

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at the MWCD Main Office via Teleconference
September 18, 2020, 9:00 a.m.**

A meeting of the Board of Directors of the Muskingum Watershed Conservancy District was held via Teleconference on Friday, September 18, 2020, at 9:00 a.m., pursuant to notice duly given all Directors, and the general public in accordance with law.

SPECIAL NOTE: Because of Executive Order 2020-01D, issued March 9, 2020, and the Orders of the Ohio Department of Health and pursuant to emergency legislation passed by the Ohio Legislature, this meeting was conducted through electronic technology. Members of the public wishing to observe the meeting were instructed to register in advance at www.mwcd.org/meeting. Members of the public wishing to submit comments prior to the meeting were instructed to email comments to comments@mwcd.org, prior to 5:00 p.m. on Thursday, September 17, 2020. Members of the public were also advised that comments would not be accepted after 5:00 p.m., September 17. Any comments received were provided to the Board of Directors for their information and were directed to the appropriate staff members for follow-up, if appropriate.

1. ROLL CALL

Directors present were: Mr. Gresh, Ms. Limbach, Mr. Maupin, Mr. Moorehead, and Mr. Sprang. James Gresh, President of the Board of Directors, presided.

MWCD staff in attendance (*electronically*) were Joe Baker, Adria Bergeron, Donnie Borland, Mary Burley, Craig Butler, Randy Canfield, Jim Crandall, Jim Cugliari, Steve Demuth, Scott Heller, Brad Janssen, David Lautenschleger, Dan Mager, Michael Mahaffey, John Maxey, Anna Miller, Karen Miller, Jonathan Mizer, Matt Ott, Jim Pringle, Stacie Stein, and Jeff Yohe.

2. INTRODUCTION OF VISITORS AND PUBLIC COMMENT

Also in attendance for all or portions of this meeting (*electronically*) were: J.D. Long (*Harrison News Herald*); Sean Logan (*Woolpert*); David Pilcher (*MWCD Development Advisory Committee*); and Terry Fercana (*Environmental Design Group*).

3. APPROVAL OF MINUTES

On motion by Mr. Sprang, seconded by Ms. Limbach, the minutes of the August 28, 2020, meeting of the Board of Directors were approved.

4. FINANCIAL

The financial report for the eight-month period ending August 31, 2020, was presented. The total Base-Operating Income is \$5,808,008 compared to \$14,546,114 in 2019.

Total operating revenue is \$16,904,704 or 70% of budget compared to \$25,602,378 or 90% of budget in 2019. The main area of variance that makes up this difference is the Oil and Gas Revenue line item where the difference is just under \$10 million from 2019.

OPERATING REVENUE

- General Administrative/Support revenue is 64% of budget and 15% behind 2019. The main area is Interest on Investments where we are currently at 60% of budget and \$80,000 behind 2019.
- Conservation revenue is 47% of budget and 3% ahead of 2019. In general, the forestry operations are on target to meet budget. There is still some uncertainty in the Sharecrop area, while Use of Water Assets – Water Sales will meet and perhaps exceed budget.
- Parks revenue is 85% of budget and up 11% from 2019. Keeping in mind that we budgeted aggressively in this area, there has been a remarkable recovery from earlier projections due to the COVID-19 pandemic and late opening of park facilities.
- Vacation Cabins are 71% of budget and up \$120,000 from 2019, mainly because of the new Pleasant Hill vacation cabins.
- Park Camping is 92% of budget and up nearly \$500,000 from 2019.
- General Park Facilities is 88% of budget and up \$84,000 from 2019.
- While the above revenue line items have recovered for the most part, some of the support park revenue line items have not, specifically Special Events, Park Shelters and the Alive Festival.
- Non-Park revenue is 80% of budget and up \$340,000 from 2019. Again, the Marina Operations have recovered well from earlier projections, while other line items in this area, such as Cottage Sites and Multiple Docks are on budget.

Total Operating Expense is \$11,096,695 or 63% of budget. This is flat when compared to 2019 Operating Expenses. The early measures put in place in March of this year (hiring freeze, reduce capital equipment and vehicle spending, and to closely monitor all operating spending) have contributed to this through the end of August.

Total Capital Improvement and Master Plan expenses have continued on pace with the various contracts for these respective areas moving forward.

The Maintenance Assessment Fund revenue is at 74% of budget with six counties still to submit second half settlements.

Maintenance Fund expenses are 42% of budget and 26% ahead of 2019.

Overall, in spite of COVID-19, the recreation facilities have recovered very well with a few areas where we will have shortfalls. The largest revenue impact will be felt in the Oil and Gas – Utica Shale area where there will be a nearly \$3 million shortfall from the original budget. This shortfall will impact the royalty distributions originally approved by the Board as a part of the 2020 budget. A revised distribution schedule will be presented to the Board at a future meeting.

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

5. PAYMENT OF BILLS

On motion by Mr. Sprang, seconded by Mr. Maupin, the report of the payment of bills for the period ending August 31, 2020, was approved as presented.

6. BUSINESS

6.01a LEASE TRANSACTIONS

On motion by Mr. Maupin, seconded by Mr. Moorehead, 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 OHIO POWER EASEMENT EXPANSION – BEACH CITY

On motion by Ms. Limbach, seconded by Mr. Sprang, an easement with the Ohio Power Company for an electrical transmission line located at Beach City Reservoir, as recommended and set forth in the above memorandum, was approved.

6.02a INVOICES PRIOR TO PURCHASE ORDERS

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

On motion by Ms. Limbach, seconded by Mr. Sprang, a list of budget revisions to the original approved budget, as recommended and set forth in the above memorandum, was approved.

6.02c 2021 BUDGET UPDATE

Progress on preparation of the 2021 budget was reported and discussed.

6.03a HUMAN RESOURCES SUMMARY

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

6.03b POSITION DESCRIPTION UPDATE – ENGINEERING

On motion by Ms. Limbach, seconded by Mr. Maupin, proposed revisions to the Project Manager position and a request to post and fill the position, as recommended and set forth in the above memorandum, were approved.

6.04a 2020/2021 SHORELINE STABILIZATION PROJECTS

On motion by Mr. Sprang, seconded by Ms. Limbach, advertisement for bids and award of shoreline stabilization projects, as recommended and set forth in the above memorandum, were authorized.

6.04b CHARLES MILL PARK MAIN CAMPGROUND PHASE 2 PROJECT

On motion by Mr. Sprang, seconded by Mr. Morehead, change orders for the Charles Mill Park Main Campground Phase 2 project, as recommended and set forth in the above memorandum, were ratified.

6.05 2020 ANNUAL MAINTENANCE ASSESSMENT

On motion by Ms. Limbach, seconded by Mr. Sprang, the maintenance assessment for the year 2020 in the aggregate sum of \$5,836,098.00, as recommended and set forth in the above memorandum, was approved.

6.06 USGS WATER MONITORING GAGES – ANNUAL OPERATION AND MAINTENANCE CONTRACTS

On motion by Mr. Maupin, seconded by Mr. Moorehead, the 2021 Joint Funding Agreements with USGS for water monitoring gages, as recommended and set forth in the above memorandum, were approved.

6.07 PWM FUNDING REQUEST – WAYNE COUNTY

On motion by Mr. Sprang, seconded by Mr. Maupin, award of up to \$150,000 for Wayne County EMA, as recommended and set forth in the above memorandum, was authorized.

6.08 OTHER BUSINESS

Mr. Butler thanked Mr. Gresh for his participation, representing the Board of Directors, in the September 10 all employee virtual meeting.

Mr. Butler informed the Board that work is continuing with Ohio Water Development Authority and the Foundation for Appalachian Ohio regarding the potential investment of MWCD funds. Staff has consulted with outside legal counsel to review this matter.

7. REPORTS

7.01 CONSERVATION REPORT

Conservation staff attended the 2020 Holmes County SWCD cover crop aerial seeding at the Holmes County airport. Three airplanes rotated through the airport from dawn to dusk to seed approximately 3,000 acres of cover crops. The seed mix was primarily composed of oats and barley with some rye added as well. Staff from Holmes SWCD were present along with members of the Holmes SWCD Board of Directors. Staff from the Natural Resources Conservation Service (NRCS) were also present. This project is made possible through our partnership and cooperative work agreement with the Ohio Department of Agriculture and the county SWCDs in our watershed.

We are planning to amend another Joint Funding Agreement with the U.S. Geological Survey Ohio-Kentucky-Indiana Water Science Center. This amendment will extend the Tappan HAB modeling project agreement that is set to expire at the end of December 2020. The extension will allow more time to develop the updated model and publish the USGS report. Historically, Tappan's toxic cyanobacteria blooms can show up in late fall and, as long as the lake doesn't freeze, USGS would plan to sample through November 2020 to capture data for any potential blooms. The agreement will extend to September 2021. No additional MWCD matching funds will be incurred in this amendment.

7.02 UTICA ROYALTY REVENUE REPORT

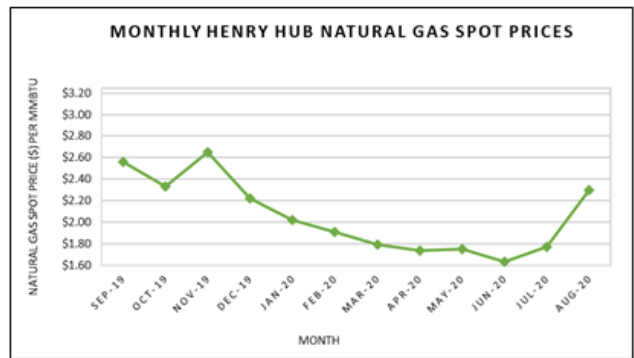
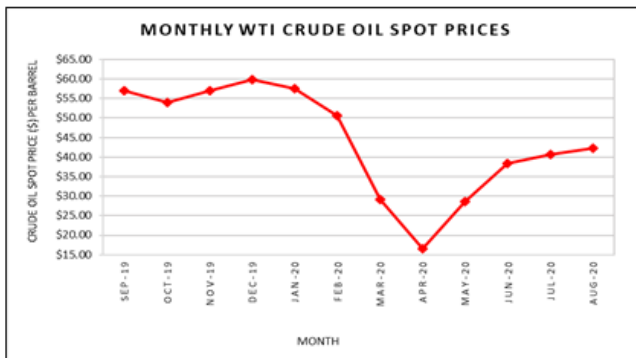
Utica royalty revenue is currently generated by 90 producing wells at Clendening, Seneca and Leesville Reservoirs. A breakdown of the monthly royalty revenue can be seen on the attached page.

Utica royalties for August 2020 totaled \$338,803.31 which was a 39% increase in month-over-month revenue from July 2020 (\$244,615.14).

The U.S. Energy Information Administration Prices Reports¹:

- The WTI Crude Oil Spot Price² for Aug 2020: **\$ 42.34** per barrel

- The Henry Hub Natural Gas Spot Price for Aug 2020: **\$ 2.30** per MMBT



7.03 LAKE DRAWDOWN SCHEDULE FOR 2020-2021

In accordance with the U.S. Army Corps of Engineers (USACE) Control Manuals, the following table shows proposed lake drawdowns for the winter of 2020-2021. This schedule will be presented to USACE for review and implementation and to the Ohio Department of Natural Resources for review.

Reservoir	Normal Pool	Winter Level	Total Drawdown (feet)	Begin 2020 Drawdown	Release Duration (days)	Suggested intermediate refill schedule by March 15, 2021
Atwood	928.00	920.00	8.0	November 15	42	926.00
Charles Mill	997.00	994.00	3.0	November 15	30	995.00
Clendening	898.00	893.00	5.0	November 15	35	896.00
Leesville	963.00	958.00	5.0	November 1	35	961.00
Piedmont	913.00	908.00	5.0	November 15	35	911.00
Pleasant Hill	1020.00	1012.00	8.0	November 1	42	1018.00
Seneca	832.20	827.20	5.0	November 15	35	830.20
Tappan	899.30	894.30	5.0	November 1	35	897.30

NOTE: Due to planned shoreline construction at Atwood and Pleasant Hill lakes, we request that additional drawdown occur to the elevations noted. All reservoirs with extended drawdown will be held at the requested elevation until February 15, 2021, and then returned to the normal winter schedule elevations.

- To accommodate autumn boating, fishing and hunting, and to help reduce shoreline erosion, it is recommended that the drawdowns occur on an even release basis and at the rate stipulated above (release duration) to reach the intended lowered elevation.
- We request of USACE that refill begin February 15 on those reservoirs that can reasonably meet the intermediate refill date due to the nature of the reservoir, precipitation in that area, etc. For those reservoirs that cannot reasonably meet the March 15 refill date, please continue to begin refill on February 1. This delay will allow MWCD an additional two weeks to address any projects that need to be completed during drawdown, i.e. shoreline stabilization projects, dredging, dock repairs, etc.

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

7.04 ENGINEERING REPORT

MASTER PLAN IMPLEMENTATION (ONGOING)

Projects in Design

- Pleasant Hill East Loop Roadway Improvements
- Pleasant Hill RV and Boat Storage Lot
- Tappan Lake Park Valley Trail and Utilities Extension

Projects Under Construction

- **Atwood Camp Area 4 Restroom Improvement:** Project is complete.
- **Atwood Park Main Campground Improvements Phase 2:** Tucson, Inc. has completed all utility installations and concrete pads in the campground. Base roadway asphalt and the picnic shelter are also complete. Shower house renovations continue with plumbing, mechanical and electrical rough-ins, and interior tile is complete. The project includes reconstruction of 72 RV campsites in existing Camp Areas B and C, renovation of the existing restroom/shower building, playground, walking paths and abutments for cluster docks. Substantial completion is scheduled for October 2020.
- **Charles Mill Park Main Campground Redevelopment Phase 3:** Lockhart Concrete is currently working on finish grading, light pole installation, and restroom construction. All RV pads have been poured. This project involves the reconstruction of the existing southern section of the main campground with 51 full-hookup RV campsites with concrete pads and a new pre-engineered restroom. Substantial completion is scheduled for October 2020.
- **Piedmont Water Treatment Plant and SCADA:** Plant start-up is scheduled for the middle of the month and substantial completion is scheduled for September 2020.
- **Pleasant Hill Campground Area G:** Shrock Premier Custom Construction has completed all earthwork sanitary and storm sewers, waterlines and electric conduit. concrete pads and roadway asphalt pavement are also complete. Work continues on the Romtec restroom building and picnic shelter. Plumbing and electrical rough-ins are underway, along with exterior stone and roofing. The project will provide 49 full-hookup RV campsites, a new pre-engineered restroom/shower building, and a picnic shelter. Substantial completion is scheduled for October 2020.
- **Seneca Lake Marina Point Campground Redevelopment Phase 2:** Utility installation is nearly complete. Concrete pads are being poured. Picnic shelters are under roof as are the restrooms. The project will provide 102 seasonal RV sites with full utility hook-ups, two pre-engineered restrooms/shower houses, two picnic shelters, a boat ramp, a volleyball court, and a key card gate entrance. Substantial completion is scheduled for March 2021.
- **Tappan Marina Renovations:** Demolition of planned marina building components is underway. Substantial completion is June 2021.

- **Tappan Marina Sanitary Sewer and WWTP Improvements:** Grading of the site has begun. Directional drilling of the conduits under US 250 is ongoing. Wastewater treatment plant tank installation is scheduled to begin mid-month. Substantial completion is April 2021.

DREDGING AND SHORELINE (ONGOING)

Dredging Program (*no significant update*)

- **Seneca Lake:** PCi Dredging continues earthwork operations for the Peninsula settling basin, although construction is currently about one month behind schedule. The work should be complete mid to late September, at which time dredging at the southeast end of the lake can begin. Substantial completion for the entire project was planned by the end of this year, but that schedule will depend upon the actual completion date and final ODNR acceptance of the settling basin dam construction.

Shoreline Program

- **Leesville Lake – Camp NEOSA/Falcon Camp:** The project is substantially complete, and we are working on final project closeout.
- **Leesville Lake – Dove Road Shoreline Slip:** Through the ODOT Cooperative Purchasing program, we will be using GeoStabilization International to install self-drilled soil nails to stabilize this 135 foot-long slide that occurred earlier this spring. Construction is expected to begin this fall.
- Design work continues for the following shoreline projects planned during the 2020/2021 winter drawdown.
 - Atwood Lake – North Shore Cottage Area
 - Charles Mill – Yacht Point Cottage Area
 - Construction will be deferred until 2021/2022 to apply for Clean Ohio grant funds.
 - Pleasant Hill – Loudonville Wildlife Club
 - Seneca Lake – Churchman Point Docking Association Phase 2

U.S. ARMY CORPS OF ENGINEERS PROJECTS/PROGRAMS (ONGOING)

Mohawk Dam

- Construction of the relief wells and collector system by DRS Enterprises is scheduled to begin in September.

Zoar Levee

- Construction on the reverse filter for the ponding area continues while award for construction of the Internal Erosion Interceptor Trench is expected in September

Hydrogen Sulfide (H₂S)

- H₂S levels at a few spillway outlets have risen though most projects remain below the 5 ppm threshold.

7.05 IMMEDIATE OR PENDING LITIGATION

There was no report.

8. SUBDISTRICTS

8.01 PAYMENT OF BILLS – CHIPPEWA SUBDISTRICT

On motion by Mr. Maupin, seconded by Mr. Moorehead, the report of the payment of bills for the period ending August 31, 2020, for the Chippewa Subdistrict, was approved as presented.

8.02 CHIPPEWA SUBDISTRICT – 2020 ANNUAL MAINTENANCE ASSESSMENT

On motion by Ms. Limbach, seconded by Mr. Sprang, the Chippewa Subdistrict maintenance assessment for the year 2020 in the aggregate sum of \$320,317.52, 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 executive session at 10:30 a.m. to discuss matters related to ORC §121.22 (G) (1) Employment, (3), and (4). On roll call: Mr. Gresh-yes; Ms. Limbach-yes; Mr. Maupin-yes; Mr. Moorehead-yes; and Mr. Sprang-yes. The executive session ended at 11:00 a.m.

10. ADJOURN

There being no further business, on motion by Ms. Limbach, seconded by Mr. Sprang, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is Friday, October 23, 2020, at 9:00 a.m.

09.18.2020, km

Approved 10.23.2020