

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at the New Philadelphia City Council Chambers
December 19, 2014, 9:00 a.m.**

A meeting of the Board of Directors of the Muskingum Watershed Conservancy District was held at the New Philadelphia City Council Chambers, 150 East High Avenue, New Philadelphia, Ohio, on Friday, December 19, 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, Jim Crandall, Jim Cugliari, Scott Heller, John Hoopingarner, Ted Lozier, Karen Miller, Aaron Peck, 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: Boris Goldstyn (*KeyBanc Capital*); Robert Villella (*Harrison News Herald*); Sean Logan and Mike Battles (*Woolpert*); Doug McClarnan (*member of the MWCD Development Advisory Committee and representing the Ohio Waterways Safety Council*) and Nancy Parham.

Mr. McClarnan addressed the Board on behalf of the Ohio Waterways Safety Council. This group is planning to meet at an MWCD facility (location to be determined) on June 17, 2015. The Waterways Safety Council is a five-member citizen advisory council which provides input on boating issues to the ODNR Division of Watercraft. Mr. McClarnan reported the marina standards recently adopted by the MWCD is of interest to this group.

3. APPROVAL OF MINUTES

On motion by Ms. Limbach, seconded by Mr. Parham, the minutes of the November 21, 2014, meeting of the Board of Directors were approved.

4. FINANCIAL

Mr. Cugliari presented the financial report for the period ending November 30, 2014. Attached is the financial report for the period ending November 30, 2014. The total operating revenue is \$22,266,443.00, with operating expenses of \$12,087,761.00, resulting in an excess of revenue over expenses of \$10,178,682.00.

General Fund

- Overall, expenses are at 80.83% of budget and continue to be in line with budget.

Conservation Fund

- Farm Operations – Sharecrops revenue is 53.91% of budget. As has been discussed during the course of the year, actual revenue will be down from budget as a result of spring flooding. It is anticipated that there will be a shortfall of \$135,000.00 compared to budget.
- Mineral Operations – Gas and Oil Royalties is nearly double the projected budget. For the month \$800,377.00 was received from the Antero Lease at Seneca Reservoir.
- Expenses are 63.68% of budget and 31.72% ahead of 2013.

Recreation Fund- Parks

- Total park revenues have met and exceeded budget by 6% and are running 5.81% ahead of 2013.
- Expenses are 91% of budget at this point and running 9% ahead of 2013.

Recreation Fund – Non Parks

- Total revenues have met and exceeded budget in this area and is 4.21% more than 2013.
- Nearly all revenue categories have met and exceeded budget in this section.
- Expenses are 84.25% of budget and 5.36% less than 2013.

Recreation Improvement Fund

- Total expenses are 41.32% of budget and 28.62% less than 2013.

Maintenance Assessment Fund

- Total expenses are 69.44% of budget and 62% more than 2013.
- The major areas of expenses are the dam safety upgrades, the PWM program, sediment removal, shoreline protection and water quality monitoring.

At the close of 2014, many of the revenue line items met and exceeded budget, while expenses were held in check. In 2015, great emphasis will be put on implementation of the Park Master Plan and continuing to work on the infrastructure of the District. The other area of high importance will be the dredging scheduled at Tappan Reservoir.

On motion by Mr. Maupin, seconded by Mr. Horstman, the financial report was accepted as presented.

5. PAYMENT OF BILLS

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

6. BUSINESS

6.01a LEASE TRANSACTIONS

On motion by Mr. Parham, seconded by Ms. Limbach, 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 SHORT-TERM WATER SUPPLY AGREEMENT – PIEDMONT

On motion by Ms. Limbach, seconded by Mr. Maupin, a short-term water supply agreement with Antero Resources Appalachia Corporation for water from Piedmont Reservoir, as recommended and set forth in the above memorandum, was approved.

Mr. Hoopingarner informed the Board that the access road to this well site is along Reynolds Road and Reynolds Road Cottage Area. One of the residents of that cottage area, Ms. Thornhill, has expressed concern about gas and oil operations and related activities (fracking) on MWCD property. Mr. Hoopingarner has been in contact with Ms. Thornhill recently to discuss conditions of the Reynolds Road that have occurred due to recent increases in traffic.

6.01c DOMINION EAST OHIO PIPELINE – TAPPAN

On motion by Mr. Parham, seconded by Mr. Horstman, execution of an agreement with Dominion East Ohio for a pipeline installation at Tappan Reservoir, as recommended and set forth in the above

memorandum, was authorized. The Board of Appraisers reviewed and approved this matter at their meeting on December 17, 2014. Mr. Hoopingarner commended Mr. Swiger for his efforts in negotiating this agreement with Dominion East Ohio.

6.01d EASEMENT – VILLAGE OF MIFFLIN WWTP

On motion by Ms. Limbach, seconded by Mr. Horstman, permission to negotiate a lease with the Village of Mifflin for property to be used for a wastewater treatment plan and associated appurtenances, as recommended and set forth in the above memorandum, was granted.

6.02a CLENDENING MARINA BUDGET – 2015

On motion Ms. Limbach, seconded by Mr. Horstman, the proposed budget for 2015 for Clendening Marina, staffing plan, position descriptions and filling of same, as recommended and set forth in the above memorandum, were approved.

6.02b INVESTMENT PORTFOLIO REVIEW

Boris Goldstyn, KeyBanc Capital, presented a review of the MWCD investment portfolio.

6.03a HUMAN RESOURCES SUMMARY

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

6.03b WAGE ADJUSTMENTS FOR 2015

Mr. Hoopingarner and Mr. Cugliari presented information regarding salary budget projections as produced by the Society for Human Resource Management. Following discussion, on motion by Ms. Limbach, seconded by Mr. Maupin, a wage adjustment for MWCD non-bargaining unit full-time employees, including contracted employees, in the amount of 3.75%, was proposed; on motion by Mr. Parham, seconded by Mr. Horstman, an amendment to change the original motion to 4% was made.

On roll call for the amendment: Mr. Horstman-yes; Ms. Limbach-yes; Mr. Maupin-yes; Mr. Parham-yes; and Mr. Pryce-yes.

On roll call for the 4% wage adjustment for MWCD non-bargaining unit full-time employees: Mr. Horstman-yes; Ms. Limbach-yes; Mr. Maupin-yes; Mr. Parham-yes; and Mr. Pryce-yes.

6.04a 2014-2015 SHORELINE STABILIZATION PROJECTS

Bids were recently received for three shoreline stabilization projects at Seneca Lake, Tappan Lake, and Atwood Lake. These projects were presented at the October Board meeting at which time authorization was granted to enter into contracts with the lowest, most responsive and responsible bidders. The following is a summary of the bids received (successful bidders are highlighted in yellow).

COMPANY	TOTAL BID PRICE
Tappan Lake/Atwood Lake Shoreline Stabilization Projects (5)	
Engineer's Estimate: \$324,340.00	
Tucson, Inc., New Philadelphia	\$253,703.50
RBS General Contracting LLC, Massillon	\$305,878.35
Stanley Miller Construction Co., East Sparta	\$311,003.00
Glen O. Hawbaker, New Philadelphia	\$312,873.75
Mark Haynes Construction, Norwalk	\$322,330.52
VIP Construction Company, Canton	\$324,101.00
Atwood Lake Area 3 Campground Slip Remediation Projects (2)	
Engineer's Estimate: \$522,000.00	
Glen O. Hawbaker, New Philadelphia	\$444,729.00
Tucson, Inc., New Philadelphia	\$457,000.00
Stanley Miller Construction, East Sparta	\$462,562.00
Mark Haynes Construction, Norwalk	\$513,500.00
Seneca Lake Shoreline Stabilization Projects (2)	
Engineer's Estimate: \$298,646.00	
Mark Haynes Construction, Norwalk	\$248,282.00
Crossroads Construction Inc., Cambridge	\$256,150.00
Stanley Miller Construction Co., East Sparta	\$266,070.00
Tucson, Inc., New Philadelphia	\$271,430.00
Glen O. Hawbaker, New Philadelphia	\$294,205.00
VIP Construction Company, Canton	\$307,465.50
Graham County Land Company, Robbinsville, NC	\$362,810.00

This memo is for informational purposes only and requires no action from the Board at this time.

6.04b MASTER PLAN IMPLEMENTATION – AERIAL MAPPING

On motion by Mr. Parham, seconded by Mr. Horstman, a contract with Kucera International of Willoughby, Ohio, in the amount of \$108,000.00 to provide design level topographic mapping and aerial imagery for implementation of projects as part of the Master Plan, as recommended and set forth in the above memorandum, was authorized.

6.04c ATWOOD LAKE PARK WELCOME CENTER

On motion by Mr. Horstman, seconded by Ms. Limbach, staff was authorized to advertise for bids for the Atwood Lake Park welcome center project, as recommended and set forth in the above memorandum.

6.04d CM-95 STORM SEWER

On motion by Ms. Limbach, seconded by Mr. Horstman, staff was authorized to advertise for bids for a storm sewer project in the Charles Mill Mifflin Ferndale Cottage Area, as recommended and set forth in the above memorandum.

6.04e SITES LAKE COTTAGE AREA – WASTEWATER TREATMENT PLAN IMPROVEMENTS

At the October 31, 2014 meeting, the Board authorized staff to solicit bids and enter into a construction contract for the sand media replacement in the existing surface sand filters at the Sites Lake Wastewater Treatment Plant.

Sealed bids were received and opened Tuesday, November 25, 2014. The following bids were received:

Company	Total Price Bid
Workman Industrial Services, Inc., Kent	\$99,715.00
Page Excavating, Inc., Lucas	\$101,000.00
Stanley Miller Construction Co., East Sparta	\$105,122.00
Tucson, Inc., New Philadelphia	\$106,000.00
S and S Filter, LLC, Austintown	\$117,000.00
Hoover Construction Services, Ltd., Ashland	\$119,990.00

The low bid received from Workman Industrial Services, Inc., is below the engineer's estimate of \$120,000.00 and has been reviewed and found to be acceptable.

Construction will begin as soon as possible, with a substantial completion date established 90 calendar days from contract execution.

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

6.04f CLENDENING MARINA CAMPGROUND SHOWER BUILDING SITE WORK

Authorization to enter into a contract with the lowest, most responsive and responsible bidder was granted by the Board in October 2013. The project was delayed due to unforeseen issues in obtaining Ohio EPA approval for the on-site sewage disposal system. These issues were recently resolved and an advertisement for bids was released in October of 2014.

The project includes site grading, concrete sidewalks, driveway construction, plumbing rough-in, water line improvements, a sanitary lift station, and an on-site sewage disposal system. An alternate was also included in the bid for installation of a retaining wall to improve the grading of the site.

Bids were received on November 12, 2014, with the following results:

COMPANY	TOTAL BASE BID PRICE	ALTERNATE A
Stanley Miller Construction	\$93,145.00	\$7,780.00
VIP Construction Company	\$99,629.00	\$8,043.00
Tucson, Inc.	\$114,000.00	\$15,480.00

The Engineer's cost estimate for this project is \$85,000.00.

Stanley Miller's bid falls within the allowable 10% overage of the engineer's estimate and staff has no objection to awarding the contract accordingly. Funds for this project are included in 2014 budget.

This memo is for information purposes and no action is required by the Board.

6.04g PURCHASE OF SEED FOR SHARE CROP OPERATIONS – 2015

On motion by Ms. Limbach, seconded by Mr. Horstman, authorization to purchase seed corn and soybeans for the 2015 share crop season, as recommended and set forth in the above memorandum, was granted.

6.04h SENECA CHESTNUT GROVE – WASTEWATER TREATMENT PLAN IMPROVEMENTS

At the October 31, 2014 meeting, the Board authorized staff to solicit bids and enter into a construction contract for improvements to the Chestnut Grove wastewater treatment plant at Seneca Lake. The project consists of the following items:

- 1) Installation of a permanent standby generator.
- 2) Installation of new headworks (grinder manhole, flow meter, and pump station).
- 3) Installation of new liners, baffles, aeration equipment and piping in the lagoons.
- 4) Installation of a phosphorus removal tank, tertiary pump station and tertiary sand filters.
- 5) Conversion of the existing chlorine tank to an ultraviolet (UV) disinfection tank.

Sealed bids were received and opened Thursday, December 4, 2014. The following bids were received:

Company	Total Price Bid
Tucson, Inc., New Philadelphia	\$997,400.00
Workman Industrial Services, Inc., Kent	\$1,044,350.00
Stanley Miller Construction Co., East Sparta	\$1,079,190.00

The low bid from Tucson, Inc. is within 10% of the engineer’s estimate of \$984,450.00 and has been reviewed and found to be acceptable.

Construction will begin as soon as possible, with a substantial completion date established 180 calendar days from contract execution.

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

6.05 PARK CAMPGROUND GUIDELINES - REVISIONS

On motion by Ms. Limbach, seconded by Mr. Parham, proposed revisions to the Park Campground Guidelines, as recommended and set forth in the above memorandum, were adopted.

6.06 SCHEDULE OF BOARD MEETING FOR 2015

The following is the proposed schedule of meetings of the Board of Directors for 2015:

- January 23 (4th Friday)
- February 20
- March 20
- April 17
- May 15
- June 6 (Conservancy Court)
- July 17
- August 28 *
- September 25 *

- October 23 (4th Friday)
- November 20
- December 18

The later date in August is suggested due to the scheduling of the MWCF Annual Golf Outing on August 13; and the later date is suggested in September to provide additional time for preparation of the maintenance assessment calculations and documentation.

It is recommended that the Board approve the proposed schedule of meetings for 2015. On motion by Mr. Horstman, seconded by Ms. Limbach, the meeting schedule was approved as presented.

6.07 ELECTION OF OFFICERS FOR 2015

On motion by Mr. Parham, seconded by Mr. Maupin, Mr. Horstman was elected as President and Ms. Limbach as Vice-President for 2015. On motion by Mr. Horstman, seconded by Mr. Parham, Mr. Hoopingarner was affirmed as Secretary and Mr. Cugliari as Treasurer.

6.08 OTHER BUSINESS

MEMORANDUM OF UNDERSTANDING WITH ODNR

The current Memorandum of Understanding (MOU) between the MWCD and the Ohio Department of Natural Resources expires on December 31, 2014. It is recommended that the Board authorize negotiation and execution of a similar agreement. The general purpose of the MOU is “continuing the existing cooperative relationship between MWCD and ODNR in furtherance of the share goals, values and objectives for natural resources conservation and public recreation for all.”

On motion by Ms. Limbach, seconded by Mr. Horstman, staff was authorized to negotiate and execute a Memorandum of Understanding between the MWCD and the Ohio Department of Natural Resources.

OHIO SHORELINES, PUBLICATION OF THE OHIO LAKE MANAGEMENT SOCIETY

Members of the Board received a copy of an article printed in the recent (Fall 2014) issue of *Ohio Shorelines* entitled “Good News for the Lake of the Muskingum Watershed Conservancy District; Harmful Algal Blooms are Low.”

OIL AND GAS OPERATIONS REPORT

Mr. Pryce requested that an item be added to the monthly agenda in order to provide a report for oil and gas operations and current market activities/conditions.

LETTER FROM TAPPAN RESIDENTS

Ms. Limbach reported that she, along with Mr. Lozier and Mr. Swiger, met with Robert and Pamela Kohner, Tappan residents, along with two other concerned couples from the Tappan area, earlier this week to provide information relative to their concerns and to answer their questions.

PARTNERS IN WATERSHED MANAGEMENT UPDATE

The deadline for applications for funding through the Partners in Watershed Management program was December 1, 2014. A total of 22 applications were submitted. Mr. Slogar briefly reviewed a list of the

applicants and provided an overview of the selection process. Mr. Maupin expressed a desire to attend meetings to review applications.

7. REPORTS

7.01 MARINA REPORTS

Negotiations for the sale of Charles Mill and Pleasant Hill marinas are continuing. Current owner Bob Schraedly, and long-time employee and manager, John Yaussy, expect to reach a conclusion in the next month. Staff is waiting on the business plan and a few additional details from Mr. Yaussy so that a recommendation can be made to the Board regarding the transfer of the lease.

Brian Valot, owner of both Atwood West and East marinas, has terminated the lease with Jason Geissinger to operate the Lighthouse Bistro Restaurant. Mr. Valot is working on a new management arrangement for the popular restaurant.

Keith Ott, owner of Leesville Southfork marina, recently greatly improved his internet service and marketing abilities through an innovative approach with ViaSat Communications. Mr. Ott appears on a promotional video which can be viewed at <http://vimeo.com/112945895>

7.02 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

Mr. Hoopingarner is currently working on proposed goals for 2015. This information will be provided via email to Board members and presented for consideration at the January meeting.

7.03 USACE PROJECTS STATUS REPORT

Mr. Slogar reported no significant changes in the status of USACE projects in the last month.

7.04 ATWOOD REGIONAL WATER AND SEWER DISTRICT UPDATE

Mr. Parham reported that the Board of Trustees of the Atwood Regional Water and Sewer District (ARWSD) recently approved a 3% wage increase for its employees. The ARWSD continues to study the potential for providing water distribution in the future. Mr. Parham also informally informed the Board of Directors of a possible request for funds from ARWSD to the MWCD.

7.05 IMMINENT OR PENDING LITIGATION

No report at this time.

8. SUBDISTRICTS

No business at this time.

9. EXECUTIVE SESSION

On motion by Mr. Parham, seconded by Mr. Horstman, the Board of Directors entered into executive session at 11:22 a.m. to discuss matters related to ORC §121.22 (G) (1) employment, (2) and (3). On roll call: Mr. Horstman-yes; Ms. Limbach-yes; Mr. Maupin-yes; Mr. Parham-yes; and Mr. Pryce-yes. The executive session ended at 12:14 a.m.

The following actions were taken in open session:

On motion by Mr. Horstman, seconded by Ms. Limbach, authorization was granted to staff to enter into negotiations for purchase of property, contingent upon final approval by the Board of the negotiated purchase price.

On motion by Ms. Limbach, seconded by Mr. Horstman, the creation of two new staff positions, Director of Human Resources and Director of Administrative Services, was approved. Mary Burley will be appointed to the position of Director of Human Resources. The Director of Administrative Services will be appointed at a later date.

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, January 23, 2015, at 9:00 a.m. at the New Philadelphia City Council Chambers.

12.19.2014,km

Approved 01.23.2015