

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at the MWCD Main Office via Teleconference
November 20, 2020, 9:00 a.m.**

A meeting of the Board of Directors of the Muskingum Watershed Conservancy District was held via Teleconference on Friday, November 20, 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, November 19, 2020. Members of the public were also advised that comments would not be accepted after 5:00 p.m., November 19. 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, Mary Burley, Craig Butler, Jim Crandall, Jim Cugliari, Steve Demuth, Wendy Derr, Scott Heller, Brad Janssen, David Lautenschleger, Michael Mahaffey, Dean Mallett, Ryan McCleaster, Anna Miller, Tricia Miller, Jonathan Mizer, Becky Oakes, Jim Pringle, Eric Stechschulte, Mark Swiger, Shawn Tharp, Matt Thomas, Melissa Tylke, Nate Wilson, 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*); and Sean Logan (*Woolpert*).

3. APPROVAL OF MINUTES

On motion by Ms. Limbach, seconded by Mr. Sprang, the minutes of the October 23, 2020, meeting of the Board of Directors were approved.

4. FINANCIAL

The financial report for the for the ten-month period ending October 31, 2020. The Total Base Operating Income is \$6,829,640 compared to \$15,870,086 in 2019.

Total Operating Revenue is \$20,311,571 or 97% of the revised budget and 31% less than 2019, mainly due to Oil & Gas Utica Shale. Please keep in mind that these budget amounts reflect the adjustments made at the September Board meeting as a result of COVID-19. The original operating revenue budget for reference was \$24,019,976.

OPERATING REVENUE

- Conservation revenue exceeded budget by 7% as a direct result of the Use of Water Assets line item for the water sales to the oil and gas industry. The other line items in this area are currently lower than the budget but we anticipate being close to meeting budget.
- Parks revenue is 1% over the revised budget and 17% ahead of 2019 which equates to over \$1mm.
- Non-Park revenue is 97% of the revised budget and 8% ahead of 2019 which equates to more than \$400k.

OPERATING EXPENSES

- Total Operating Expenses are 77% of budget and remain flat from 2019. Overall expenditure controls put in place earlier in the year have been an integral part of keeping expenses at this level.

Total Capital Improvement and Master Plan expenses are 65% and 79% respectively of budget with master plan on pace to expend most of the budget.

Maintenance Assessment Fund revenues are in line with budget as the variance is due to a grant for a shoreline project not received yet.

Expenses are at 50% of budget and 19% ahead of 2019. The main variances to budget are the Dam Safety Upgrades line item where it is anticipated that the USACE will not be requesting further funding in 2020 and the Sediment Removal line item is running behind budget.

As stated in previous months, the overall financial performance of the Conservancy District has been exceptional considering the many challenges faced in 2020. It is hopeful to continue streamlining expenses the balance of the year and to finish strong.

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

5. PAYMENT OF BILLS

On motion by Ms. Limbach, seconded by Mr. Moorehead, the report of the payment of bills for the period ending October 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.

6.02a 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 PROPOSED RATES FOR 2021

On motion by Ms. Limbach, seconded by Mr. Maupin, proposed rates for the 2021 season for parks, marinas, and docking decals, as recommended and set forth in the above memorandum, were approved as presented.

6.02c LAND AND WATER CONSERVATION FUND GRANT

On motion by Mr. Sprang, seconded by Ms. Limbach, a Resolution of Authorization to proceed with filing of a grant application with the ODNR through the Federal Land and Water Conservation Fund for the development of improvements at the boat launch ramp at Piedmont Lake, as recommended and set in the above memorandum, was adopted.

6.02d 2021 PROPOSED BUDGET

On motion by Mr. Sprang, seconded by Mr. Moorehead, the proposed budget for 2021, as recommended and set in the above memorandum, was approved.

6.02e DEEP SHALE ROYALTY REVENUE DISTRIBUTION

On motion by Ms. Limbach, seconded by Mr. Maupin, a proposed schedule of distribution of 2021 revenue from deep shale royalties, as recommended and set forth in the above memorandum, was approved.

6.02f CLEAN OHIO GRANT: CHARLES MILL SHORELINE PROJECT

On motion by Ms. Limbach, seconded by Mr. Sprang, a resolution of authorization to apply for Clean Ohio grant funding for a shoreline project at Charles Mill, as recommended and set in the above memorandum, was adopted.

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 PERSONNEL POLICY REVISIONS – SECTION 200 “EMPLOYMENT”

On motion by Mr. Sprang, seconded by Ms. Limbach, proposed revisions to Personnel Policies 201, 202, and 203, as recommended and set forth in the above memorandum, were adopted.

6.03c PERSONNEL POLICY REVISIONS – HIRING OF PERSONNEL; JOB POSTING

On motion by Mr. Maupin, seconded by Mr. Moorehead, proposed revisions to Personnel Policies 206 and 209, as recommended and set forth in the above memorandum, were approved.

6.03d FOP COLLECTIVE BARGAINING AGREEMENT

This matter was discussed in Executive Session. No action taken.

6.03e WAGE ADJUSTMENTS - 2021

This matter was discussed in Executive Session. The following action was taken in open session:

On motion by Ms. Limbach, seconded by Mr. Maupin, a two percent (2%) increase for eligible non-bargaining unit full-time and part-time employees who are not employed under an employment contract, effective on the first pay date in January 2021, was approved.

On motion by Ms. Limbach, seconded by Mr. Maupin, a two percent (2%) increase for the salary amounts contained in the non-executive employment contracts, effective on the first pay date in January 2021, was approved.

On motion by Mr. Maupin, seconded by Mr. Moorehead, an increase in the amount of \$1,500 added to the salary amounts contained in the executive employment contracts, effective on the first pay date in January 2021, was approved.

6.04a ATWOOD AREA 4 RESTROOM IMPROVEMENTS

On motion by Ms. Limbach, seconded by Mr. Maupin, change orders for the Atwood Park restroom improvement project, as recommended and set forth in the above memorandum, were ratified.

6.04b ATWOOD CEMETERY BAY CONNECTOR TRAIL

On motion by Mr. Maupin, seconded by Mr. Moorehead, bid and award of the proposed Atwood Lake Cemetery Bay Connector Trail project, as recommended and set forth in the above memorandum, were authorized.

6.04c LEESVILLE NORTH FORK MARINA FUEL SYSTEM UPGRADE

On motion by Ms. Limbach, seconded by Mr. Sprang, bid and award of the proposed Leesville North Fork Marina Fuel System upgrade project, as recommended and set forth in the above memorandum, were authorized.

6.04d PLEASANT HILL CABINS PHASE 1 PROJECT

On motion by Ms. Limbach, seconded by Mr. Moorehead, change orders for the Pleasant Hill Cabins Phase 1 project, as recommended and set forth in the above memorandum, were ratified.

6.04e PLEASANT HILL MAIN CAMPGROUND PHASE 2 PROJECT

On motion by Mr. Sprang, seconded by Mr. Moorehead, change orders for the Pleasant Hill Main Campground Phase 2 project, as recommended and set forth in the above memorandum, were ratified.

6.04f PIEDMONT WATER STORAGE AND DISTRIBUTION SYSTEM PROJECT

On motion by Ms. Limbach, seconded by Mr. Moorehead, change orders for the Piedmont Water Storage and Distribution System project, as recommended and set forth in the above memorandum, were ratified.

6.04g SENECA DMRA DAM GEOTECHNICAL TESTING CONTRACT

On motion by Mr. Sprang, seconded by Mr. Moorehead, additional costs for the Seneca DMRA Dam Geotechnical Testing contract, as recommended and set forth in the above memorandum, were authorized.

6.05 DEVELOPMENT ADVISORY COMMITTEE APPOINTMENT

On motion by Ms. Limbach, seconded by Mr. Sprang, a resolution of recognition for DAC members Joe Gies and James Schoch, as recommended and set forth in the above memorandum, was adopted.

On motion by Ms. Limbach, seconded by Mr. Sprang, appointment of Karl R Gebhardt to the DAC, as recommended and set forth in the above memorandum, was approved.

6.06 PARTNERS IN WATERSHED MANAGEMENT GRANT PROGRAM – 2020/2021 RECOMMENDATIONS

On motion by Mr. Moorehead, seconded by Mr. Sprang, funding for ten (10) applications for PWM funding, as recommended and set forth in the above memorandum, was approved.

6.07 SCHEDULE OF BOARD MEETINGS FOR 2021

On motion by Ms. Limbach, seconded by Mr. Sprang, a proposed schedule for Board of Directors meetings in 2021, as recommended and set forth in the above memorandum, was approved.

6.08 OTHER BUSINESS

Mr. Butler provided the following information:

- Beginning November 23, 2020, there will be an effort to limit the number of people in office facilities through December 18. Employees who have the capability of telecommuting will be encouraged to do so when possible.
- Provided information from Great Lakes GrowthWorks regarding the recent training session held with members of the Board.
- Reported that negotiations are ongoing for the disposition of the Johnny Appleseed property at Charles Mill.
- A meeting of the MWCD Board of Appraisers will be scheduled in December.
- Ohio Parks and Recreation Association (OPRA) has announced its 2020 Annual Awards of Excellence winners and locally, the Muskingum Watershed Conservancy District (MWCD) won a first place award in the Natural Resources and Conservation category for the Tuscarawas River Water Trail project.
- MWCD has submitted a final application and is awaiting the Ohio Collaborative Law Enforcement certification from the Ohio Collaborative Community-Police Advisory Board.
- Staff is working on a business continuity plan and disaster recovery plan for finance/IT, as well as overall operations of MWCD.
- The Auditor of State will be providing a performance assessment of fleet vehicles for MWCD.
- Work continues with the Ohio Water Development Authority relative to a funding proposal to provide funds to lower low interest loans for communities within MWCD to improve/install wastewater treatment capacity.
- Extended congratulations to Jonathan Mizer on his appointment as Chief Counsel, replacing Jim Pringle upon his December 31, 2020, retirement.

7. REPORTS

7.01 CONSERVATION REPORT

Conservation collected roughly 300 tires throughout the 2020 year at several MWCD properties. Thanks to Rick Gump and his crew, they could deliver 4.85 tons of tires to Liberty Tire Recycling in Minerva, Ohio. This recycling project was completed thanks to recycling permits granted to MWCD from the Stark-Tuscarawas-Wayne Recycling District.

Conservation staff attended the 49th annual Water Management Association of Ohio (WMAO) conference. This year's theme was "Clean, Safe Water." The conference was held virtually this year during the first week of November. A wide variety of speakers/presentations were offered over the four-day period. Topics included: water resources, floodplain management, lake management, rivers symposium, asset management, agriculture, dam safety, drinking water, stormwater, and water education. The conference also included a student research poster presentation session, along with the awards ceremony at the WMAO annual meeting on the last day. Staff plans to follow-up to discuss key point take-aways and how we can incorporate/synergize with our organization.

We had another water quality victory in October when the conventional oil/gas well located on the recently acquired property at Tappan was plugged and abandoned. This well, which was drilled in 1980's produced up until recently. The plugging operation went well, with plugging oversight by ODNR. MWCD staff worked in conjunction with the plugging Operator with regards to the reclamation efforts. This is the first of multiple restoration opportunities for this property, to clean-up and enhance the water quality flowing into Tappan Lake, and eliminate a source water threat just upstream from the water intake for the Village of Cadiz.

MWCD staff attended a meeting in late October hosted by the Buckeye Trail Association (BTA) at Tappan Lake. The intent of the meeting was to meet the BTA AmeriCorps sponsored trail crew. The crew of 6, in conjunction with oversight from BTA, was able to rehabilitate 44 miles of the Buckeye Trail over a 6-week period. The trail rehabilitation took place in the Tappan-Clendening region, and encompassed several miles of the trail on MWCD properties. Along with the crew, MWCD and BTA Executive Directors and staff, a local State Representative and a State Senator were in attendance.

7.02 UTICA ROYALTY REVENUE REPORT

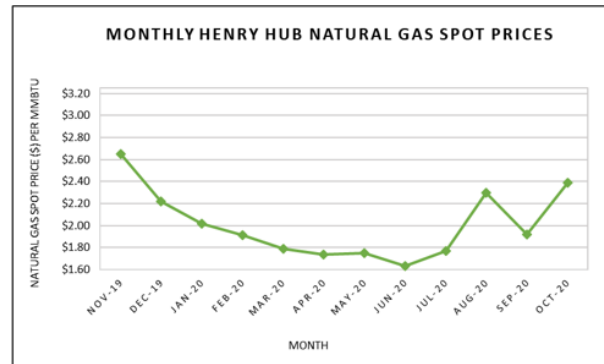
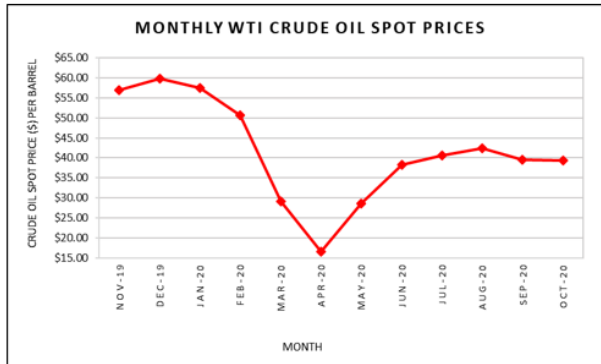
Utica royalty revenue is currently generated by 94 producing wells at Clendening, Seneca and Leesville Reservoirs. A breakdown of the monthly royalty revenue can be seen on the attached page.

Utica royalties for October 2020 totaled \$511,963.56 which was a 36% increase in month-over-month revenue from September 2020 \$376,923.21.

Note: *Gulfport Energy brought two (2) new wells into production at Clendening Lake which was the key factor for the large increase in Royalties from the previous month. The number of producing Utica wells increased from Ninety-two (92) to Ninety-Four (94).*

The U.S. Energy Information Administration Prices Reports¹:

- The WTI Crude Oil Spot Price² for Oct 2020: \$ 39.40 per barrel
- The Henry Hub Natural Gas Spot Price for Oct 2020: \$ 2.39 per MMBT



7.03 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 Lake Main Campground Improvements Phase 2:** Tucson Inc. has completed all utility installations, concrete pads, picnic shelter, and asphalt paving in the campground. Landscaping and shower house renovations are nearly 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 November 2020.
- **Charles Mill Lake Park Main Campground Redevelopment Phase 3:** Lockhart Concrete is currently working on finish grading and restroom construction. All RV pads have been poured and all paving is complete. 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 November 2020.
- **Piedmont Water Treatment Plant and SCADA:** Plant start-up has taken place and we are expecting the SCADA subcontractor to program the system soon. Border Patrol is waiting on new pump controllers to fill the tank. Substantial completion is scheduled for December 2020.
- **Pleasant Hill Campground Area G:** Shrock Premier Custom Construction has completed all utility installations, concrete pads, the picnic shelter, and asphalt paving in the campground. Landscaping work is nearly complete. Shower house renovations are approximately 85% complete. 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 December 2020.
- **Seneca Lake Marina Point Campground Redevelopment Phase 2:** Tucson is working on finish grading, topsoil, light pole installation, shower house and restroom construction. Paving has been completed. All concrete RV pads have been poured. 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:** Underground plumbing in the lower level is being installed. Existing window openings are being filled in. Footer piers have been poured. Substantial completion is June 2021.
- **Tappan Marina Sanitary Sewer and WWTP Improvements:** Wastewater treatment plant tank installation is completed. Construction of sanitary lift station and piping to serve the marina is underway. Substantial completion is April 2021.

DREDGING AND SHORELINE (ONGOING)

Dredging Program

- **Seneca Lake:** Construction of the peninsula settling basin is now complete, and we are waiting to receive ODNR approval to begin pumping dredged material into the basin. Since very little dredging will be completed this fall, substantial completion for the dredging work is now expected late spring / early summer 2021.
- **Atwood Lake – North Shore Cottage Area:** Design is complete for dredging of approximately 4,000 cubic yards by the MWCD Heavy Equipment Crew during this winter’s drawdown.

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:** This project is complete, and we are working on final project closeout.
- **Pleasant Hill Loudonville Wildlife Club Area:** Project has been awarded to Mark Haynes Construction, and construction is expected to begin in December.
- **Seneca Lake – Churchman Point Phase 2:** Bids were opened on November 10 and are still under review. Construction is expected to begin late December or early January.
- **Atwood Lake - North Shore Cottage Area:** Design is complete for this project near the entrance to the bay at Marina West. The project will be constructed by the MWCD Heavy Equipment Crew.

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

- No significant changes have occurred in the past month.

7.04 RECREATION REPORT

Mr. McCleaster informed the Board that the Recreation Group will be reviewing and evaluating Phase II Master Plan amenities and programs for 2021. In addition, operational audits will be conducted.

7.05 MARKETING/COMMUNICATIONS REPORT

Ms. Bergeron informed the Board that the website redesign is ongoing. A fall issue of *Lake Views* is being prepared.

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 October 31, 2020, for the Chippewa Subdistrict, was approved as presented.

8.02 CHIPPEWA SUBDISTRICT – 2021 BUDGET

On motion by Ms. Limbach, seconded by Mr. Moorehead, the proposed 2021 budget 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 12:21 p.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 1:08 p.m.

10. ADJOURN

There being no further business, on motion by Mr. Maupin, seconded by Ms. Limbach, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is Friday, December 18, 2020, at 9:00 a.m.

11.24.2020, am/km
Approved 12.18.2020