

**SUMMARY OF MINUTES  
BOARD OF DIRECTORS  
MUSKINGUM WATERSHED CONSERVANCY DISTRICT  
Held at Kent State University Tuscarawas, New Philadelphia, Ohio  
December 15, 2017, 9:00 a.m.**

A meeting of the Board of Directors of the Muskingum Watershed Conservancy District was held at the Science and Technology Building, Kent State University Tuscarawas, 330 University Drive NE, New Philadelphia, Ohio, on Friday, December 15, 2017, 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: Ms. Limbach, Mr. Maupin, Mr. Moorehead, Mr. Paquette, and Mr. Sprang.

Present from MWCD staff were Scott Barnhart, Mary Burley, Jim Cugliari, John Hoopingarner, Brad Janssen, Karen Miller, John Olivier, and Boris Slogar.

Mr. Sprang, 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: J.D. Long (*Harrison News Herald*); Bruce Robinson (*MWCD Development Advisory Committee*); Brett Heffner, Gary Biglin, and Dale Schroeder (*Shelby area residents*); Dale Hulit (*Weller Township Trustee, Mansfield*); Mark Eshelman (*Jackson Township Trustee, Shelby*); Crystal Childress (*Woolpert*); and Hollie Hinton (*DLZ*).

Mr. Schroeder addressed the Board and submitted a letter as follows:

*"The citizens of rural Shelby have taken on project of cleaning the Blackfork River from north of Shelby to St. Rt. 13 to give relief to the flooding in Shelby. Tawa Tree Service is in the process of removing 423 restriction (log jams) and the cutting of 1755 leaning trees at a cost of \$263,315.00 dollars. Which is being privately funded with contributions from land and home owners. Any extra money will be used to maintain the Blackfork River in future years.*

*"We had 3.4 to 5 inches of rain on November 11<sup>th</sup> south of Shelby. Shelby didn't flood. Sharon Twp. had six roads with high water signs. Plymouth Twp. had two roads, Jackson Twp. had five roads which are south and west of Shelby.*

*"The Blackfork River from St. Rt. 313 to Charles Mill has not been cleaned for 75 years there are log jams seven to eight feet tall. This rain on November 11<sup>th</sup> closed St. Rt. 13 & 96.*

*"As a Sharon Twp Trustee along with eight other townships are asking MWCD to clear the Blackfork River from St. Rt. 13 to Charles Mill."*

The above-quoted letter was submitted with documents attached and signed by township trustees from Sharon, Cass, Bloominggrove, Weller, Franklin, Jackson, Butler, Plymouth and Springfield townships, Richland County (*copies on file*).

Mr. Hulit, Mr. Biglin, and Mr. Heffner also addressed the Board relative to Black Fork. Mr. Heffner submitted a letter signed by Plymouth Township resident John Schroeder (*copy on file*).

Staff provided some input relative to the above-referenced concerns and further suggested that the individuals in attendance contact MWCD Chief Engineer, Boris Slogar, to arrange a meeting at which time more detailed information could be provided to address their questions.

### **3. APPROVAL OF MINUTES**

On motion by Ms. Limbach, seconded by Mr. Paquette, the minutes of the November 17, 2017, meeting of the Board of Directors were approved.

### **4. FINANCIAL**

Mr. Cugliari presented the financial report for the eleven-month period ending November 30, 2017. The total operating revenue is \$20,323,038.00 with operating expenses of \$13,169,403.00 resulting in an excess of revenue over expense of \$7,153,635.00.

#### **General Fund**

- Total revenues are 106% of budget.
- The Use of Water assets is 76% of budget. Current information indicates water sales will be approx. 89% of budget. The shortfall is due to water levels during the late summer months not allowing for water withdraw.
- Interest on investments is 117% of budget.
- Total expenses are at 82% of budget and 2.94% ahead of the prior year, and in line with expectations.

#### **Conservation Fund**

- Total revenues are 97% of budget, down 2.48% from prior year. It is expected the conservation fund will exceed the total budget.
- Timber Harvesting is 113% of budget, and Pine and Pulpwood is 115% of budget.
- Mineral Operations is 96.59% of budget, the budget will be exceeded in this line item.
- Total expenses are 73% of budget, down 22% from the prior year, and in line with expectations.

#### **Recreation Fund: Parks**

- Total revenues are 100% of budget, an increase of 1.3% from the prior year.
- All major revenue areas are anticipated to meet or exceed budget for the year.
- Total expenses are 87% of budget, down 1.5% from the prior year, and in line with expectations.

#### **Recreation Fund: Non-park**

- Total revenues are 100% of budget, an increase of 1.92% from prior year.
- Total expenses are 87% of budget, an increase of 6.16% from prior year, and in line with expectations. All increases are within budget and were planned for.

#### **Recreation Improvement Fund**

- Total expenditures are 61% of budget, park master plan expenditures make up the majority of the expenditures totaling \$20,037,546 (63% of budget). There will continue to be master plan expenditures in December as construction activity continues.

#### **Maintenance Assessment Fund**

- Total revenues are 98% of budget. We anticipate exceeding the budget with grant revenue expected to be received in December.

- Total expenses are 70.51% of budget, a decrease of 53.92%, and in line with expectations. This decrease is mostly due to less money budgeted in the sediment removal line item.

Overall, 2017 has been a good financial year for the Conservancy District. Most of the operations are wrapped up for the year, and the only significant items expected for the remainder of the year are in the recreation improvement fund, specifically in the park master plan.

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

## **5. PAYMENT OF BILLS**

On motion by Mr. Moorehead, seconded by Mr. Maupin, the report of the payment of bills for the period ending November 30, 2017, was approved as presented.

## **6. BUSINESS**

### **6.01a LEASE TRANSACTIONS**

On motion by Mr. Paquette, seconded by Mr. Maupin, 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 ASSIGNMENT OF LEASE – GULFPORT TO CHEVRON NORTH AMERICA – CLENDENING**

On motion by Ms. Limbach, seconded by Mr. Moorehead, assignment of the deep oil and gas rights on Lease #602 at Clendening from Gulfport to Chevron, as recommended and set forth in the above memorandum, was approved.

### **6.01c TAPPAN MARINA BOAT SALES AND SERVICE: CONCESSION AGREEMENT AND LEASE**

On motion by Mr. Maupin, seconded by Mr. Moorehead, an agreement and lease with Keith Ott to provide boat and motor sales and service at Tappan Lake Marina, as recommended and set forth in the above memorandum, was approved.

### **6.02a INVOICES PRIOR TO PURCHASE ORDERS**

On motion by Mr. Paquette, seconded by Mr. Maupin, 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 ADJUSTMENTS**

On motion by Mr. Paquette, seconded by Mr. Maupin, budget adjustments for the fourth quarter of 2017, as recommended and set forth in the above memorandum, were approved and staff was authorized to make any further adjustments during December with a report back to the Board in January.

**6.02c BUDGET REVISIONS**

On motion by Ms. Limbach, seconded by Mr. Maupin, proposed budget revisions, as recommended and set forth in the above memorandum, were approved.

**6.03a HUMAN RESOURCES SUMMARY**

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

**6.03b REVISION TO LEXIPOL POLICY 1007**

On motion by Mr. Paquette, seconded by Ms. Limbach, the proposed revisions to Lexipol Policy 1007 to increase the annual uniform allowance for non-bargaining unit rangers, as recommended and set forth in the above memorandum, were approved.

**6.04a CONTRACTED SERVICES FOR PROCESSING MAINTENANCE ASSESSMENT**

On motion by Ms. Limbach, seconded by Mr. Moorehead, a three-year contract with Woolpert, Inc., to provide professional services to process and calculate the MWCD and Chippewa Subdistrict maintenance assessment billing files, as recommended and set forth in the above memorandum, was approved.

**6.04b 2017/2018 SHORELINE STABILIZATION PROJECTS: BID AND AWARD RESULTS**

At the September 22, 2017, meeting, the Board authorized the staff to solicit bids and enter into a contract for the Tappan Highlands Area and Seneca Hickory Grove shoreline stabilization projects.

Sealed bids were received on November 20, 2017, with the following results:

**Tappan Lake Highlands Area Shoreline Stabilization Project**

<b>Contractor</b>	<b>Total Bid</b>
Tucson Inc., New Philadelphia	\$168,263.50
Mark Haynes Construction, Norwalk	\$179,466.00
Glenn O Hawbaker, New Philadelphia	\$195,728.75
Environmental Remediation Contractor, Groveport	\$207,634.20

The low bid is below the engineer's estimate of \$195,329.00 and has been determined to be acceptable.

A contract will be executed with Tucson Inc. in the amount of \$168,263.50. Substantial completion for the project is scheduled for March 1, 2018.

**Seneca Lake Hickory Grove and East Shore Shoreline Stabilization Project**

<b>Contractor</b>	<b>Total Bid</b>
Tucson Inc., New Philadelphia	\$396,409.00
Mark Haynes Construction, Norwalk	\$444,349.00
Glenn O Hawbaker, New Philadelphia	\$533,248.50
Freedom Construction, Olmsted Falls	\$533,345.00

The low bid is below the engineer’s estimate of \$487,282.00 and has been determined to be acceptable.

A contract will be executed with Tucson Inc. in the amount \$396,409.00. Substantial completion for the project is scheduled for March 1, 2018.

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

**6.04c CHARLES MILL MAIN CAMPGROUND REDEVELOPMENT PHASE I: BID AND AWARD RESULTS**

At the October 20, 2017 meeting, the Board authorized staff to solicit bids and enter into a contract for the Charles Mill Lake Main Campground Redevelopment Phase I project.

Sealed bids were received on November 21, 2017, with the following results:

<b>Contractor</b>	<b>Total Bid with accepted Alternate</b>
Shrock Premier Custom Construction, Loudonville	\$2,462,905.65
GLR Inc., Dayton	\$2,484,115.62
Adena Corporation, Mansfield	\$2,465,705.28
GE Baker Construction, Shreve	\$2,561,084.50
Helms and Sons Excavating, Findlay	\$2,628,572.44

The amount of the low bid is below the engineer’s estimate of \$2,700,000.00 and has been determined to be acceptable. The following alternate bid item has been selected to be included in the contract: Alternate #3 Full Depth Pavement throughout the campground.

A contract will be executed with Shrock Premier Custom Construction in the amount of \$2,462,905.65. Substantial completion for the project is scheduled for March 1, 2019.

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

**6.04d DISTRICT-WIDE RESTROOM CONSTRUCTION – CXT BUILDING PURCHASE**

On motion by Mr. Maupin, seconded by Ms. Limbach, purchase of CXT restrooms through the National Joint Powers Alliance, as recommended and set forth in the above memorandum, was authorized.

**6.04e 2018 CAMPGROUND PLAYGROUND PURCHASES**

On motion by Ms. Limbach, seconded by Mr. Paquette, purchase of playground structures through the US Communities Cooperative Purchasing Program, as recommended and set forth in the above memorandum, was authorized.

**6.04f MASTER PLAN PROGRAM MANAGEMENT CONSULTANT FEES FOR FY18**

On motion by Mr. Moorehead, seconded by Ms. Limbach, fees for Program Management Consultant services for the Park Master Plan in an amount not to exceed \$1,100,000.00 in 2018, as recommended and set forth in the above memorandum, were approved.

**6.04g SENECA MARINA FUEL SYSTEM UPGRADE: REQUEST TO RE-ADVERTISE AND AWARD**

On motion by Mr. Maupin, seconded by Mr. Paquette, re-bid and award of a contract for the Seneca Marina fuel system upgrade project, as recommended and set forth in the above memorandum, was authorized. Mr. Moorehead abstained.

**6.05 ALIVE MUSIC FESTIVAL ADDENDUM**

On motion by Mr. Moorehead, seconded by Ms. Limbach, an addendum to the agreement with Northeast Productions, Inc. for the Alive Music Festival, as recommended and set forth in the above memorandum, was approved.

**6.06 STRATEGIC PLAN**

On motion by Mr. Paquette, seconded by Ms. Limbach, the proposed strategic plan, as recommended and set forth in the above memorandum, was adopted.

Mr. Paquette suggested that a brief summary of accomplishments from the previous strategic plan along with expectations included in the new strategic plan be placed on the MWCD website.

**6.07 OTHER BUSINESS**

No other business.

**7. REPORTS**

**7.01 UTICAL ROYALTY REVENUE REPORT**

Utica royalty revenue is currently generated by 58 wells at Clendening, Seneca, and Leesville Reservoirs. A breakdown of the wells by operator and reservoir, and the monthly royalty revenue can be seen on the attached page.

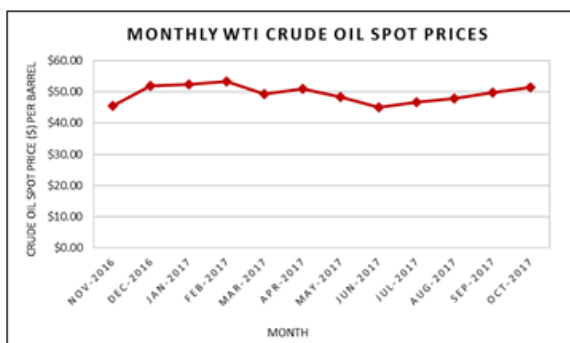
The monthly Utica royalty revenue decreased about 47.4% from October '17 (\$1,320,891.69) to November '17 (\$694,612.99).

One individual item of note:

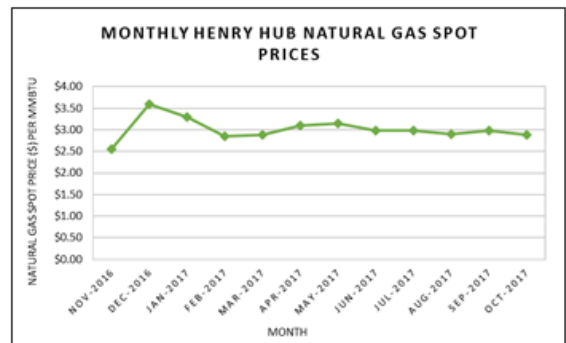
- The decrease in revenue is mainly attributed to no new wells being added this month, compared to several new wells being added in the previous month.

The U.S. Energy Information Administration Prices Reports<sup>1</sup> (October 2017):

- The WTI Crude Oil Spot Price<sup>2</sup> for October 2017: \$51.58 per barrel



- The Henry Hub Natural Gas Spot Price<sup>3</sup> for October 2017: \$2.88 per MMBTU



<sup>1</sup> Source: U.S. Energy Information Administration (September 2017)

<sup>2</sup> 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.

<sup>3</sup> 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.

## **7.02 2017 GOALS**

A chart entitled “2017 Goals – Progress Tracking,” was distributed to the Board for their review.

## **7.03 MASTER PLAN UPDATE**

Mr. Slogar distributed a written report to the Board on the Master Plan Implementation as follows:

### **Program Status**

Detailed design continues for the following projects:

- **Piedmont:** Water and Electric Utility Improvements
- **Pleasant Hill:** Phase I, Roadway and Infrastructure - Phase I, Cabins
- **Seneca:** Marina Point South Campground Redevelopment
- **Tappan:** WWTP Phase 1 Improvements

### **Individual Projects Status**

- **Atwood Lake Area 20 Campground:** Work on the project is substantially complete. Portions of landscaping and punch list items remain to be completed in spring 2018.
- **Atwood Main Campground Improvements – Phase I:** This project was awarded to Sheckler Excavating, Inc. of Malvern on October 12 and a preconstruction meeting was held October 30. The contractor has begun mobilization, installation of erosion control measures and tree clearing. Restroom construction and utility installation are scheduled to begin this winter. The project will provide 106 full-hookup RV campsites, a restroom/shower building, 2 shelters with playgrounds, walking paths, cluster dock and abutments, new dump station, gas line replacement and improvements to the special event parking area. Substantial completion for the project is scheduled for October, 2018.
- **Atwood Special Event Parking Improvements:** MWCD’s in-house construction crew has completed various improvements to the special event parking area located on the north side of Shop Road. Improvements include new aggregate driving lanes, a communication conduit and installation of additional drainage piping. A section of multi-purpose trail between the Activity Center and the Amphitheater trail will be constructed by in-house forces this winter.
- **Charles Mill Lake RV and Boat Storage Lot:** Parking lot, fencing and lighting are completed. Lot is being used for boat storage this winter.
- **Charles Mill Lake Park Water and Wastewater Utility Improvements:** Bids were opened October 31 and a contract will be entered with Simonson Construction Services from Ashland. Substantial completion is scheduled for October 2018.
- **Charles Mill Lake Park Main Campground Redevelopment – Phase I:** Bids were opened November 21. A contract will be entered with Shrock Custom Premier Construction of Loudonville. Substantial completion for the campground is scheduled for October 2018.

- **Piedmont Campground Renovations Phase I:** The construction contract was awarded to Tucson Construction from New Philadelphia in the amount of \$2,096,295. This project will include construction of 37 campsites and 6 park model sites. The project also includes a new centralized restroom / shower house. Clearing and grubbing is underway.
- **Pleasant Hill Lake Area 22 Campground:** Work on the project is substantially complete. Portions of landscaping and punch list items remain to be completed in spring 2018.
- **Pleasant Hill Lake Sanitary Collection System Improvements:** Directional drilling of the 4-inch sanitary sewer force main is complete. Construction of the two lift and gravity sewer is ongoing. The substantial completion is scheduled for February 2018.
- **Pleasant Hill Seasonal Campground Redevelopment – Phase I:** This project was awarded to Shrock Custom Premier Construction of Loudonville on November 9 and a pre-construction meeting was held November 29. Restroom re-construction and demolition work are scheduled to begin this winter. The project will provide 45 full-hookup RV campsites, a small CXT restroom building, and walking paths. Reconstruction of the existing restroom/shower building in Camp Area A, and the addition of a family restroom and laundry room, will also be included in the project. Substantial completion for the project is scheduled for March, 2019.
- **Seneca Lake Terminal Pump Station and Force Main to Senecaville:** Border Patrol has set the pump station and has completed building the force main including the tie-in to Senecaville’s wastewater treatment plant. The project will be substantially completed in January 2018.
- **Seneca Lake Parkside Central and Woodlands Campgrounds:** Cast & Baker Corp. has been working on the earthwork, sewer laterals and construction of the new boat ramp. The project will be substantially completed in November 2018.
- **Tappan Lake East Campground:** The project is complete, with the exception of connecting primary electric power by AEP, punch list items and final paving. Campers are being moved onto the concrete camping pads to clear the project area for the next project.
- **Tappan Lake Park Campground Renovation – Phase I:** The project is currently out to bid. Bids will be opened before Christmas. Campers are being relocated out of the project area to the East Campground area.

### Reservoir Dredging and Shoreline Stabilization (Ongoing)

#### Dredging Program

- **Seneca Lake:** Construction of the first two Dredge Material Relocation Area (DMRA) settling basins will begin in late December. Construction will be weather dependent, but should be complete in time for dredging to begin near the Churchman’s Point Dock Association in April or May. Design work will continue this winter to finalize the areas and volume of material to be dredged in 2018, as well as for the development of additional settling basins.
- **MWCD Dredge:** MWCD received a grant in 1997 from the Ohio Department of Natural Resources (ODNR) for the purchase and operation of a hydraulic dredge for dredging of MWCD reservoirs. After approximately 6 years of dredging work at Charles Mill Lake, the dredge has now been sitting idle and needs significant modifications and upgrades. Rather than investing in the rehabilitation of the dredge, there is ongoing discussion with ODNR regarding a possible sale of the dredge as an addition to the ODNR dredge fleet.

#### Shoreline Program

- **Tappan Highlands Shoreline Stabilization Project:** Bids were opened on November 20. A contract will be entered with Tucson, Inc. from New Philadelphia. Substantial completion is scheduled for March 2018.
- **Seneca Lake Hickory Grove and East Shore Shoreline Stabilization Project:** Bids were opened on November 20. A contract will be entered with Tucson, Inc. from New Philadelphia. Substantial completion is scheduled for March 2018.



- **Leesville Lake – South Fork Marina Shoreline Project:** Plans are nearly complete for this rock riprap and segmental concrete block retaining wall project at South Fork Marina. The project will be constructed by our Engineering Crew, and is expected to begin in late January.

**7.04 USACE PROJECTS STATUS REPORT**

No significant changes have occurred since November’s update.

**7.05 IMMEDIATE OR PENDING LITIGATION**

No report at this time.

**8. SUBDISTRICTS**

No business at this time.

**9. EXECUTIVE SESSION**

On motion by Ms. Limbach, seconded by Mr. Sprang, the Board of Directors entered executive session at 11:00 a.m. to discuss matters related to ORC §121.22 (G) (1) [Employment] and [Compensation]. On roll call: Ms. Limbach-yes; Mr. Maupin-yes; Mr. Moorehead-yes; Mr. Paquette-yes; and Mr. Sprang-yes. The executive session ended at 12:05 p.m.

In open session, the following actions were taken:

On motion by Ms. Limbach, seconded by Mr. Paquette, the contracts for the Conservation Administrator, Conservation Engineer, and Director of Human Resources, were renewed.

On motion by Ms. Limbach, seconded by Mr. Paquette, an addendum to the contract for Director of Administrative Services, was approved.

On motion by Ms. Limbach, seconded by Mr. Moorehead, a three percent (3%) increase in pay rates for contracted employees, with the exception of Ted Lozier, was approved effective with the first pay date in 2018.

**10. ADJOURN**

There being no further business, on motion by Ms. Limbach, seconded by Mr. Moorehead, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is Friday, January 19, 2018, at 9:00 a.m. at the MWCD Annex Building, 2050 Reiser Avenue SE, New Philadelphia.

*12.15.2017,km*

*Approved 01.19.2018*