

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at New Philadelphia City Council Chambers
December 17, 2010, 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, John Knisley Building, 150 East High Avenue, New Philadelphia, Ohio, on Friday, December 17, 2010, 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. Boyle, Mr. Horstman, Mr. Kokovich, Mr. Parham, and Mr. Pryce.

Present from MWCD staff were Scott Barnhart, Mary Burley, James Cugliari, John Hoopingarner, Darrin Lautenschleger, Karen Miller, John Olivier, Boris Slogar, and Mark Swiger.

Mr. Horstman, 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: James Pringle (*KPLD Law, MWCD legal counsel*); Millard B. "Buck" Byrne (*Piedmont resident*); and Eric Reip (*New Philadelphia resident*).

3. APPROVAL OF MINUTES

On motion by Mr. Kokovich, seconded by Mr. Boyle, the minutes of the November 19, 2010, meeting of the Board of Directors were approved.

4. FINANCIAL

Mr. Cugliari presented the financial report for the period ending November 30, 2010. The total revenue for operations excluding Atwood Resort is \$9,882,040.00 with expenses of \$8,748,178.00, resulting in an excess of revenues over expenses of \$1,133,863.00. Including the Resort operations, expenses exceed revenues by \$14,696.00, thus showing the significant impact the resort operations continue to have on the main district operations.

Conservation Fund

- Total revenues are 95.52% of budget with expenses at 95.50% of budget.
- Timber Harvesting is 83.80% of the revenue budget with Pine Pulpwood Operations at 75.43%.
- Farm Operations – Sharecrops has met and exceeded budget by 16% or \$52,000.00. This is also \$72,000.00 more than in 2009.
- Mineral Operations – Gas and Oil is 94.70% of budget or \$15,000.00 short. This should be met in December with anticipated revenues.

Recreation Fund-Parks

- Total revenues are 101.46% of budget with all major revenue categories meeting and exceeding budget.
- Vacation cabin revenue has exceeded budget by \$4,600.00; Park Camping by \$49,000.00; Camper Trailer Storage by \$4,400.00; and General Park by \$9,900.00.
- Total expenses are 92.65% of budget and \$200,000.00 less than 2009 at this time.

Recreation Fund-Non Park

- Total revenues are 97.58% of budget while expenses are 89.00% of budget.
- All of the major revenue categories in this area have met and exceeded budget.

- Overall Marina Operations revenues, including Piedmont, exceeded budget by over \$70,000, while expenses were kept in check.
- Cottage Sites, Club Sites, and Multiple Docks were all near or exceeding budgeted revenue.

Atwood Resort Operations

- Information was not received from Prospera/Boykin on the financial reporting for their operation through November 15, 2010, therefore the October financial information is being used.
- Overall, the Resort Operations has expenses over revenues of \$1,148,559.00. Again, this shows the impact the operation has had on the overall MWCD operations.

Cash flow continues to be of great concern. However, the KeyBank line of credit is in place and funding some of the advances the MWCD has made to the Resort operations this year.

Mr. Slogar distributed information summarizing the use of maintenance assessment funding.

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

5. PAYMENT OF BILLS

On motion by Mr. Boyle, seconded by Mr. Parham, a report of the payment of bills for the periods ending November 30, 2010, was approved as presented.

6. BUSINESS

6.01a LEASE TRANSACTIONS

On motion by Mr. Parham, seconded by Mr. Boyle, 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 ENERVEST OPERATING – ASSIGNMENT OF DEEP MINERAL RIGHTS

This memo was withdrawn and this matter was discussed in executive session. No action was taken.

6.01c CLENDENING MARINA LEASE EXTENSION

On motion by Mr. Pryce, seconded by Mr. Kokovich, a three-month extension to the existing lease with Robert and Annette Ryser for Clendening Marina, as recommended and set forth in the above memorandum, was approved.

6.01d PIEDMONT GOODRICH COTTAGE AREA ENTRANCE GATE AND SECURITY LIGHTING

Mr. Byrne addressed the Board regarding a locked gate and a security light located at the entrance to the Piedmont Goodrich Cottage Area. The Goodrich Cottage Area Association is requesting the MWCD to assume ownership of the gate and light to alleviate membership's maintenance and liability concerns.

According to Mr. Byrne, this cottage area is very isolated and several break-ins have occurred over the years. The Association invested in liability insurance for the gate at a cost of approximately \$500 annually. He suggested that if the MWCD would assume ownership of the gate and security light, the residents would take care of the necessary maintenance. Cost of the security light is approximately \$12 per month.

The Board took this matter under advisement and it will be brought back for action at the next regularly scheduled Board meeting.

6.01e PROPERTY TAXES AT MARINAS

Following discussion of this matter and in light of concerns expressed by members of the Board, this matter was withdrawn and will be brought back for consideration at a later date.

6.01f EQUESTRIAN TRAIL SECTION LEASE

On motion by Mr. Boyle, seconded by Mr. Parham, a lease agreement with T. J. Golden for the purposes of relocation of a portion of the equestrian trail at Pleasant Hill Lake, as recommended and set forth in the above memorandum, was approved.

6.02a 2011 BUDGET

On motion by Mr. Pryce, seconded by Mr. Boyle, the proposed 2011 budget, as recommended and set forth in the above memorandum, was approved

6.02b APPROPRIATION RESOLUTION FOR 2011

On motion by Mr. Kokovich, seconded by Mr. Boyle, the proposed appropriation resolution for 2011, as recommended and set forth in the above memorandum, was adopted.

6.02c TRANSFER OF FUNDS

On motion by Mr. Kokovich, seconded by Mr. Parham, the Chief Financial Officer was authorized to perform transactions to transfer funds and report same to the Board at the next regularly scheduled meeting, as recommended and set forth in the above memorandum.

6.02d FINANCIAL OPERATING PRINCIPLES

A motion by Mr. Pryce, seconded by Mr. Boyle, for approval of the proposed financial operating principles was postponed pursuant to the following subsidiary motion.

On motion by Mr. Parham, seconded by Mr. Boyle, this matter was postponed until the January 2011 meeting for further discussion.

6.02e TERM LOAN – FIFTH THIRD BANK

On motion by Mr. Kokovich, seconded by Mr. Parham, negotiations with Fifth Third Bank for debt incurred in 2003 for the Atwood Resort, as recommended and set forth in the above memorandum, were authorized.

6.03a HUMAN RESOURCES SUMMARY

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

6.03b MARINA MANAGER

On motion by Mr. Kokovich, seconded by Mr. Boyle, the creation, posting and filling of a Group 1 Marina Manager position for Piedmont Marina, as recommended and set forth in the above memorandum, was approved.

6.03c CAD TECHNICIAN – POST AND FILL

On motion by Mr. Parham, seconded by Mr. Boyle, posting and filling of a CAD Technician position, as recommended and set forth in the above memorandum, was approved.

6.03d WAGE ADJUSTMENTS FOR 2011

On motion by Mr. Kokovich, seconded by Mr. Pryce, the Board directed that there will be no increase in wages for the year 2011 for non-bargaining unit employees. Further consideration of wage adjustments will be given approximately mid-year.

On motion by Mr. Boyle, seconded by Mr. Parham, two-year renewal contracts will be extended to executive management personnel.

6.04a EQUESTRIAN TRAIL – PHASE 2, TRAIL GRANT

On motion by Mr. Boyle, seconded by Mr. Parham, a resolution of authorization to apply for funding through the Ohio Department of Natural Resources Recreational Trails Grant Program and the Ohio Public Works Commission Clean Ohio Trails Fund, as recommended and set forth in the above memorandum, was adopted.

6.04b ATWOOD WATER TREATMENT PLANT – FINANCIAL ASSISTANCE

On motion by Mr. Parham, seconded by Mr. Kokovich, a resolution of authorization to apply for financial assistance through the Ohio EPA Water Supply Revolving Loan Account for a water treatment plant at Atwood, as recommended and set forth in the above memorandum, was adopted.

6.04c 2011 NATUREWORKS GRANT – PIEDMONT MARINA CAMPGROUND PLAYGROUND

On motion by Mr. Kokovich, seconded by Mr. Boyle, a resolution of authorization to apply for funding through the Ohio Department of Natural Resources NatureWorks Grant Program for purchase and installation of playground equipment at Piedmont Marina, as recommended and set forth in the above memorandum, was adopted.

6.05 PWM GRANT PROGRAM FUNDING 2011 – OHIO LAKE MANAGEMENT SOCIETY

On motion by Mr. Kokovich, seconded by Mr. Parham, a Partners in Watershed Management Program funding request submitted by the Ohio Lake Management Society for continuation of a water quality monitoring project, as recommended and set forth in the above memorandum, was approved.

6.06a ATWOOD LAKE/SENECA LAKE SHORELINE STABILIZATION PROJECTS

Atwood Lake Shoreline Stabilization Project

As discussed at the November 19, 2010, Board meeting, bids were received on November 17, 2010 for the Atwood Lake shoreline stabilization project. The low bidder was Massillon Construction and Supply, LLC, at a bid price of \$284,500. The second lowest bidder was Scassa Asphalt at a bid price of \$312,907.40.

Upon review, Massillon Construction was unable to demonstrate any experience in shoreline erosion projects and because of this inexperience and the limited time available to complete this drawdown-sensitive project, it was determined that their bid was not the lowest and most responsible. Chief Legal Counsel was consulted and it was agreed upon review of Scassa Asphalt's bid and their demonstrated project experience to award the project to Scassa Asphalt. Staff is finalizing contract documents prior to issuing the Notice to Proceed.

Seneca Lake Shoreline Stabilization Project

Bids were received on December 2, 2010 for the Seneca Lake shoreline stabilization project. The engineer's estimate for the project is \$383,231 and bids ranged from \$240,207.30 to \$421,257.45. The apparent low bidder is Stanley Miller Construction Company.

At the November 19, 2010, the Board authorized entering into an agreement with the lowest and most responsible bidder. After reviewing the bids, the project was awarded to Stanley Miller Construction Company. Staff is finalizing contract documents prior to issuing the Notice to Proceed.

This memorandum is for informational purposes only and no action is required by the Board. Funding for both of these projects is included in the 2011 maintenance project budget.

6.06b CHARLES MILL SHORELINE STABILIZATION PROJECT

On motion by Mr. Pryce, seconded by Mr. Kokovich, award of a contract for shoreline stabilization work at Charles Mill to Mark Haynes Construction in the amount of \$196,300, as recommended and set forth in the above memorandum, was authorized.

6.06c TAPPAN LAKE PARK SEAWALL CONSTRUCTION PROJECT – AWARD

The Tappan Lake Park seawall project consists of removing existing erosion control concrete slabs and installing a vinyl sheet pile wall capped with boat tie-off cleats. The project location starts at the existing boat launch ramp within the park and extends approximately 1,200 feet along the peninsula.

At the October 22, 2010 Board meeting, authorization was granted to advertise for bids and award the project to the lowest and/or best bidder. The estimated cost for the project is \$250,000 and a Clean Ohio Grant in the amount of \$187,500 will fund this project with a 75%/25% local match required. Tappan Lake Park seawall project construction bids were opened on November 24, 2010, and the bid results were as follows:

Company	Total Base Bid	Total Base Bid plus Alternate*
Beaver Excavating Company	\$136,995.00	\$137,795.00
Tucson Inc.	\$152,477.50	\$167,377.00
Ohio West Virginia Excavating	\$163,902.00	\$170,902.00
Wenger Excavation	\$167,309.50	\$172,041.50
BUDS Inc.	\$196,950.00	\$207,950.00
TAB Construction Co. Inc	\$198,108.00	\$199,908.00
Massillon Construction	\$214,691.00	\$220,691.00

Ruhlin Company	\$218,330.00	\$227,930.00
Lockhart Concrete Co.	\$226,105.00	\$248,605.00
Neff Paving	\$287,359.66	\$295,359.66

**Alternate consists of removal of the existing concrete slab erosion protection.*

Following a close review of the bids, the project has been awarded to Beaver Excavating Company of Canton with a lowest and/or best bid of \$137,795.

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

6.06d ENGINEERING SERVICES – W.E. QUICKSALL AND ASSOCIATES

On motion by Mr. Kokovich, seconded by Mr. Boyle, an agreement with W.E. Quicksall and Associates to provide professional services during the year 2011, as recommended and set forth in the above memorandum, was approved.

6.07 USER FEE REFUNDS POLICY – PROPOSED REVISIONS

On motion by Mr. Kokovich, seconded by Mr. Boyle, proposed revisions to the operational policy entitled “User Fee Refunds,” as recommended and set forth in the above memorandum, were approved.

6.08 PIEDMONT MARINA RATES FOR 2011

On motion by Mr. Kokovich, seconded by Mr. Parham, proposed marina rates for Piedmont Marina for the 2011 season, as recommended and set forth in the above memorandum, were approved.

6.09 PARK CONCESSION OPERATIONS – ATWOOD

On motion by Mr. Boyle, seconded by Mr. Parham, an agreement with Anderson & Dotts Management, Inc. for operation of the park concession at Atwood for a three-year period, as recommended and set forth in the above memorandum, was approved.

6.10 ATWOOD LAKE RESORT AND CONFERENCE CENTER

Mr. Hoopingarner reported that the Atwood Resort facility is now closed and there are 4 employees who are maintaining the facility.

This matter was discussed in executive session. No action was taken in open session for this matter.

6.11 SCHEDULE OF BOARD MEETINGS FOR 2011

On motion by Mr. Kokovich, seconded by Mr. Boyle, the following schedule of meetings for the year 2011 was approved, as recommended and set forth in the above memorandum:

- January 21 (work session)
- February 18
- March 25 (4th Friday)
- April 22 (4th Friday)
- May 20
- June 4 (Conservancy Court)

- July 22 (4th Friday)
- August 19
- September 23 (4th Friday)
- October 21
- November 18
- December 16

6.12 ELECTION OF OFFICERS

On motion by Mr. Parham, seconded by Mr. Boyle, Mr. Kokovich was elected as President and Mr. Boyle as Vice-President for 2011; Mr. Hoopingarner was affirmed as Secretary and Mr. Cugliari as Treasurer.

6.13 OTHER BUSINESS

There was no other business at this time.

7. REPORTS

7.01 UPDATE ON 2010 GOALS

Mr. Hoopingarner reported on the progress of work toward accomplishing the 2010 goals as adopted by the Board of Directors.

1. To implement projects and programs under the Amendment to the Official Plan.
2. To develop financial operating principles.
3. To divest Atwood Lake Resort and Conference Center.
4. To address recreation operations in light of current economic conditions and customer demands.

An item for future consideration, strategic planning, is currently being addressed. Staff, with the assistance of Mr. Boyle, will have met with three firms specializing in strategic planning. It is anticipated that information will be presented to the Board as early as the January meeting.

7.02 USACE PROJECTS STATUS REPORT

Mr. Slogar provided the following update on U.S. Army Corps of Engineers (USACE) projects:

- Planning for Phase 2 of the Dover Dam project is underway. Meetings to review progress and status of the Phase 1 of the project are held on a regular basis.
- The Project Partnership Agreement between the Corps and MWCD for the Bolivar Dam rehabilitation project is nearly completed and will be brought to the Board for consideration within the next two months. The document is currently being reviewed by legal counsel.

7.03 PARTNERS IN WATERSHED MANAGEMENT UPDATE

Mr. Slogar stated that recommendations for projects in the Partners in Watershed Management Program will be prepared for the consideration by the Board in February.

7.04 ATWOOD REGIONAL WATER AND SEWER DISTRICT UPDATE

Mr. Parham, who represents the MWCD on the Atwood Regional Water and Sewer District (ARWSD) Board of Trustees, reported that the Board will meet Monday, December 20, and there is nothing to report at this time.

7.09 IMMINENT OR PENDING LITIGATION

This matter was discussed in Executive Session.

8. LEGISLATIVE REVIEW

8.01 CURRENT LEGISLATIVE ACTIVITIES

Mr. Hoopingarner reported that legislative related activities and efforts are focused on acquainting newly elected officials with the MWCD.

9. SUBDISTRICTS

9.01 SUBDISTRICT CHARGES

On motion by Mr. Parham, seconded by Mr. Boyle, necessary charges for the year 2010 for actual costs incurred for subdistricts of the MWCD, as recommended and set forth in the above memorandum, were approved.

EXECUTIVE SESSION

On motion by Mr. Boyle, seconded by Mr. Parham, the Board of Directors entered into executive session at 11:16 a.m. to discuss matters related to ORC §121.22 (G) (1) [compensation], (2) , and (3). On roll call: Mr. Boyle-yes; Mr. Horstman-yes; Mr. Kokovich-yes; Mr. Parham-yes; and Mr. Pryce-yes. On motion by Mr. Kokovich, seconded by Mr. Boyle, the Board returned to open session. The executive session ended at 12:42 p.m.

10. ADJOURN

There being no further business, on motion by Mr. Parham, seconded by Mr. Pryce, the meeting of the Board of Directors was adjourned. The Board will meet for a work session on Friday, January 21, 2011, at 9:00 a.m. and the next regularly scheduled meeting is Friday, February 18, 2011, at 9:00 a.m. at locations to be determined.

12/21/2010

Approved 01/21/2011