

**SUMMARY OF MINUTES  
BOARD OF DIRECTORS  
MUSKINGUM WATERSHED CONSERVANCY DISTRICT  
Held at the Kent State University Tuscarawas  
October 31, 2014, 9:00 a.m.**

A meeting of the Board of Directors of the Muskingum Watershed Conservancy District was held at the Kent State University Tuscarawas, Science and Technology Center, 330 University Drive NE, New Philadelphia, Ohio, on Friday, October 31, 2014, 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. Horstman, Ms. Limbach, Mr. Maupin, Mr. Parham, and Mr. Pryce.

Present from MWCD staff were Scott Barnhart, Mary Burley, Dan Castellucci, Jim Crandall, Jim Cugliari, Scott Heller, John Hoopingarner, Ted Lozier, Karen Miller, John Olivier, Jim Pringle, Boris Slogar, and Mark Swiger.

Mr. Pryce, 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: Robert Villella (*Canton resident*); Terry Fercana (*Environmental Design Group*); James Dobrozs (*Woolpert*); James Long (*Harrison News-Herald*); and Ken Heigel and Scott Campbell (*Ohio Water Development Authority*).

Members of the MWCD Development Advisory Committee in attendance for all or portions of this meeting were: Joe Gies, Mike Gunther, JoEllen Hayes, Jeff Heacock, Doug McLarnan, Rich Milleson, Joy Padgett, John Prelac, Robert Prince, George Romanoski, and James Schoch.

**3. APPROVAL OF MINUTES**

On motion by Mr. Horstman, seconded by Ms. Limbach, the minutes of the September 26, 2014, meeting of the Board of Directors were approved.

**4. FINANCIAL**

Mr. Cugliari presented the financial report for the period ending September 30, 2014. The total operating revenue is \$13,060,818.00 with operating expenses of \$10,015,794.00, resulting in an excess of revenue over expenses of \$3,045,024.00.

**General Fund**

- Revenues have exceeded budget by 56% in this fund with water sales and interest on investments significantly exceeding budget.
- Expenses are 68.45% of and in line with budget. The Office Building Maintenance and Health Insurance Laser accounts are running significantly higher than 2013.

**Recreation Fund – Parks**

- Total revenues have met and exceeded budget by \$31,000.00 – up 6.28% from 2013.
- Park Vacation Cabins revenue is 94.51% of budget and nearly the same as 2013.
- Park Camping revenue has met and exceeded budget by \$210,000.00 – 6.66% more than in 2013.
- Camper Trailer Storage revenue is 16.48% of budget. The majority of revenue is received during October and November.

- Total expenses are 74.24% of budget and 7.22% ahead of 2013.

**Recreation Fund – Non-Parks**

- Total revenues are 89.80% of budget, ahead of 2013 by 4.35%.
- Both marina leased operations and district operated facilities are in line with revenue projections. The leased Marina Operations Camping is in line with budget but down 23.45% from 2013.
- Expenses are 72% of budget and are in line.

**Recreation Improvement Fund**

- Total expenses are 34.29% of budget and 23.46% less than last year as work continues on improvements to infrastructure and park master plan implementation.

**Maintenance Assessment Fund**

- Collection of the maintenance assessment is complete for 2014 and was \$17,000.00 over the year's budgeted amount. A summary sheet by county on the collections is provided for review.
- Total expenses are 63.18% of budget and 53% higher than 2013. This is due mainly to the cost share with the U.S. Army Corps of Engineers, shoreline protection projects, and water quality monitoring.

Overall, as the third quarter of the year has concluded, district operations have performed pretty well in relation to budget.

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

**5. PAYMENT OF BILLS**

On motion by Mr. Parham, seconded by Mr. Horstman, a report of the payment of bills for the period ending September 30, 2014, was approved as presented.

**6. BUSINESS**

**6.01a LEASE TRANSACTIONS**

On motion by Ms. Limbach, seconded by Mr. Horstman, 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 ANTERO WELL PAD CONSTRUCTION – PIEDMONT**

On motion by Ms. Limbach, seconded by Mr. Parham, an agreement with Antero Resources to allow for removal of a shallow seam of coal in the area of a proposed well pad development, as recommended and set forth in the above memorandum, was approved. On roll call: Mr. Horstman-no; Ms. Limbach-yes; Mr. Maupin-yes; Mr. Parham-yes; and Mr. Pryce-yes.

**6.01c ANTERO ASSIGNMENT TO ECLIPSE – SENECA**

On motion by Mr. Horstman, seconded by Ms. Limbach, assignment of a lease at Seneca Reservoir from Antero Resources to Eclipse Resources, LLP, and Eclipse Resources-Ohio, LLC, as recommended and set forth in the above memorandum, was approved.

**6.01d CLENDENING MARINA**

On motion by Mr. Horstman, seconded by Ms. Limbach, purchase of Clendening Marina along with the required budget revision, as recommended and set forth in the above memorandum, was authorized.

**6.01e AT&T CELLULAR TOWER LEASE – ATWOOD PARK**

On motion by Mr. Parham, seconded by Mr. Horstman, a lease agreement with AT&T for construction of a cellular tower on property located within Atwood Lake Park, as recommended and set forth in the above memorandum, was authorized.

**6.01f TGS GEOPHYSICAL SURVEY – TAPPAN, CLENDENING, AND SENECA**

On motion by Ms. Limbach, seconded by Mr. Horstman, an agreement with TGS – NOPEC Geophysical Company to conduct a geophysical survey across lands and waters at Tappan, Clendening, and Seneca reservoirs, as recommended and set forth in the above memorandum, was approved.

**6.02a 2015 PRELIMINARY BUDGET REVIEW**

Members of the Board were given a copy of the 2015 preliminary budget for review and discussion. In addition, Mr. Cugliari distributed some information detailing the plans for Master Plan implementation.

- Mr. Pryce suggested that it would be helpful to have a three to five year plan for an information technology budget.
- The Board requested that a monthly report be prepared to keep members apprised of the status of the Master Plan. Mr. Slogar responded that this type of reporting is being planned with the assistance of the Program Management Consultant, ms consultants, inc. To date, four work sessions have taken place between ms consultants and MWCD staff.

**6.02b MARINA AUDITS**

On motion by Ms. Limbach, seconded by Mr. Maupin, an agreement with Rea & Associates to conduct audits of three marinas, as recommended and set forth in the above memorandum, was approved.

**6.03a HUMAN RESOURCES SUMMARY**

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

**6.03b CONSERVATION PROGRAM DEVELOPMENT  
AND IMPLEMENTATION - REORGANIZATION**

Mr. Maupin stated concern that there is no plan for a conservation biologist and his opinion for the need to have that type of expertise available on staff. He urged that consideration be given to addition of a position of this nature in the future. He stressed that his intent is not to eliminate any of the proposed positions, but rather point out the need for a conservation biologist.

On motion by Mr. Maupin, seconded by Ms. Limbach, the plan of reorganization of the Conservation Group, as recommended and set forth in the above memorandum, was approved. The suggestion of having expertise in the area of conservation biology will be studied and brought back for consideration at a later date.

**6.03c POSITION DESCRIPTION REVISIONS**

On motion by Ms. Limbach, seconded by Mr. Maupin, revisions to the position descriptions for Park Manager and Assistant Park Manager, as recommended and set forth in the above memorandum, were approved the following modifications under the Summary of Responsibilities...

**PARK MANAGER**

“Directs recreation activities and operations in the park and specific operations such as law enforcement and snow removal in the assigned region surrounding the park,…”

**ASSISTANT PARK MANAGER**

“Assists the Park Manager in directing recreation activities and operations in the park and specific operations such as law enforcement and snow removal in the assigned region surrounding the park,…”

**6.03d PROGRAM COORDINATOR**

On motion by Mr. Parham, seconded by Mr. Horstman, a request to post and fill the position of Program Coordinator, as recommended and set forth in the above memorandum, was approved.

**6.04a PURCHASE OF BOAT DOCKS**

On motion by Ms. Limbach, seconded by Mr. Horstman, purchase of boat docks from American Tower in the amount of \$492,344.00, as recommended and set forth in the above memorandum, was approved.

**6.04b MASTER PLAN IMPLEMENTATION – PROGRAM MANAGEMENT CONSULTANT**

On motion by Mr. Parham, seconded by Mr. Maupin, a contract with ms consultants, inc. in an amount not to exceed \$1,820,000.00 for Program Management Consultant services and to assist in delivery of the Master Plan projects, as recommended and set forth in the above memorandum, was approved with the stipulation that the option to allow the MWCD to terminate the agreement at the end of 2015 be included.

**6.04c PURCHASE OF FIRE RINGS AND PICNIC TABLES**

On motion by Ms. Limbach, seconded by Mr. Parham, purchase of 150 picnic tables and 925 fire rings at total cost of \$163,148.00 from TJ Thomas Mfg., as recommended and set forth in the above memorandum, was approved. An amount of \$51,550.00 was awarded to MWCD through a NatureWorks grant for this purchase.

**6.04d PLEASANT HIL ACTIVITY CENTER – BUILDING IMPROVEMENTS**

At the September 26, 2014, meeting, the Board authorized staff to solicit bids and enter into a construction contract for building improvements at the Pleasant Hill Activity Center.

Sealed bids were received and opened Tuesday, October 7, 2014. The following bids were received:

<b>Company</b>	<b>Total Price Bid</b>
CCI Commercial Construction, LLC	\$225,690.00
Classical Construction, LLC	\$254,000.00
Simonson Construction Services	\$319,480.00

The low bid fell below the engineer’s estimate of \$325,000.00 and has been reviewed and found to be acceptable. Staff has therefore entered into a contract with CCI Commercial Construction, LLC in the amount of \$225,690.00 for this project.

Construction will begin as soon as possible, with a substantial completion date of March 15, 2015.

This memo is provided for informational purposes only. No Board action is needed.

**6.04e SENECA CHESTNUT GROVE – WASTEWATER TREATMENT PLANT IMPROVEMENTS**

On motion by Mr. Parham, seconded by Ms. Limbach, authorization to bid and award a contract for the wastewater treatment plant improvements at Seneca Chestnut Grove Cottage Area, as recommended and set forth in the above memorandum, was granted.

**6.04f SITES LAKE COTTAGE AREA – WASTEWATER TREATMENT PLANT IMPROVEMENTS**

On motion by Mr. Horstman, seconded by Ms. Limbach, authorization to bid and award a contract for the wastewater treatment plant improvements at Sites Lake Cottage Area, as recommended and set forth in the above memorandum, was granted.

**6.04g 2014/2015 SHORELINE STABILIZATION PROJECTS**

On motion by Mr. Horstman, seconded by Ms. Limbach, authorization to bid and award contracts for shoreline stabilization projects, as recommended and set forth in the above memorandum, was granted.

**6.05 DEVELOPMENT ADVISORY COMMITTEE**

On motion by Mr. Horstman, seconded by Mr. Parham, reappointment of Jon Elsasser, Joe Gies, Jeff Heacock, Douglas McLarnan, and James Schoch to three-year terms ending December 31, 2017, and recognition of David White for his service on the Development Advisory Committee, as recommended and set forth in the above memorandum, were approved.

**6.06 OTHER BUSINESS**

There was no other business at this time.

**7. REPORTS**

**7.01 MARINA REPORTS**

Members of the Board received a copy of the Summary of Marina Operations report for the period ending September 30, 2014.

The 2014 boating season is beginning to wind down with boats coming out and docks being moved to winter locations. Overall revenues at our leased marinas are now up 10% from last year. At a recent meeting, Brian Valot, owner of Atwood West and East marinas, stated that 2014 was their best season in six or seven years. Atwood East's restaurant is up over 180% from last year. Total boat, motor and gas sales, and boat rentals continue their growth, rising 18% and 17% respectively, from last year. Keith Ott's Leesville South Fork Marina showed an increase in boat, motor and gas sales of 64%, with overall revenues at the marina up 37%. Revenues at Tappan Marina are still up 39%, with boat, motor and gas sales up 155% and service and storage up 187%.

Looking at MWCD-operated marinas, overall revenues are up 23% at Seneca, and 8% at Piedmont. Both marinas have seen large increases in fuel sales – 34% at Piedmont and 40% at Seneca. Piedmont is currently projected to end the year \$88,000 in revenues over operational expenses, while Seneca is projected to go from a \$35,000 operational loss in 2013, to a net positive of \$28,000 this year.

At a meeting on October 6, Bob Schraedly, current owner of Charles Mill and Pleasant Hill marinas, informed us that he has reached an agreement in principle to sell both facilities to John Yaussy, a long-term employee with an extensive background in the marina industry, both at Charles Mill and Pleasant Hill, and marinas outside the MWCD. Bob will remain involved and be part of the transition process. Following the requirements set forth in “Schedule A” of the Marina Lease, Mr. Yaussy will submit information regarding his background and experience, financial condition, details of the sale, and business plan. We plan on bringing this to the Board in November along with a staff recommendation on the transfer. Both Bob Schraedly and John Yaussy will be in attendance at the November Board meeting.

Construction begins in December on the new restroom/shower building at Clendening.

Construction of the service/repair building at Seneca Lake Marina is going well. The project should be completed in October.

Planning and purchasing is underway for several Master Plan recommended dock replacements and additions, and fuel system improvements at both Piedmont and Seneca marinas.

## **7.02 OWDA/MWCD REVOLVING LOAN FUND REPORT**

Ken Heigel, P.E., Chief Engineer, and Scott Campbell, Chief Operating Officer, of the Ohio Water Development Authority (OWDA) addressed the Board regarding the development of a revolving loan fund to be funded by the MWCD.

In 1968, the Ohio Legislature created OWDA to protect Ohio’s most important natural resource: water. The OWDA provides financial assistance for environmental infrastructure from the sale of municipal revenue bonds through loans to governments in Ohio and from issuance of industrial revenue bonds for qualified projects in Ohio (*from OWDA mission statement*). The OWDA Board of Directors is comprised of 5 members appointed by the Governor and 3 ex-officio members.

Mr. Campbell stated that OWDA has successfully administered funds similar to the revolving loan fund being proposed by MWCD. Their organization rules are filed under the Ohio Revised Code and there are strict guidelines that are followed under each program administered.

Mr. Heigel and Mr. Campbell provided background on the types of projects funded by the OWDA and informed the Board of Directors of the process and procedures involved in establishing the proposed revolving loan fund. OWDA representatives will need to meet with MWCD staff to draft the program guidelines; a trust agreement is currently being reviewed by MWCD legal counsel; action could be taken by the OWDA Board of Directors as early as their January 2015 meeting; and the loan fund could be established by as early as February 2015.

The Board inquired as to the role the MWCD would play in the revolving loan fund program once established. Mr. Heigel responded that there would be very little direct involvement by the MWCD once the guidelines are in place. OWDA would handle all administration of the loan fund.

## **7.03 WATER WITHDRAWALS FOR OIL AND GAS INDUSTRY – 2014**

Mr. Lozier distributed a report entitled “Water Withdrawals for Oil and Gas Industry – 2014” for review. Mr. Maupin suggested that it might be helpful to condense this information to prepare a news release to provide an educational piece for the public’s better understanding of water withdrawals.

**7.04 USGS WATER QUALITY BASELINE**

Mr. Lozier distributed some information relative to a potential water quality baseline proposal that will be presented to the Board at a later date.

**7.05 UPDATE ON 2014 GOALS**

Mr. Hoopingarner provided an update on the 2014 goals as follows:

- 1) Oil and Gas Development
- 2) Master Plan Implementation
- 3) Dredge Program
- 4) Fiscal Management

**7.06 USACE PROJECTS STATUS REPORT**

Mr. Slogar provided an update on U.S. Army Corps of Engineers projects:

- The Dover Dam rehabilitation project is essentially complete and a ribbon cutting ceremony will most likely occur in September 2015.
- Information is available for public review from now until later this year regarding the Zoar Levee project.
- A contract has been let for the Bolivar Dam seepage project.
- Mohawk Dam is currently undergoing an “issue evaluation study” which is being reviewed internally by Corps personnel.
- Beach City Dam is undergoing a process to change its classification which will most likely result in no action being taken at that site.
- Tappan Dam is also being studied with an expectation for completion of that study by 2016.

**7.07 ATWOOD REGIONAL WATER AND SEWER DISTRICT UPDATE**

Mr. Parham reported that the Atwood Regional Water and Sewer District recently received a state award for its exemplary bookkeeping and accounting records. The potential for providing water supply to areas within the Atwood Lake region has been discussed with an outcome of lack of interest in that direction.

**7.08 IMMINENT OR PENDING LITIGATION**

No business at this time.

**8. SUBDISTRICTS**

**8.01 CHIPPEWA SUBDISTRICT – CONSTRUCTION OF ACCESS LANE AT STRUCTURE III-A**

On motion by Ms. Limbach, seconded by Mr. Horstman, solicitation of bids and award of a contract for construction of an access lane and trail at Structure III-a, as recommended and set forth in the above memorandum, was authorized.

**9. EXECUTIVE SESSION**

On motion by , seconded by , the Board of Directors entered into executive session at 12:15 p.m. to discuss matters related to ORC §121.22 (G) (1), employment compensation. On roll call: Mr. Horstman-yes; Ms. Limbach-yes; Mr. Maupin-yes; Mr. Parham-yes; and Mr. Pryce-yes. The executive session ended at 12:40 p.m.

**10. ADJOURN**

There being no further business, on motion by Mr. Maupin, seconded by Mr. Horstman, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is Friday, November 21, 2014, at 9:00 a.m. at The Wilderness Center.

*10.31.2014, km*