

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at the MWCD Annex Building
August 23, 2019, 9:00 a.m.**

A meeting of the Board of Directors of the Muskingum Watershed Conservancy District was held at the MWCD Annex Building, 2050 Reiser Avenue SE, New Philadelphia, Ohio, on Friday, August 23, 2019, 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. Gresh, Ms. Limbach, Mr. Maupin, and Mr. Moorehead.

On motion by Mr. Moorehead, seconded by Mr. Maupin, Mr. Sprang was excused.

Ms. Limbach, President of the Board of Directors, presided.

Present from MWCD staff were Scott Barnhart, Adria Bergeron, Donnie Borland, Mary Burley, Jim Cugliari, John Hoopingarner, Brad Janssen, Daniel Louwers, Karen Miller, Jonathan Mizer, Jared Oakes, Jim Pringle, Boris Slogar, John Traxler, and Nate Wilson.

2. INTRODUCTION OF VISITORS AND PUBLIC COMMENT

Also in attendance for all or portions of this meeting were: Susan Reed (*Canal Fulton resident*); Bruce Robinson (*MWCD Development Advisory Committee*); Sean Logan (*Woolpert*); Douglas McLarnan (*ACA Ohio Trails Partnership*); and J.D. Long (*Harrison News Herald*).

Mr. McLarnan addressed the Board, referring to the Master Plan Phase 2 Executive Summary (included in the July 19, 2019, meeting minutes). He asked that the Board consider recreation opportunities beyond the lake/park areas in Phase 3. Mr. Slogar stated that more than \$8 million in funding through the Partners in Watershed Management Program has been distributed to areas to which Mr. McLarnan refers. Mr. Hoopingarner added that like Phases 1 and 2 of the Master Plan, Phase 3 will include only the MWCD parks and marinas. Mr. Janssen further stated that the MWCD is involved in partnership efforts with various trail groups through the area. Mr. McLarnan stated his opinion that the MWCD is a well-run organization but that he would like to see a “more formal plan” regarding a “watershed approach.”

3. APPROVAL OF MINUTES

On motion by Mr. Maupin, seconded by Mr. Gresh, the minutes of the July 19, 2019, meeting of the Board of Directors were approved with a correction as noted.

4. FINANCIAL

Mr. Cugliari presented the financial report for the seven-month period ending July 31, 2019. Total Base Operating Income was \$13,784,371 compared to \$8,125,155 in 2018.

Total operating revenue is \$23,090,996 which is 81% of budget and up 34% from 2018.

- Conservation revenue is \$256,023 compared to \$173,883 or up 47% from 2018. This is due to the increase in Timber Harvesting revenue through July.
- Oil and Gas Royalty revenue generated nearly \$1.5 million for the month and \$13.2 million through July. This is 94% of budget and up 76% from 2018.
- Parks revenue is \$590,968 for the month of July and nearly \$5.2 million year-to-date through July. This compares to \$684,595 for July of 2018 with the month-to-date being down approximately 13.5%.
- Non-Park revenue is \$622,425 for the month and \$3,959,000 year-to-date compared to \$610,777 in July 2018 and \$3,868,000 year-to-date in 2018.

Total operational expenses through July 2019 are \$9,306,625. They continue to be 2% over the 2018 expenses and are 54% of budget.

Park Master Plan expenses are \$5,057,726 for the month of July and \$19,252,554 year-to-date, compared to \$17,856,033 in 2018.

MAINTENANCE ASSESSMENT FUND

- Second half settlements have begun to come in during July and are picking up in August.
- Expenses are \$3,264,810 through July or 32% of budget.

The overall cash balance is \$117,609,450 through July, compared to \$131,014,417 in 2018. All expense line items continue to be within budgeted expectations with revenues feeling some impact from the flooding in June and July.

On motion by Mr. Moorehead, seconded by Mr. Gresh, the financial report was accepted as presented.

5. PAYMENT OF BILLS

On motion by Mr. Gresh, seconded by Mr. Maupin, the reports of the payment of bills for the period ending July 31, 2019, was approved as presented.

6. BUSINESS

6.01a LEASE TRANSACTIONS

On motion by Mr. Moorehead, seconded by Mr. Maupin, 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.

6.02a INVOICES PRIOR TO PURCHASE ORDERS

On motion by Mr. Moorehead, seconded by Mr. Maupin, a “then and now” certificate for invoices received prior to processing of a purchase order, as recommended and set forth in the above memorandum, was authorized.

6.02b 2020 MARINE PATROL ASSISTANCE GRANT PROGRAM

On motion by Mr. Maupin, seconded by Mr. Gresh, a resolution of authorization to apply for financial assistance for the 2020 Marine Patrol Assistance Grant Program, as recommended and set forth in the above memorandum, was adopted.

6.02c 2020 NAVIGATIONAL AIDS GRANT PROGRAM

On motion by Mr. Maupin, seconded by Mr. Moorehead, a resolution of authorization to apply for financial assistance for the 2020 Navigational Aids Grant Program, as recommended and set forth in the above memorandum, was adopted.

6.02d PARK AND MARINA AUDITS

On motion by Mr. Gresh, seconded by Mr. Moorehead, park and marina audit reports as conducted by the MWCD Finance Group, as recommended and set forth in the above memorandum, were accepted.

6.02e BUDGET ADJUSTMENT: STORM/FLOOD DAMAGE ASSESSMENT

On motion by Mr. Moorehead, seconded by Mr. Gresh, a budget adjustment to cover recent storm/flood damage, as recommended and set forth in the above memorandum, was approved.

6.03a HUMAN RESOURCES SUMMARY

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

6.04a 2019/2020 SHORELINE STABILIZATION PROJECTS

On motion by Mr. Moorehead, seconded by Mr. Gresh, a request to advertise for bids and award contracts for the 2019/2020 shoreline stabilization projects, as recommended and set forth in the above memorandum, was approved.

**6.04b ATWOOD LAKE MAIN CAMPGROUND IMPROVEMENTS PHASE 2
REQUEST TO ADVERTISE AND AWARD**

On motion by Mr. Moorehead, seconded by Mr. Gresh, a request to advertise for bids and award a contract for the Atwood Park main campground improvements phase 2 project, as recommended and set forth in the above memorandum, was approved.

**6.04c PIEDMONT CAMPGROUND REDEVELOPMENT PHASE I
FINAL PROJECT ACCOUNTING AND CHANGE ORDER RATIFICATION REQUEST**

On motion Mr. Gresh, seconded by Mr. Maupin, the final project accounting and change orders for the Piedmont campground redevelopment phase 1 project, as recommended and set for in the above memorandum, were ratified.

6.04d SENECA PARK SEWER SYSTEM SCADA BID AND AWARD RESULTS

At the May 2019 meeting, the Board authorized the bid and award of the Seneca Park Sewer System Supervisory Control and Data Acquisition (SCADA) Project. The engineer’s estimate is \$115,000.00. Sealed bids were received on July 16, 2019, with the following results:

Company	Bid Amount
Deskins Electric, Ltd., Lancaster	\$74,890.00
Wood Electric, New Philadelphia	\$84,794.00
BJs Electric, Laurelville	\$88,500.00

The lowest bid was reviewed, references checked, and the bid is deemed awardable.

A contract will be executed with Deskins Electric, Ltd. in the amount of \$74,890.00. This memo is provided for informational purposes only and no Board action is necessary.

6.04e TAPPAN MARINA RENOVATION AND SITE IMPROVEMENTS BID RESULTS

At the May 2019 meeting, the Board authorized the bid and award of the Tappan Marina Renovation and Site Improvements project. The engineer’s estimate was \$6,100,000.00. Sealed bids were received on June 25, 2019, with the following results:

Company	Base Bid	Shoreline Green Infrastructure	Site Green Infrastructure
Grae-Con Construction, Steubenville	\$9,561,984.39	\$206,734.32	\$98,223.52
Catrell Companies, Toronto	\$10,274,224.40	\$339,988.93	\$81,336.85

Both bids are 10% over the engineer’s estimate and therefore are non-awardable as per ORC and policy requirements. The engineering and recreation departments are evaluating the bid pricing and construction schedule. Adjustments are being made to the design and project milestones with the intent of reducing the construction cost and to encourage more competitive bidding.

This memo is provided for informational purposes only and no Board action is required.

6.05 OPERATIONAL POLICY UPDATE – IMPOUND POLICY

On motion by Mr. Moorehead, seconded by Mr. Maupin, proposed revisions to Operational Policy No. 1015, as recommended and set forth in the above memorandum, were approved.

6.06 PWM GRANT PROGRAM – CITY OF RITTMAN FLOOD MAPPING STUDY

On motion by Mr. Gresh, seconded by Mr. Moorehead, funding for the City of Rittman through the Partners in Watershed Management program, as recommended and set forth in the above memorandum, was approved.

6.07 BY-LAWS OF THE BOARD/CONFLICT OF INTEREST POLICY

On motion by Mr. Maupin, seconded by Mr. Moorehead, proposed revisions to the by-laws of the Board and a conflict of interest policy, as recommended and set forth in the above memorandum, were approved.

6.08 OTHER BUSINESS

AEP EASEMENT – TAPPAN

On motion by Mr. Moorehead, seconded by Mr. Gresh, a permanent easement between MWCD and AEP for overhead primary electric to be installed as part of the Tappan Lake campground improvements phase 2 project, as recommended and set forth in the above memorandum, was approved.

AEP EASEMENT – TAPPAN MARINA GRADING IMPROVEMENTS

On motion by Mr. Moorehead, seconded by Mr. Gresh, a permanent easement between MWCD and AEP for overhead primary electric to be installed as part of the Tappan Lake support facilities grading improvements project, as recommended and set forth in the above memorandum, was approved.

SENECA LAKE DREDGING PROJECT

On motion by Mr. Gresh, seconded by Mr. Moorehead, Guaranteed Maximum Price Amendment #3 to the Construction Manager At-Risk Agreement with PCi Dredging, as recommended and set forth in the above memorandum, was authorized.

SUMMARY OF CHARLES MILL CAMPER PAD MODIFICATION CHANGE ORDER

In accordance with MWCD Operational Policy No. 1037:1 (B): all change orders shall be reported to the Board of Directors at the conclusion of the project, unless the total cost of the project, including change orders, is less than \$50,000.00. Change orders (single or cumulative) which exceed the lesser of 10% of the project cost or \$100,000.00 must be approved by the Executive Director or Chief Financial Officer and reported to the Board of Directors at their next regularly scheduled meeting.

Camper pads at Charles Mill campground Phase 1 were designed and constructed as gravel. This is the only new campground area which has not been built with concrete pads.

As new and upgraded campgrounds have come online throughout the district, concrete pads have been well received. Campers and staff at Charles Mill have since requested that the pads for campground Phases 2 and 3 be switched from gravel to concrete. Phase 1 pads will remain as gravel while pads in Phase 2 and 3 will be concrete. An additional fee will be added for campers that rent sites with concrete pads at Charles Mill.

Master Plan Oversight Committee considered and approved this change to concrete pads for Phases 2 and 3 at their April 10, 2019, meeting.

Internal approval for this change order, per policy, was granted by Jim Cugliari August 22, 2019.

Cost Summary

Original Contract	\$2,980,844.36
Change Order	\$482,831.82
(modification from gravel to full-width concrete pads)	
Deduct for non-performing gravel pads.....	(\$70,770.96)
Net Change \$412,060.86 (+13.8%)	

No Board action is necessary.

7. REPORTS

7.01 MARINAS REPORT

Though the heavy rains finally stopped, high water levels persisted until late July at Atwood and Leesville lakes. Conditions have returned to normal for the most part, but revenues at both locations were certainly impacted, and recovery and repair work continues.

The “Latitude 40 Restaurant at Tappan Lake Marina” is still running smoothly and receiving numerous positive comments from marina customers.

Tucson began work on the grading and site improvement project on the north side of the Tappan Marina site. The work involves grading for boat storage areas and site preparation for the new waste water treatment plant and future boat service building. The work is scheduled for completion this fall.

The Dockside Restaurant’s new ice cream parlor at Seneca has greatly exceeded the operator’s projections. Annie and Terry had estimated first-year revenues of just over \$20,000. To date, the operation has exceeded \$31,000.

The installation of Piedmont Lake Marina’s six park model units was completed, allowing them to be made available for reservation. We are receiving many positive comments about them from our customers. The existing motel unit is scheduled for demolition by year’s end.

Site clearing and grading work related to Phase 2 of Piedmont’s campground renovation project continues. Drainage and utility distribution line work is beginning in earnest as well.

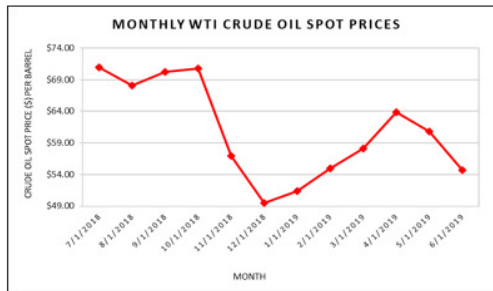
7.02 UTICA ROYALTY REVENUE REPORT

Utica royalty revenue is currently generated by 81 producing wells at Clendening, Seneca, and Leesville Reservoirs. A breakdown of the currently producing wells by operator and reservoir, along with the monthly royalty revenue can be seen on the attached page.

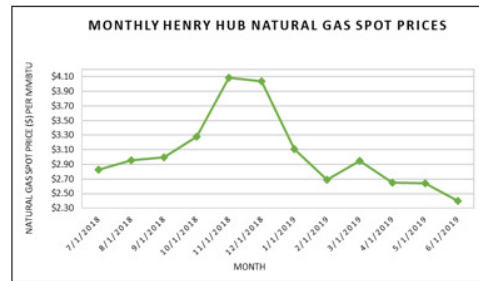
Utica royalties for July 2019 totaled \$ 1.47 million (\$ 1,474,128.48), which was a 2% decrease from the previous month of June 2019 (\$ 1,500,768.68).

The U.S. Energy Information Administration Prices Reports¹ (June 2019):

- o The WTI Crude Oil Spot Price² for June 2019: **\$54.66** per barrel



- o The Henry Hub Natural Gas Spot Price for June 2019: **\$2.40** per MMBTU



¹ Source: U.S.

Energy

Information Administration (August 14, 2019) ¹

Source: U.S. Energy Information Administration (8/14/2019)

² WTI: Otherwise known as West Texas Intermediate is an oil benchmark and serves as a reference price for buyers and sellers of crude oil. One of the three primary crude benchmarks, WTI is associated with North American crude since this is where the market is. The New York Mercantile Exchange (NYMEX) oil futures contracts are based on WTI, and it has become one of the most common indexes when referencing the price of oil in North America.

³ Henry Hub Natural Gas: A natural gas benchmark commonly used as a pricing point for natural gas futures contracts on The New York Mercantile Exchange (NYMEX) and generally used as the primary price set for the North American natural gas market.

7.03 CONSERVATION REPORT

On July 18 MWCD staff met with ODNR Division of Wildlife for the Annual Fish and Wildlife Partnering Meeting. MWCD agenda items included: Conservation operations updates on Forestry, Water Quality, new partnerships, cormorant monitoring, and nuisance control; Boundary marking and hunting maps; illegal trash dumping, and a dredging update. ODNR agenda items included: new administration overview; ruffed grouse presentation; deer regulations update; inland fisheries update; and a new initiative for fishing tournament scheduling/data reporting. The meeting was well attended with a total of 24 present and a valuable opportunity to continue this partnership.

On July 23 MWCD staff had our bi-annual partnership conference call with the Ohio Environmental Protection Agency. Agenda items discussed included: new administration overview; MWCD operations updates for Conservation; MWCD 2019 Goals update; flooding issues; and improvements to communication between our organizations including emergency response. A communication improvement decision was made at the end of the meeting to change the call from a bi-annual call to a quarterly call. Our next call is scheduled for the end of September 2019.

With hunting season fast approaching new boundary signage has been ordered to replace some of the older weathered signage.

Staff authorized a Conservation Field Study Permit for the Ohio Dragonfly Survey/Museum of Biological Diversity to conduct a survey to document and collect dragonflies and damselflies (Odonata), and other arthropod specimens on MWCD properties. Results will be reported to MWCD after the conclusion of the survey.

A salvage harvest at Atwood was started and is nearly completed. The sale was aimed at salvaging downed trees from a storm which occurred in fall of 2018. The sale also incorporated harvesting a small stand that might have otherwise been too small to harvest by itself. We also cooperated with a neighbor, allowing the logger to salvage trees from their property and transport the logs across MWCD lands.

Progress has been made at Clendening, Leesville and Atwood for treating invasives. Staff has reviewed and treated nearly 100 acres so far this year. Species treated include: Ailanthus, Japanese Knotweed, Autumn Olive, and Bush Honeysuckle. These treatment areas will be followed from year to year to see if re-treatment is needed.

A project was recently completed at Beach City that installed a cable and series of posts to stop vehicular traffic from traveling outside of a designated parking lot. The vehicles were mudding in an area where they didn't need to be and were causing erosion into a nearby river.

7.04 ENGINEERING REPORT

PROJECTS IN DESIGN

- Atwood Lake Main Campground Improvements - Phase 2
- Charles Mill Lake Main Campground Redevelopment - Phase 3
- Pleasant Hill New Camp Area G Campground
- Pleasant Hill Horse Camp Electric Upgrade
- Seneca Lake Marina Point Campground – Phase 2

PROJECTS UNDER CONSTRUCTION

- **Charles Mill Lake Park Main Campground Redevelopment – Phase 2:** Restroom renovation has started. Water services and underground electrical conduit is being installed. This project involves the reconstruction of the existing middle section of the campground with 66 full-hookup RV campsites with concrete pads, 9 tent sites, renovations to the existing restroom/shower building, and a new prefabricated CXT restroom/shower building. Substantial completion is scheduled for October 2019.
- **Piedmont Campground Redevelopment Phase 2:** The new water supply access drive is complete. The new well is on line. Rough grading for the campground is complete. All sanitary sewer main is installed. Sanitary laterals are proceeding, and waterline installation will follow. Substantial completion is scheduled for December 2019.
- **Piedmont Water Storage and Distribution Improvements:** Waterline installation is approximately 80% complete. The contractor has completed construction of the bin style retaining wall. The contractor has mobilized to the site to install the water tank and appurtenances. The tank valve vault is complete. The water tank is scheduled to be installed during September.
- **Pleasant Hill Cabins Phase 1:** Foundations are complete for all ten cabins. Work is currently underway on nine cabins with eight being dried-in with roofs, windows and doors installed. Current activities are: Completed interior drywall & exterior staining (Cabins #1, #2, #3); Installed propane tanks (Cabins # 3, #4, #5, #6, #7, #8); Stacking logs (Cabin #6); Installed metal roof & electrical rough-in (Cabin # 7); Concrete sidewalks (Cabins # 6, #7); Finish electrical and installation of light fixtures & fans (Cabins # 9, #10). Substantial completion is scheduled for February 2020.
- **Pleasant Hill: Campground Redevelopment Phase 2:** Grading, embankment, and compaction are complete. All underground utilities are complete in Area A and 18 concrete campsites pads are poured. Topsoil is being placed and prep-work for remaining concrete is underway. Sanitary sewer is complete in Area B and waterline and electrical installations are ongoing. Substantial completion scheduled for November 2019.

- **Seneca Lake Marina Point Campground Redevelopment Phase 1:** Final grading is being performed and RV pads are being prepped for pouring concrete. The picnic shelter is complete. The project will provide 98 seasonal RV sites with full utility hook-ups, a new prefabricated CXT restroom and shower building, playground, basketball court, and picnic shelter. Substantial completion is scheduled for November 2019.
- **Tappan Lake Park Campground Renovation – Phase 2:** Main campground area construction is well underway. All sanitary sewer installation is complete. Waterline installation is mostly complete. Cement stabilization of roadways is complete. Underground electric is proceeding. Subgrade preparation to proceed for the first group of RV pads, with the concrete pour to follow. The prototype restroom construction continues. Timber trusses are expected on site soon, with the final roof to follow. Substantial completion is scheduled for November 2019.
- **Tappan Marina Support Facilities Grading:** Ground was broken during the week of August 12. Grading work is underway. AEP electric line relocation is a scheduled critical item. Substantial completion is scheduled for September 2019.
- **Tappan Lake Park Deersville Ridge Road RV and Boat Storage Lot:** Ground was broken during the week of August 19th. Grading work is underway. Substantial completion is scheduled for October 2019.

DREDGING PROGRAM

- **Seneca Lake:** Design of the large settling basin at the peninsula DMRA site is complete, and plans have been submitted to ODNR for approval design and construction approval. Construction will begin once the ODNR permit is received, which is expected to be late summer or fall of 2019. Dredging work will begin once construction of the basin is complete.
- **Leesville Lake:** Two small dredging projects will be completed during this winter's drawdown. The first project at Palermo Boat Club will be completed by Jim Romig Excavating and the second project at Hensel's Landing Dock Association will be completed by MWCD's Engineering Department heavy equipment crew.

SHORELINE PROGRAM

- Leesville Lake – Camp NEOSA / Falcon Camp – will advertise for bids in September.
- Piedmont Lake – Reynolds Road Cottage Area – will advertise for bids in September.
- Seneca Lake – Churchman Point: will be constructed by MWCD's Engineering Department heavy equipment crew.

U.S. ARMY CORPS OF ENGINEERS PROJECTS/PROGRAMS

Mohawk Dam

- USACE completed the constructability evaluation and is awaiting results of a Value Engineering (VE) study.

Zoar Levee

- No update this month.

Muskingum Section 729 Watershed Assessment

- Final approval of the report was granted by USACE HQ and the report was provided to MWCD.

7.05 IMMEDIATE OR PENDING LITIGATION

No report.

8. SUBDISTRICTS

8.01 PAYMENT OF BILLS – CHIPPEWA SUBDISTRICT

On motion by Mr. Moorehead, seconded by Mr. Maupin, the report of the payment of bills for the period ending July 31, 2019, for the Chippewa Subdistrict, was approved as presented.

9. EXECUTIVE SESSION

On motion by Mr. Moorehead, seconded by Mr. Gresh, the Board of Directors entered executive session at 11:30 a.m. to discuss matters related to ORC §121.22 (G) (3). On roll call: Mr. Gresh-yes; Ms. Limbach-yes; Mr. Maupin-yes; and Mr. Moorehead-yes. The executive session ended at 11:50 a.m.

10. ADJOURN

There being no further business, on motion by Mr. Moorehead, seconded by Mr. Maupin, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is Friday, September 20, 2019, at 9:00 a.m. at the MWCD Annex Building.

08.23.2019,km

Approved 09.20.2019