through the Ohio Public Works Commission's Clean Ohio Conservation Fund for shoreline

stabilization projects at Leesville and Tappan reservoirs, as recommended and set forth in the above memorandum, were approved.

6.02b PARK AND MARINA AUDITS

On motion by Mr. Sprang, seconded by Ms. Limbach, audits of MWCD parks and District-operated marinas which were conducted by MWCD Finance personnel, as recommended and set forth in the above memorandum, were approved.

6.03a HUMAN RESOURCES SUMMARY

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

**6.04a ATWOOD WELCOME CENTER – FINAL PROJECT ACCOUNTING AND
CHANGE ORDER RATIFICATION REQUEST**

On motion by Ms. Limbach, seconded by Mr. Sprang, the final project accounting and four (4) change orders on the Atwood Welcome Center contract, as recommended and set forth in the above memorandum, were ratified.

**6.04b CHARLES MILL MARINA LAUNCH RAMP IMPROVEMENTS
REQUEST APPROVAL TO BID AND AWARD**

On motion by Ms. Limbach, seconded by Mr. Sprang, a request to advertise for bids and award a contract for improvements to the Charles Mill Marina launch ramp, as recommended and set forth in the above memorandum, were authorized.

**6.04c LEESVILLE SOUTH FORK PUBLIC LAUNCH RAMP IMPROVEMENTS
REQUEST APPROVAL TO BID AND AWARD**

On motion by Mr. Sprang, seconded by Ms. Limbach, a request to advertise for bids and award a contract for improvements to the Leesville South Fork public launch ramp, as recommended and set forth in the above memorandum, was authorized.

**6.04d PLEASANT HILL RICHLAND COTTAGE AREA ROADWAY IMPROVEMENTS
REQUEST TO AWARD**

On motion by Mr. Sprang, seconded by Ms. Limbach, award of a contract with BK Layer, LLC, in the amount of \$89,193.00 for construction of improvements to roadways at Pleasant Hill Richland Cottage Area, as recommended and set forth in the above memorandum, was authorized.

**6.04e USGS WATER MONITORING GAUGES – ANNUAL OPERATION AND
MAINTENANCE CONTRACTS**

On motion by Ms. Limbach, seconded by Mr. Sprang, the 2017 joint funding agreements with the USGS for water monitoring gauges, as recommended and set forth in the above memorandum, were approved.

6.05 OTHER BUSINESS

Mr. Hoopingarner relayed information from David Parham with regard to the Atwood Regional Water and Sewer District. Larry Lloyd is currently not working, resulting in the delay of several purchases for that organization. At the request of Mr. Hoopingarner, the Board took action on motion by Ms. Limbach, seconded by Mr. Sprang, to reappoint Mr. Parham to represent the MWCD on the Atwood Regional Water and Sewer District Board of Trustees.

Mr. Hoopingarner provided information regarding the sale of the Atwood Lodge property. A Mr. Billy Burns of the Youngstown area purchased the property at an auction held August 10 for \$1.1 million. Kiko Auctioneers of Canton sold the property which included the lodge, chalet and par 3 golf course on 75 acres.

Ms. Limbach inquired about whether it would be possible to have any member of the Board sign off on contracts and other official documents (other than the President of the Board). This would help to streamline the signature process. Attorney Pringle will investigate and have an answer to the question at the September meeting.

7. REPORTS

7.01 MARINAS REPORT

A Summary of Marina Operations report for the period ending July 31, 2016, was distributed to Board members.

- Overall revenues at MWCD-owned marinas are up 3% from last year, while leased marina revenues are up 2%. Latest figures show MWCD's share of leased marina revenues are up 6% YTD from 2015. Items of note:
 - Charles Mill boat rentals are up by 97% while Atwood is not far behind with an increase of 72%.
 - Total revenues at Pleasant Hill Marina are up 18%
 - Clendening miscellaneous/retail sales have risen 78% from last year, and their camping revenues have increased by a healthy 12%.
 - Seneca Marina has sold 40% more gallons of fuel than in 2015.
- Plans have been completed for the replacement of the launch ramp at Charles Mill Marina. In addition to serving the marina, the ramp is also used by the general public, particularly anglers accessing nearby fishing spots.
- Work has begun on the new off-season boat storage, and overflow parking area adjacent to Seneca Marina and Marina Point Campground.
- On July 30, Clendening Lake Marina held a Poker Paddle and Kids Fishing Tournament. The Poker Paddle included seven stops around the lake where paddlers collected playing cards and then competed for the best poker hand. There were 16 participants, including a couple from Pittsburgh who came specifically for the event and two brand new kayakers. The Kids Fishing Tournament was organized in conjunction with the Clendening Fishing Club and attracted 10 children who caught eight fish. The events were very well received and we are currently planning more opportunities for the campers, boaters, and local community.
- The Seneca Dockside Restaurant reported revenues of over \$105,000 in the month of July, the first time the facility has hit six figures.

- It is interesting to note that MWCD’s Seneca Marina revenues (\$455,000 in 2015), are not even half of the total revenues produced by all facets of the marina operation. MWCD’s revenues include percentages received from lease agreements with Keith Ott and Ohio Valley Boats for sales and service, and Annie Bride and Terry Lake for the operation of the Dockside Restaurant. The amounts due MWCD are only a percentage of the total revenues they produce. Keith Ott had revenues of approximately \$130,000 in 2015, while Annie and Terry saw revenues of over \$400,000. So instead of last year Seneca Lake Marina revenues being \$455,000, in reality, they were more than twice that at \$985,000. Both leased operations are far out-performing 2015 levels this year as well.
- Brian Valot, owner of Atwood Lake Boats, has added a pontoon boat with an electric motor to his rental fleet this year.

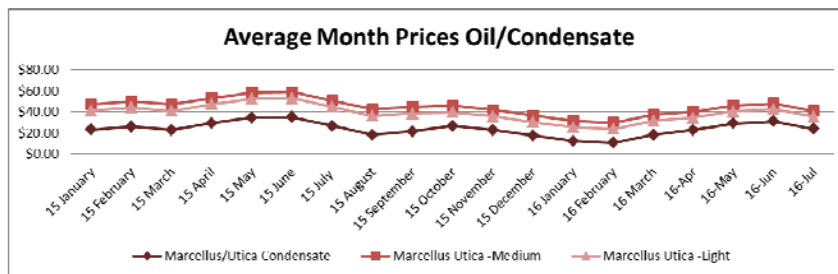
7.02 UTICA ROYALTY REVENUE REPORT

Utica royalty revenue is currently generated by 43 wells on adjacent private property. The MWCD’s proportional share of the wells varies significantly see attachment for more detail.

Utica royalty revenue increased from June 2016 (\$137,691.67) to July 2016 (\$691,447.81)

Some individual items of note:

- Two new wells were added in July. These are the Delmar wells at Leesville and Chesapeake is the producer.
- The Ohio Market Report prices posted for \$/barrel of Ohio Oil/Condensate on July 31, 2016
 - Marcellus Utica Medium \$40.60
 - Marcellus-Utica Light \$35.10
 - Marcellus – Utica Condensate (Formerly ALS) \$23.60



- The Natural Gas Spot Price for August 10, 2016:
 - Henry Hub \$2.73

7.03 DEATH ON MWCD PROPERTY – ATWOOD

On July 31, 2016, our ranger received a call from the Carroll County Dispatch of a possible heart attack in the park campground. Upon arrival at the campsite, our ranger discovered that a neighboring camper had already begun CPR on an unresponsive male inside of the camper. Our officer took over chest compressions until relieved by a registered nurse who came to assist.

Smith Ambulance transported the victim to Union Hospital where he was later pronounced dead.

The victim, Marland D. Gerber of Massillon, Ohio, was a long time seasonal camper and former seasonal employee at Atwood Park. Mr. Gerber was 77 years old.

7.04 DEATH ON MWCD PROPERTY - SENECA

On July 30, 2016, our rangers responded to a call from the Guernsey County Sheriff's Department of a man choking at the Seneca Marina Dockside Restaurant.

Upon arrival at the marina, they discovered a man unconscious on the floor being assisted by our assistant marina manager and a Senecaville Fire Department First Responder. The Heimlich maneuver, chest compressions and attempts to suction and clear the airway were performed until United Ambulance arrived and took over care of the victim. Attempts to revive the victim were unsuccessful.

The victim, John Longinie of New Concord, Ohio, was 74 years old.

7.04 PNC CAPITAL – INVESTMENT PRESENTATION

James Bailey, Senior Institutional Client Advisor, PNC Capital Advisors, LLC, presented information relative MWCD investments.

7.06 2016 GOALS

Mr. Hoopingarner provided an update on the status of accomplishment of the 2016 goals.

7.07 MASTER PLAN UPDATE

Mr. Slogar distributed a written report to the Board on the Master Plan Implementation.

Program Status

- Detailed design continues on the following projects:
 - Atwood: Sanitary sewer system, special event parking improvements
 - Piedmont: Water and electric utility improvements
 - Pleasant Hill: Area 22 Campground, sanitary system improvements
 - Seneca: P-13 and P21 Campgrounds, beach concession/restroom building, sanitary main
 - Tappan: East Campground, WWTP Phase 1 improvements
- Agreements have been reached with the Village of Perrysville for wastewater treatment from Pleasant Hill Lake Park and with the Village of Senecaville for wastewater treatment from Seneca Lake Parkside. These agreements have been sent to the respective Villages for final review and signature. We anticipate requesting Board of Directors approval for both agreements at the September 2016 meeting.

Individual Projects Status

- **Atwood Area 20 Campground:** The project is currently being advertised for bids. Bids will be opened on September 22. The engineer's estimate for is \$6,942,152. A substantial completion date of September 29, 2017 has been established. An interim milestone date of June 30, 2017 has been set for completion of 75 campsites and the restroom/shower building.
- **Tappan ADA Restroom and Shower House:** Notice to proceed was issued to CCI Construction of Canton on July 5. The contractor is currently working on the masonry block construction for the building. The project will be substantially completed prior to the 2017 camping season.
- **Atwood Lake Bridge and Trail Phase II:** The project is substantially complete and open for use. Punch list work and landscape planting will be completed in September 2016.
- **Atwood Lake Park Trail, Phase 1:** COMPLETE.

- **Atwood Amphitheater Trail Lighting:** COMPLETE.
- **Tappan East Campground Sanitary Improvements:** COMPLETE.
- **Atwood Campground Area 20 Tree Clearing:** COMPLETE.

7.08 DREDGE PROGRAM STATUS – TAPPAN LAKE DREDGING PROJECT

- Hydraulic dredging was completed in July in the Lower East End, and is currently about 85% complete in Clear Fork Bay. Dredging has just recently begun in Beaverdam Run Bay. Once Clear Fork Bay is complete, both hydraulic dredges will be working in Beaverdam Run Bay until the project is complete.
- We continue to utilize the Deersville Road and Addy Road dredge material relocation areas (DMRA's) to manage all material being dredged. Our attempt to utilize a below-spillway section of private property along SR646 for additional dewatering was not approved by USACE, so we will continue to manage the existing DMRA's to maximize their capacity. This will be accomplished by removing as much previously dewatered material as possible, allowing additional dredge material to be pumped into the dewatering basins.
- Total material dredged to date for the second phase is 88,800 yd³ out of the 160,000 yd³ contract, or approximately 55% complete.

7.09 USACE PROJECTS STATUS REPORT

Bolivar Dam

- Panels and grouting are 100% complete. Contractor is demobilized.
- Final grading and site restoration pending. Will also repave road across top of dam.
- Service gates contract: sluices 5 and 6 are now operational. Sluices 1 and 2 are under repair and gates are to be installed in September. The contract is proposed to be concluded by the end this year.
- The contract for Phase III instrumentation will be awarded soon and consists of installing a dozen piezometers on either side of the seepage barrier.
- Contract for left abutment of dam to be let soon with construction in June/July of 2017. This consists of razing the old office building, grading the site, installing plantings, etc.

Dover Dam

- Completing close-out docs and O&M manual.
- Completing purchase of easement at left abutment (Camp Tuscazoar).

Zoar Levee

- Funding for this project will not be included in the next FFY18 budget request. USACE pursuing other possible funding options.
- Detailed design funds have been made available and the creation of a detailed project schedule and estimate is underway.
- Construction likely underway end of CY18 to early CY19.
- Plan is to install an internal erosion interception trench and two berms with filters at the pump station ponding area and along the landward toe of the levee.

Mohawk Dam

- Working on completing the Dam Safety Modification Study. A selected plan has been agreed upon for the solution and a draft of the report is nearing completion.
- Solution will be presented to Dam Safety Oversight team November 3 in Knoxville, TN. Anticipating final approval from headquarters May 2017 which would mean project construction in FFY19.
- Solution consists of installing 11 additional relief wells and upgrading the collection pipe system.

7.10 IMMEDIATE OR PENDING LITIGATION

This matter was discussed in executive session.

8. SUBDISTRICTS

8.01 CLEAR FORK SUBDISTRICT – BUDGET REVISION

On motion by Mr. Sprang, seconded by Ms. Limbach, a budget revision in the amount of \$40,000 for the Clear Fork Subdistrict, as recommended and set forth in the above memorandum, was approved.

9. EXECUTIVE SESSION

On motion by Ms. Limbach, seconded by Mr. Sprang, 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: Ms. Limbach-yes; Mr. Maupin-yes; and Mr. Sprang-yes. The executive session ended at 11:28 a.m.

10. ADJOURN

There being no further business, on motion by Mr. Sprang, seconded by Ms. Limbach, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is Friday, September 23, 2016, at 9:00 a.m. at the Science and Technology Center, Kent State University Tuscarawas, 330 University Drive NE, New Philadelphia, Ohio.

08.30.2016,am/km
Approved 09.23.2016