

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at Charles Mill Lake Park
August 24, 2018, 9:00 a.m.**

A meeting of the Board of Directors of the Muskingum Watershed Conservancy District was held at the Messerly Recreation Building, Charles Mill Lake Park, 1277A State Route 430, Mansfield, Ohio, on Friday, August 24, 2018, 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, Mr. Moorehead, and Mr. Sprang.

Mr. Moorehead, President of the Board of Directors, presided.

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

Present from MWCD staff were Scott Barnhart, Adria Bergeron, Mike Bittinger, Donnie Borland, Mary Burley, Fernanda Craig, Jim Crandall, John Hoopingarner, Brad Janssen, Dan Mager, Karen Miller, Jim Pringle, Steve Rice, Boris Slogar, Mark Swiger, John Watkins, and Jeff Yohe.

2. INTRODUCTION OF VISITORS AND PUBLIC COMMENT

Also in attendance for all or portions of this meeting were: Bruce Robinson (*MWCD Development Advisory Committee*); Mark Krosse (*Chippewa Lake resident, "Save the Lake" Coalition*); Terry Fercana (*Environmental Design Group*); Dr. Dan VanEpps (*Dover resident*); and Marilyn Moorehead.

Mr. Krosse addressed the Board concerning the Chippewa Lake and Upper Chippewa Creek Watershed, citing the following:

- There is no Medina County representation on the Conservancy Court
- The Oddity of the jurisdictional "black-hole"
- The concept of there being assessments without services
 - Stream restoration
 - Lake HAB events
 - Inlet channel maintenance
 - USGS stream gauge @ CC16

Mr. Krosse stated that he has been contact with both Mr. Slogar and Ms. Craig with MWCD to obtain assistance in his group's efforts. Mr. Slogar explained that the Chippewa Lake itself is not within the jurisdictional area of Chippewa Subdistrict; Chippewa Creek flows into Chippewa Lake and Chippewa Subdistrict manages areas both above and below Chippewa Lake. Chippewa Lake is owned and managed by the Medina County Park District. Mr. Krosse expressed a desire to have the Chippewa Lake included within the Chippewa Subdistrict jurisdiction.

Mr. Hoopingarner responded to the concern of there being no representation of Medina County on the Conservancy Court. Medina County is not a part of the jurisdictional area of MWCD, however Medina County would be represented on the Court for the Chippewa Subdistrict (comprised of Wayne and Medina counties).

Mr. Hoopingarner urged Mr. Krossee to schedule a meeting with MWCD Chief Engineer Boris Slogar and Chief Counsel Jim Pringle to further discuss his concerns and learn more about any programs MWCD may have available for assistance.

Mr. Krosse concluded with a request that consideration be given to providing maintenance for the Chippewa Lake area. Mr. Slogar mentioned that there are very strict guidelines that must be followed regarding where Chippewa Subdistrict maintenance funds can be expended and that Chippewa Lake is not within the Subdistrict project area.

3. APPROVAL OF MINUTES

On motion by Ms. Limbach, seconded by Mr. Sprang, the minutes of the July 27, 2018, meeting of the Board of Directors were approved.

4. FINANCIAL

Mr. Crandall presented the financial report for the seven-month period ending July 31, 2018. The total operating revenue is \$17,812,575.00 and operating expenses of \$8,642,785.00, resulting in an excess of revenue over expenses of \$9,169,790.00.

Maintenance Fund

- Total revenues are 55% of budget and up 6% from 2017. As discussed last month, the Use of Water Assets line item will need to be reduced due to the expectation of minimal water sales to the oil and gas industry.
- Total expenses are 53% of budget and up 1% from last year. We are right on target with expenditures compared to 52.5% of budget in 2017.

Conservation Fund

- Total revenues are 39% of budget and up nearly double from 2017. As was approved at last month's meeting, the Mineral Operations-Gas and Oil Royalties line item reflects the budget revision.
- Total expenses are 48% of budget and in line with budget.

Recreation Fund: Parks

- Total revenues are 81% of budget and slightly less than last year when we were 83% of budget. However, we are currently 2% ahead of actual revenue from 2017.
 - Vacation Cabin revenue is 71% of budget and 6% ahead of 2017.
 - Park Camping revenue is 86% of budget compared to 90% of budget in 2017. Currently actual revenue is at a 2% pace ahead of 2017.
 - General Park (gate admissions) is 65% of budget compared to 74% of budget in 2017. Actual revenues are 16% lower than 2017. As we go thru the month of August, it will determine if we meet this budgeted line item.
- Total expenses are 56% of budget compared to 53% of budget in 2017. Actual expenses are 4% higher than this time in 2017.

Recreation Fund: Non-Parks

- Total revenues are 72% of budget and 14% ahead of last year. A good part of this increase is due to operations of Tappan Marina from a gross revenue standpoint.
- Marina Operations revenue is 68% of budget and down 8% from 2017. As a reminder, this is due to the change in the lease arrangement for these operations where a flat monthly amount is paid rather than a percentage of revenues received monthly.

- All District operated marinas are ahead of last year actual revenue and ahead of budget, with the exception Piedmont Marina Camping which is down 6% from 2017.
- Multiple Docks revenue has met and exceeded budget by 1% and is up 7% from 2017.
- Total expenses are 64% of budget compared to 60% of budget in 2017. Again, a good part of the increase in this area is the self-operation of Tappan Marina.

Recreation Improvement Fund

- Total expenses are 48% of budget and up 78% from 2017.
- Park Master Plan expenses reflect the budget revision increase approved last month and we currently are 50% of budget.

Maintenance Assessment Fund

- Assessment Fund-Revenue Collection is 66% of budget and 2% ahead of last year. Second half collections are coming in as there were four counties that reported in July and to date, six in August.
- Total expenses are 41% of budget and within budget expectations.

Overall, revenues and expenses are both keeping pace with budget expectations. We will continue to monitor some of the park revenue accounts to see if there will be any danger of not meeting budgeted revenue. The process for beginning the 2019 budget is underway with the expectations of progress reports to the Board beginning in September.

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

5. PAYMENT OF BILLS

On motion by Mr. Maupin, seconded by Ms. Limbach, the report of the payment of bills for the period ending July 31, 2018, were approved as presented.

6. BUSINESS

6.01a LEASE TRANSACTIONS

On motion by Ms. Limbach, 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.

6.01b FIRELANDS ELECTRIC EASEMENT – CHARLES MILL SITES LAKE

On motion by Mr. Maupin, seconded by Mr. Sprang, an easement with Firelands Electric Cooperative for a three-phase electric line used by Aqua Ohio at the Charles Mill Site Lake Cottage Area, as recommended and set forth in the above memorandum, was approved.

6.02a INVOICES PRIOR TO PURCHASE ORDERS

On motion by Ms. Limbach, 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 BUDGET REPORT – SUPPLEMENTAL AND TRANSFERS

On motion by Mr. Sprang, seconded by Ms. Limbach, a budget report which provides budgeted supplemental appropriations and transfers transactions for the period January 1, 2018, through June 30, 2018, as recommended and set forth in the above memorandum, was approved.

6.02c 2019 NAVIGATIONAL AIDS GRANT PROGRAM

On motion by Ms. Limbach, seconded by Mr. Maupin, a resolution of authorization to apply and enter into a grant agreement for financial assistance for the 2019 Navigational Aids Grant Program through ODNR, as recommended and set forth in the above memorandum, was approved.

6.02d 2019 MARINE PATROL ASSISTANCE GRANT PROGRAM

On motion by Mr. Maupin, seconded by Ms. Limbach, a resolution of authorization to apply and enter into a grant agreement for financial assistance for the 2019 Marina Patrol Assistance Grant Program through ODNR, was approved.

6.03a HUMAN RESOURCES SUMMARY

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

6.03b REVISED RESOLUTION – OPERS SALARY REDUCTION PICKUP PLAN

On motion by Ms. Limbach, seconded by Mr. Maupin, a revised resolution relative to the Ohio Public Employee Retirement System “Pick-Up” program, as recommended and set forth in the above memorandum, was approved.

6.04a PLEASANT HILL IDLEWOOD CHIP SEAL: BID AND AWARD RESULTS

At the May 2018 meeting, the Board authorized the soliciting for bids and award of a contract for the Pleasant Hill Lake Idlewood Cottage Area chip seal project.

Sealed bids were received on August 2, 2018, with the following results:

Contractor	Total Bid
Albatross Management LLC, Lakeville	\$66,733.00

The bid falls within 10% of the engineer’s estimated cost of \$65,000.00. The bid was reviewed, references checked, and the bid is deemed to be awardable.

A contract was executed with Albatross Management LLC in the amount of \$66,733.00. Substantial completion for the project is scheduled for September 15, 2018. This memo is provided for informational purposes only and no action required.

**6.04b SENECA PARK MARINA POINT CAMPGROUND REDEVELOPMENT PHASE 1
REQUEST TO BID AND AWARD**

On motion by Ms. Limbach, seconded by Mr. Sprang, advertisement for bids and award of a contract for the Seneca Park Marina Point Campground redevelopment phase 1, as recommended and set forth in the above memorandum, was authorized.

6.05 TAPPAN LAKE NUTRIENT REDUCTION INITIATIVE

On motion by Mr. Sprang, seconded by Mr. Maupin, approval to move forward with the Tappan Lake Nutrient Reduction Initiative, as recommended and set forth in the above memorandum, was authorized.

OTHER BUSINESS

**PIEDMONT MARINA AND CAMPGROUND WATER UTILITIES
REQUEST TO BID AND AWARD**

On motion by Ms. Limbach, seconded by Mr. Maupin, re-advertisement for bids and award of a contract for a water distribution and storage system improvements at Piedmont Marina and campgrounds, as recommended and set forth in the above memorandum, were authorized.

**TAPPAN PARK WASTEWATER TREATMENT PLANT AND MAIN PUMP STATION
REQUEST TO BID AND AWARD**

On motion by Ms. Limbach, seconded by Mr. Sprang, re-advertisement for bids and award of a contract for the Tappan Park wastewater treatment plant and main pump station, as recommended and set forth in the above memorandum, were authorized.

SENECA MARINA POINT CAMPGROUND

Mr. Moorehead distributed some drawings depicting the proposed campground improvements at the Seneca Marina Point Campground along with a copy of a letter mailed to the campers/residents of the area from Matt Steffen, Seneca Lake Park Manager, which is an invitation to a meeting at Seneca Park on Saturday, August 25.

7. REPORTS

7.01 MARINAS REPORT

Though still not meeting our expectations, the recent change in on-site management at Tappan Marina's restaurant, has resulted in some stability and consistency in the operation. A thorough assessment of this season's operation will be performed after the Labor Day holiday.

- The recently installed new 36-slip dock is being filled with boats from our waiting list. These new dockers will help the marina reach 2018 revenue goals, a nice achievement for the first year of MWCD operation.
- Development of a master plan for the facility continues. Main areas being addressed include off-season boat storage, the renovation of the showroom building, improvements to the marina building and restaurant, along with site issues like parking, access, lighting, signage and landscaping. Enough background work has now been completed to allow for the selection of an architectural firm to guide our efforts. The public will be

involved in the process as well, and began providing input on August 4, as over 100 people attended a public meeting at Tappan Marina. As with the planning meetings held for Seneca Lake Marina in 2012, most in attendance at Tappan voiced a strong desire to have a quality restaurant. Keith Ott, boat sales and service provider, and Dino Pangrazio, operator of the restaurant, were on hand to provide their visions and answer questions. A platform will be developed to keep the public informed and to continue gathering input. A small advisory group may be formed as well. A similar group provided invaluable input during the planning process at Seneca Lake Marina.

- Marina Manager Jeremy Hoffer and his staff continue to do a great job during MWCD's first year of operation.

Phase 1 of the campground renovation project for Piedmont is winding down, with final landscaping on hold until better planting conditions this fall. The installation of the restroom/shower building is nearing completion. Design work is nearly done, and bidding will begin shortly, for Phase 2 of the campground project, along with drinking and wastewater projects.

Brian Valot will be renovating his sales/showroom/repair facility at Atwood West Marina to provide more service bays.

The new online boat rental reservation system, provided by Fare Harbor, went live on-line earlier this month.

Planning continues for improvements to the waste water treatment system at Clendening. A sand bio reactor system, requiring a much smaller footprint (important in hilly areas where space is at a premium), is being considered. The new system will serve the marina building, maintenance building, motel and several cabins. The system is scalable and can be expanded to handle the potential addition of full hookup lots in the campground.

A major windstorm hit Seneca Marina on July 23. Five docks were seriously damaged, along with over 30 boats. Thankfully, no injuries occurred. Marina Manager Matt Miller, along with Assistant Manager Dylan Sayre, did an excellent job handling the initial effects, stabilizing docks, and contacting customers. A planning meeting held the following morning resulted in a prioritized list of assigned duties. With assistance from the staffs of Piedmont Marina and Clendening Marina, Tony Korn and Dave Olsafsky, and quick cooperation from dock suppliers American Muscle and American Tower, docks were repaired, replaced, and back in place, and boats back in their slips, in less than two weeks.

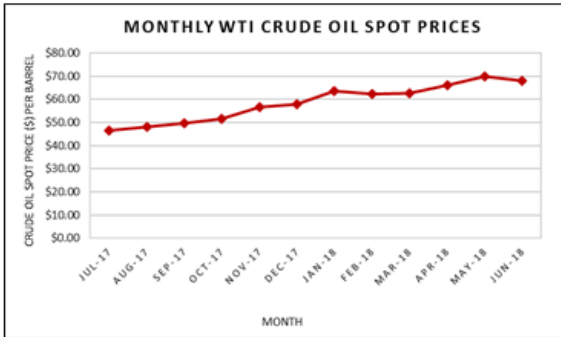
7.02 UTICA ROYALTY REVENUE REPORT

Utica royalty revenue is currently generated by 67 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.

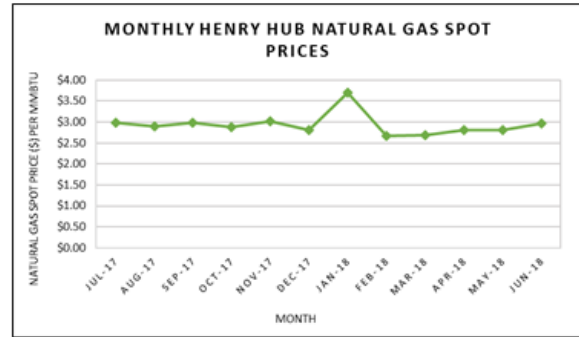
The monthly Utica royalty revenue decreased about 30% from June 2018 (\$1,087,703.62) to July 2018 (\$761,594.12).

The U.S. Energy Information Administration Prices Reports¹ (June 2018):

- The WTI Crude Oil Spot Price² for June 2018: \$67.87 per barrel



- The Henry Hub Natural Gas Spot Price³ for June 2018: \$2.97 per MMBTU



¹ The U.S. Energy Information Administration Prices Reports¹ (June 2018)

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 DEATH ON MWCD PROPERTY

On July 15, 2018, at approximately 3:00 p.m., Seneca Lake Rangers received a call for medical assistance at the park picnic area near the beach. Upon arrival at the scene, a male victim was found lying on the ground complaining of a severe headache.

The victim, 20-year-old Steven Newsom, sustained a head injury on the lake when he was riding on a three-person water tube with two others and being towed by a personal watercraft. The tube struck a wave approximately 1,500 feet north of the Seneca Park beach causing all three males riding on the tube to be ejected. During the ejection, Mr. Newsom’s head collided with the rear of another passenger’s head, rendering Mr. Newsom unconscious for approximately three seconds.

United Ambulance transferred Mr. Newsom to Southeastern Medical Center. He was then transported to Ohio State Wexner Medical Center. On July 16, we received a call from the Franklin County Coroner’s Office informing us that Mr. Newsome had passed away.

An accident investigation was completed and sent to the Prosecutor’s Office. No criminal charges were filed in this incident.

7.04 MASTER PLAN UPDATE

Mr. Yohe reviewed a report of master plan projects specific to Charles Mill Lake Park. Mr. Slogar distributed a second quarter Park Master Plan Program report.

Program Status

Detailed design continues for the following projects:

- **Charles Mill:** Campground Redevelopment Phase 2
- **Piedmont:** Water and Electric Utility Improvements
- **Pleasant Hill:** Cabin Roadway and Infrastructure Improvements, Cabins Phase 1
- **Seneca:** Marina Point Campground Phase I

Individual Projects Status

- **Atwood Main Campground Improvements – Phase I:** Grading, aggregate roadways, seeding and landscaping are complete in the event parking area. Sanitary sewer, water line, gas line, electrical, and data/communications installations are done or nearly complete. New dump station is partially complete and in service. Pouring of concrete campsite pads is ongoing. Rough electrical, plumbing and HVAC and exterior dry sacked stone is complete on restroom building. Plumbing fixtures, metal roofing and drywall is ongoing. The project will provide 106 full-hookup RV campsites, a restroom/shower building, 2 shelters with playgrounds, walking paths, cluster dock and abutments, new dump station, gas line replacement and improvements to the special event parking area. Substantial completion for the project is scheduled for November.
- **Charles Mill Lake Park Water and Wastewater Utility Improvements:** Simonson Construction Services has completed the installation of the new wastewater treatment plant. The new sanitary sewer, force main and water lines are installed and being tested. The new water tower is completed. The project consists of a new 25,000 gallons per day wastewater treatment plant, 1,500 linear feet of gravity sewer, and 3,100 linear feet of force main to provide collection from the main campground and Eagle Point. The project also includes a new water treatment plant, a 50,000-gallon elevated water storage tank, and 5,500 linear feet of new water lines to connect from the main campground and Eagle Point to the new storage tank. Substantial completion is scheduled for October.
- **Charles Mill Lake Park Main Campground Redevelopment – Phase I:** Shrock Custom Premier Construction is finishing the installation of new utilities within the redevelopment area. Gravel pad construction will be starting in the next week. This project involves the reconstruction of the existing northern section of the campground with 79 full-hookup RV campsites with gravel pads, renovations to the existing restroom/shower building, and a new CXT restroom/shower building. Substantial completion for the campground is scheduled for October.
- **Piedmont Campground Renovations Phase I:** All pads with utilities are complete. The new CXT restroom will be installed during July. Paving and landscaping to be completed later this summer/fall. Construction is ahead of schedule.
- **Pleasant Hill Lake Area 22 Campground:** Work on the project is complete. Minor punch list items remain to be completed after peak camping season.
- **Pleasant Hill Seasonal Campground Redevelopment – Phase I:** Shrock Custom Premier Construction has completed renovations on the restroom/shower building. Earthwork, sanitary sewer, waterlines, grinder pump station and concrete campsite pads are complete in the campground. Electrical work, topsoil placement and final grading are ongoing. The project will provide 38 full-hookup RV campsites and walking paths. Substantial completion for the campground is scheduled for November.
- **Pleasant Hill Cabin Roadway & Infrastructure Improvements:** Clearing and grubbing work is complete. Sanitary sewer installation is underway. The project involves site construction for a new cabin neighborhood located south of East Loop Road and east of the main park entrance road. Planned work includes grading, underground utilities installation, roadway construction and drainage improvements. Substantial completion for the project is scheduled for October.
- **Pleasant Hill Cabins Phase 1:** This project, which involves construction of 10 log vacation cabins, is currently advertised for bids. Bids are scheduled to be opened on August 30, 2018. Five cabins are scheduled for

substantial completion by June, 2019, with the remaining five to be substantially completed by October, 2019.

- **Seneca Lake Parkside Central and Woodlands Campgrounds:** Cast & Baker Corp. has been pouring RV pads and construction of the new shower house is underway. The project will be substantially completed by the end of November.
- **Tappan Lake Park Campground Renovation – Phase I:** The lower area utilities are approximately 75% complete and middle sites are being built to the proposed grade elevations. Work continues in the upper third portion of the project. The CXT restroom installation is scheduled for fall.

Reservoir Dredging and Shoreline Stabilization (Ongoing)

Dredging Program

- **Seneca Lake:** The initial phase of dredging has been completed near the Churchman Point Dock Association, and dredging will continue throughout the summer at several locations near the West Shore, East Shore, and Chestnut Grove cottage areas. Design work continues for one additional settling basin, while the additional dredging associated with this basin is planned for 2019.

Shoreline Program

- **Atwood Lake Park Peninsula Shoreline Stabilization:** Design work will be completed this summer for a 1,500-ft project along the causeway leading to the Area F campground.

7.05 USACE PROJECTS STATUS REPORT

Mohawk Dam and Zoar Levee Projects

- Both projects have received full federal funding. Mohawk will likely be awarded in FFY20 while Zoar will be likely be awarded in FFY 21.
- Boris Slogar accompanied USACE personnel in touring Zoar Levee earlier this month.
- Project Partnership Agreements and other necessary documents are being drafted by USACE and will be submitted to MWCD soon for review.
- An overview meeting for both projects is schedule for October 4 in Huntington. John Hoopingarner, Jim Cugliari, Boris Slogar, and Jim Pringle are tentatively scheduled to attend.

Tappan Dam

- The Semi Qualitative Risk Analysis (SQRA) results are under review at the Dam Safety Oversight Group (DSOG) office. SQRA is used to identify probable failure modes, or PFM's, which are used as part of the overall risk-informed decision making process to guide the project team towards identifying necessary repairs/modifications to the dam.

Bolivar Dam

- The project is slated to be completely closed out by January, 2019.

7.06 IMMEDIATE OR PENDING LITIGATION

No report.

8. SUBDISTRICTS

8.01 PAYMENT OF BILLS – CHIPPEWA SUBDISTRICT

On motion by Ms. Limbach, seconded by Mr. Sprang, the report of the payment of bills for the period ending July 31, 2018, for the Chippewa Subdistrict, was approved as presented.

9. EXECUTIVE SESSION

On motion by Ms. Limbach, seconded by Mr. Moorehead, the Board of Directors entered executive session at 11:21 a.m. to discuss matters related to ORC §121.22 (G) (1) [Employment]. On roll call: Ms. Limbach-yes; Mr. Maupin-yes; Mr. Moorehead-yes; and Mr. Sprang-yes. The executive session ended at 12:05 p.m.

10. ADJOURN

There being no further business, on motion by Mr. Sprang, seconded by Mr. Maupin, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is Friday, September 21, 2018, at 9:00 a.m. at the MWCD Annex Building.

08.24.2018,km

Approved 09.21.2018