

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at the MWCD Annex Building
October 19, 2018, 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, October 19, 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: Mr. Gresh, Ms. Limbach, Mr. Maupin, Mr. Moorehead, and Mr. Sprang.

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

Present from MWCD staff were Scott Barnhart, Adria Bergeron, Jim Crandall, Jim Cugliari, Steve Demuth, Fred Hammon, Scott Heller, John Hoopingartner, Brad Janssen, Chris Mazerowski, Karen Miller, John Olivier, Matt Ott, Jim Pringle, Brian Schupbach, Boris Slogar, Mark Swiger, and Melissa Tylke.

2. INTRODUCTION OF VISITORS AND PUBLIC COMMENT

Also in attendance for all or portions of this meeting were: Chad Amos and Rob Hamilton (*Ohio Department of Agriculture, Division of Soil and Water Conservation*); Jesenia Medina (*DLZ*); Bruce Robinson (*MWCD Development Advisory Committee*); Reid Smucker (*Wooster resident*); and J. D. Long (*Harrison News Herald*).

3. APPROVAL OF MINUTES

On motion by Ms. Limbach, seconded by Mr. Sprang, the minutes of the September 21, 2018, meeting of the Board of Directors were approved.

4. FINANCIAL

Mr. Cugliari presented the financial report for the nine-month period ending September 30, 2018. The total operating revenue is \$19,964,037.00 and operating expenses of \$10,430,279.00, resulting in an excess of revenue over expenses of \$9,533,758.00.

Maintenance Fund

- Total revenues are 64% of budget, down 1% from 2017.
- Total expenses are 61% of budget, up 6% from last year.

Conservation Fund

- Total revenues are 44% of budget, up nearly double from 2017.
- Timber Harvesting revenue is 52% of budget, up 8% from 2017.
- Pine Pulpwood Operations revenue is 71% of budget, up 7% from 2017. It is anticipated that overall, between Timber Harvesting and Pine Pulpwood Operations, that the total revenue budget will be met.
- Total expenses are 56% of budget, down 27% from 2017, primarily in Farm Operations-Sharecrops and Mineral Operations-Gas and Oil line items.

Recreation Fund: Parks

- Total revenues are 89% of budget, up 2% from 2017.
 - Vacation Cabin revenue is 82% of budget and running 2% ahead of 2017.
 - Park Camping revenue is 94% of budget, 3% ahead of 2017. Year-end projection is that Park Camping will be close to meeting budget.
 - General Park is 82% of budget, 14% lower than 2017.
- Total expenses are 69% of budget, 8% ahead of 2017.

Recreation Fund: Non-Parks

- Total revenues are 81% of budget, 12% ahead of 2017. The main area for the 12% increase over 2017 is the District operation of Tappan Marina. By looking at the overall revenue, less the operation of Tappan Marina, we are still seeing a 4% increase from last year.
- Multiple Docks revenue has met and exceeded budget by 2%, up 7% from 2017.
- Total expenses are 75% of budget, up 22% from 2017. Again due, in part, to the operation of Tappan Marina. By removing the Tappan Marina expenses, the overall expense increase is 9.5%.

Recreation Improvement Fund

- Total expenses are 59% of budget, up 77% from 2017, mainly in the Park Master Plan line item.

Maintenance Assessment Fund

- Assessment Fund-Revenue Collection is 83% of budget with most counties reporting the second half settlements. There are five counties yet to report the second half settlement.
- Total expenses are 43% of budget, down 28% from 2017.

Overall, revenues and expenses are in line for the most part with budget expectations as we wrap up much of the recreation season. We continue to manage our investments to allow for proper cashflow to meet the ongoing Park Master Plan contracts.

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

5. PAYMENT OF BILLS

On motion by Ms. Limbach, seconded by Mr. Gresh, the report of the payment of bills for the period ending September 30, 2018, was approved as presented.

6. BUSINESS

6.01a LEASE TRANSACTIONS

On motion by Mr. Maupin, 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 CHARLES MILL MARINA LEASE ADDENDUM

On motion by Mr. Sprang, seconded by Ms. Limbach, an addendum to the lease for Charles Mill Marina to allow for additional off-season boat storage, as recommended and set forth in the above memorandum, was approved.

6.01c CONCESSION AGREEMENT TERMINATION – TAPPAN LAKE MARINA

On motion by Mr. Sprang, seconded by Ms. Limbach, the concession agreement with Dino Pangrazio for operation of the restaurant at Tappan Lake Marina, as recommended and set forth in the above memorandum, was terminated.

6.02a INVOICES PRIOR TO PURCHASE ORDERS

On motion by Mr. Maupin, seconded by Mr. Sprang, 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 PRELIMINARY 2019 BUDGET

Members of the Board received a copy of the preliminary budget (*copy on file*). Mr. Cugliari updated the Board on the status of the preparation of the 2019 budget.

6.03a HUMAN RESOURCES SUMMARY

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

**6.04a CHARLES MILL PARK MAIN CAMPGROUND REDEVELOPMENT PHASE 2
REQUEST TO ADVERTISE AND AWARD**

On motion by Mr. Gresh, seconded by Ms. Limbach, advertisement for bids and award of a contract for the Charles Mill Park Main Campground Redevelopment Phase 2, as recommended and set forth in the above memorandum, was approved.

**6.04b PIEDMONT MARINA AND CAMPGROUND WATER UTILITIES:
BID AND AWARD RESULTS**

At the May 2018 meeting, the Board authorized the bid and award of the Piedmont Marina and Campground Water Distribution and Storage System Improvements.

The engineer’s estimate is \$510,000.00. Sealed bids were received on September 12, 2018, with the following results:

Company	Base Bid	Alternate #1	Alternate #2	Alternate #3
Xpress Underground, Inc., Petersburg	\$528,980.00	\$42,200.00	\$2,400.00	\$(4,650.00)
Tucson Inc., New Philadelphia	\$555,716.00	\$42,200.00	\$2,400.00	\$(8,325.00)

All bids are within 10% of the engineer’s estimated cost of \$510,000.00. The lowest bid was reviewed; references were checked and bid is deemed awardable.

A contract will be executed with Xpress Underground, Inc. in the amount of \$526,730.00 which includes the Alternate No.2 (exterior tank color on the CST tanks) and Alternate No. 3 (a reduction in waterline installation). Substantial completion is scheduled for March 1, 2019. This memo is provided for informational purposes only and no Board action is required.

6.04c 2017/2018 SHORELINE STABILIZATION PROJECTS
FINAL PROJECT ACCOUNTING AND CHANGE ORDER RATIFICATION REQUEST

On motion by Ms. Limbach, seconded by Mr. Maupin, change order amounts for the 2017/2018 shoreline stabilization projects, as recommended and set forth in the above memorandum, were ratified.

6.04d TAPPAN PARK WWTP AND MAIN PUMP STATION: BID AND AWARD RESULTS

At the May 2018 meeting, the Board authorized the bid and award of the Tappan Lake Wastewater Treatment Plant (WWTP) and Main Pump Station project.

The engineer's estimate is \$2,100,000.00. Sealed bids were received on September 11, 2018, with the following results:

Company	Base Bid
Tucson Inc., New Philadelphia	\$2,174,770.00
Stanley Miller, East Sparta	\$2,199,824.00
Border Patrol, Hopedale	\$2,309,000.00

All bids fall within 10% of the engineer's estimated cost. The lowest bid was reviewed; references were checked and the bid by Tucson, Inc., is deemed to be awardable.

A contract will be executed with Tucson Inc. in the amount of \$2,174,770.00. Substantial completion for the project is scheduled for April 1, 2019. This memo is provided for informational purposes only and no Board action is required.

6.04e INTERNET SERVICE UPGRADES – PARK AND MARINA OFFICES

On motion by Mr. Sprang, seconded by Ms. Limbach, broadband internet services upgrade for park and marina offices, as recommended and set forth in the above memorandum, was authorized.

6.05 PROPOSED RATES FOR 2019

On motion by Mr. Gresh, seconded by Ms. Limbach, the proposed park, marina, and docking decal rates for 2019, as recommended and set forth in the above memorandum, were approved.

6.06 COOPERATIVE WORK AGREEMENT: OHIO DEPARTMENT OF AGRICULTURE,
DIVISION OF SOIL AND WATER CONSERVATION

On motion by Mr. Sprang, seconded by Mr. Gresh, a cooperative work agreement with the ODA Division of Soil and Water Conservation, as recommended and set forth in the above memorandum, was approved.

**6.07 MEMORANDUM OF UNDERSTANDING
OHIO UNIVERSITY VOINOVICH SCHOOL OF LEADERSHIP AND PUBLIC AFFAIRS**

On motion by Ms. Limbach, seconded by Mr. Gresh, a memorandum of understanding with the Ohio University Voinovich School of Leadership and Public Affairs, as recommended and set forth in the above memorandum, was approved.

6.08 USGS WATER MONITORING GAGES – ANNUAL OPERATION AND MAINTENANCE CONTRACTS

On motion by Ms. Limbach, seconded by Mr. Gresh, execution of joint funding agreements with USGS to maintain gaging networks within the watershed, as recommended and set forth in the above memorandum, was approved.

OTHER BUSINESS

Mr. Hoopingarner informed the Board that Fred Hammon officially retired on October 15. Mr. Hammon previously enjoyed a long career that included time with the Ohio Department of Natural Resources. The Board thanked Mr. Hammon for continuing his natural resources work through employment with the MWCD.

Mr. Hoopingarner reminded the Board of the agreement with the Carroll County Commissioners regarding the Atwood Lodge property and the ownership of the surrounding area returning to the MWCD. There was an agreement with the Commissioners that MWCD would provide funding assistance for a project which would improve water quality in Atwood Lake. However, plans for that project fell through. The Commissioners have now requested that MWCD consider participation in the amount of \$300,000 for a \$1.9 million proposed project. MWCD representatives, including legal counsel, have reviewed the initial correspondence and consider this as a “new” request. The financial commitment for the original project was approximately \$450,000. On motion by Mr. Sprang, seconded by Mr. Maupin, staff was directed to work with the Carroll County Commissioners to review and make a recommendation regarding the new request.

7. REPORTS

7.01 DEATH AT SENECA LAKE

On September 11, 2018, at approximately 9:00 a.m., Seneca Lake Rangers received a call for assistance on campsite 94 at Marina Point Campground. A neighbor became concerned that they had not seen Freda McCord that morning and went to her campsite to check on her and saw her lying on the floor.

The victim, 71-year-old Freda McCord, was found lying on the floor in front of her couch and was pronounced dead at the scene.

The Guernsey County Coroner ruled the cause of death as unknown-natural due to hypertension.

7.02 UTICA ROYALTY REVENUE REPORT

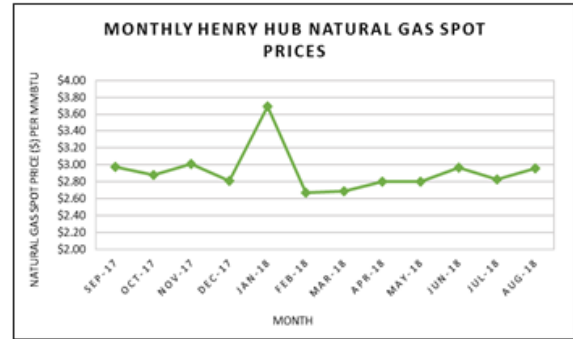
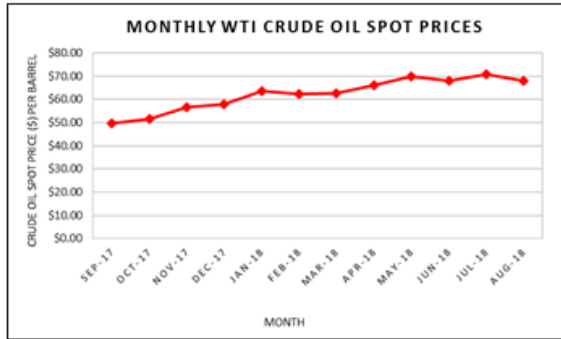
Utica royalty revenue is currently generated by 67 producing wells at Clendening, Seneca, and Leesville Reservoirs. A breakdown of the currently producing wells by operator and reservoir, along with the monthly royalty revenue can be seen on the attached page.

The monthly Utica royalty revenue decreased 10% month-over-month with total revenue from August 2018 (\$758,635.59) to September 2018 (\$682,804.32).

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

- The WTI Crude Oil Spot Price² for August 2018: \$68.06 per barrel

- The Henry Hub Natural Gas Spot Price for August 2018: \$2.96 per MMBTU



¹ The U.S. Energy Information Administration Prices Reports¹ (August 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 CM APPLESEED PROPERTY UPDATE

Members of the Board each received a copy of report (*copy on file*) entitled “The MWCD Amphitheater Future Development Options,” as prepared by the Southeastern Theatre Conference, Inc. Michael Hardy of Southeastern Theatre Conference presented information via a conference call.

7.04 MASTER PLAN UPDATE

Mr. Slogar distributed and reviewed a Park Master Plan status report.

Program Status

Detailed design continues for the following projects:

- **Charles Mill:** Campground Redevelopment Phase 2
- **Pleasant Hill:** Campground Redevelopment Phase 2
- **Seneca:** Marina Point Campground Phase I

Individual Projects Status

- **Atwood Main Campground Improvements – Phase I:** The event parking area and new dump station are complete and in service. Underground utilities are nearly complete. Approximately 75% of concrete campsite pads are completed. Asphalt paving is underway and landscaping is 50% complete. Painting and interior finishes are underway on restroom building. The project will provide 106 full-hookup RV campsites,

a restroom/shower building and 2 shelters with playgrounds. 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 and water tower. Sewer and water line installation is complete. Work is wrapping up on the water treatment plant. Startups for the facilities will be taking place later this month. The project consists of a new 25,000 gallon-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 has completed the installation of new utilities within the redevelopment area. Gravel pad construction is complete and paving has begun on the roadways. Landscaping is underway around the campsites. 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:** Grading for CXT/patio has been completed and concrete forms are in place. Concrete for CXT sidewalk/patio, apron repairs, and bollard fill was set for October 17. Landscaping to be completed this week (weather permitting and pending response to tree replacement substitution RFI). Topsoil tilling/seeding to be performed this week (weather permitting). Fence along stream bank to be installed early next week. Surface asphalt tentatively scheduled for end of next week.
- **Piedmont Water Storage and Distribution Improvements:** Notice to proceed was given to Xpress Underground Inc. on October 15. The project includes a new 20,000-gallon water storage tank located at the top of a hill near the marina entrance with new water distribution lines linking the storage tank and the campground. There will also be new raw water collection lines for the two water supply wells connecting to the new treatment building. Substantial Completion for project is scheduled for March, 2019.
- **Pleasant Hill Seasonal Campground Redevelopment – Phase I:** Shrock Custom Premier Construction has completed renovations on the restroom/shower building. All underground utilities are installed and concrete campsite pads and asphalt paving are complete. Landscaping work is nearly complete. The project will provide 38 full-hookup RV campsites. Substantial completion for the campground is scheduled for November.
- **Pleasant Hill Cabin Roadway & Infrastructure Improvements:** Sanitary sewer and waterline installation is complete. Underground electrical installations are 75% complete. 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 November.
- **Pleasant Hill Cabins Phase 1:** The project is being rebid following a value engineering (VE) process. Cabin construction scheduled for completion in the first quarter of FY20.
- **Seneca Lake Parkside Central and Woodlands Campgrounds:** Cast & Baker Corporation is pouring the remaining concrete RV pads and performing landscaping. Two CXT restrooms were installed earlier this month. Work continues on the shower house and picnic pavilions. The project will be substantially completed by the end of November.
- **Tappan Lake Park Campground Renovation – Phase I:** All utilities have been installed. French drain installation continues in the upper portion of the project. Approximately half of the 74 camper pads have been poured. The main roadway base needs to be placed. The CXT restroom has been delayed due to CXT company design issues. The project is approximately 80% complete and is behind schedule.
- **Tappan Waste Water Treatment Plant:** Notice to proceed was given to Tucson Inc. October 8. The project includes a septic receiving dump station and screening, lagoon repair, side stabilization with new lining and

level control, along with a pre-fabricated building and associated equipment housing improvements. Site work will include fencing, grading, access drive, seeding and mulching of all disturbed areas and electrical power improvements including a backup generator. The existing pump station will also be replaced which pumps all wastewater from the park to the WWTP. Substantial completion is scheduled for April FY19.

Reservoir Dredging and Shoreline Stabilization (Ongoing)

Dredging Program

- **Seneca Lake:** Dredging has continued throughout the summer near the Hickory Grove cottage area, and will be moving soon to the Locust Lane and Bass Lane areas. This initial phase of dredging work will be completed by the end of November before water levels recede for the winter drawdown. 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:** This project is currently out to bid, with bids scheduled to be opened on October 30, 2018. Construction of this 1,500-ft project is expected to begin before the end of the year.

7.05 USACE PROJECTS STATUS REPORT

Mohawk Dam and Zoar Levee Projects

- Project Partnership Agreements and other necessary documents are being drafted by USACE and will be submitted to MWCD soon for review.
- Senior staff met with USACE in Huntington October 4 for a partnering meeting. Mohawk and Zoar projects were discussed and MWCD non-federal cost share estimates were provided.

Tappan Dam

- USACE Dam Safety Oversight Group reclassified Tappan Dam from DSAC 2 to DSAC 4. Minor modifications to the relief well system and relief well maintenance plan are under design.

Bolivar Dam

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

Dover Dam

- USACE staff are investigating potential impacts, if any, related to potentially raising outflow from Dover Dam.

7.06 IMMEDIATE OR PENDING LITIGATION

No report.

8. SUBDISTRICTS

8.01 PAYMENT OF BILLS – CHIPPEWA SUBDISTRICT

On motion by Mr. Maupin, seconded by Mr. Sprang, the report of the payment of bills for the period ending September 30, 2018, for the Chippewa Subdistrict, was approved as presented.

9. EXECUTIVE SESSION

No executive session was held.

10. ADJOURN

There being no further business, on motion by Ms. Limbach, seconded by Mr. Maupin, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is Friday, November 16, 2018, at 9:00 a.m. at the MWCD Annex Building.

10.19.2018,km

Approved 11.16.2018