

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at the Dellroy Community Center
July 22, 2011, 9:00 a.m.**

A meeting of the Board of Directors of the Muskingum Watershed Conservancy District was held at the Dellroy Community Center, 2 West Main, Dellroy, Ohio, on Friday, July 22, 2011, 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, Jeremy Hoffer, John Hoopingarner, Kelli Karns, Darrin Lautenschleger, Karen Miller, John Olivier, Boris Slogar, and Mark Swiger, Shawn Tharp, and Scott Tritt.

Mr. Kokovich, 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: Jim Pringle (*MWCD Legal Counsel*).

Members of the media in attendance were: Kimberly Lewis (*The Times Leader*); Jon Baker, Jim Cummings, and Nancy Schaar (*The Times Reporter*); Carol McIntire (*The Free Press Standard*); Jennifer Clark and Jamie Hambach (*WJER Radio*); Jennifer Lorenzo (*WTUZ Radio*); and a representative from WTOV-TV Channel 9.

Public participation was held at the beginning of the meeting and ended at approximately 12:00 p.m. Individuals addressing the Board of Directors were: State Representative Mark Okey; Kay Onstott (*President of the Dellroy Village Council/former Resort employee*); Bill Robertson (*Malvern*); Joe Carlisle (*Dellroy*); James Miller; Eric Reip (*New Philadelphia*); Tom Wheaton (*Carroll County Commissioner*); John H. Davis (*Carroll County Farm Bureau*); Jeremiah Johnson (*Sugarcreek*); John Suma III (*Mineral City*); Amy Rutledge (*Carroll County Chamber and CVB*); Erma McCullough; Michael Shepperson (*Sherrodsville*); Scott Levensgood (*Mineral City*); Lynn Lambert; John Casler (*Mechanicstown*); Brian McIntire (*Township Trustee*); Cynthia Stout (*Painted Life Ministry*); David Jones (*Dellroy*); Alan Kemerer (*Carrollton*); Bob Stratton (*Sherrodsville*); Megan English (*Carrollton/former Resort employee*); Trudi Edwards (*Zoarville/former Resort employee*); Jamie Ball (*Painted Life Ministry*); Larry Kerr (*Mineral City/Atwood Lessees, Inc.*); Tina Parkhurst (*Diamond Entertainment Productions*); Fred Dudley (*Sherrodsville*); Jan Kennedy (*Dellroy*); Curt Schneider (*Chartwell Group*); Fred Foit (*CRS Auctions*); Ken Joseph (*EMT Ambulance*); Will Uptegraph (*Atwood Yacht Club*); Dr. Michael Brown (*Dover*); Dave Decker; and Red Higgenbotham.

Also in attendance were: Carisa Jones, Teri Moreland, Pat Mariol, Lyle Schiefer, Olivia Kennedy, Kenneth McCartney, (illegible name: Sherrodsville resident), Diane Binnig, Lyle Poole, Park Path, Donna Harper, David Harper, Darrell Kick, John Dayton, Dini Cheviron, Jennifer Sivets, Zetta Suma, Darcy Thornhill, Jane Dixon, Cliff Baum, Jean Griffeth, Vivian Skippen, Arthur Wilson, Mike McHale, Lou Young, Dave Decker, Vicki Onstott, Donna Sell, Geroge Sell, Brenda Lucas, Dawnett Williams, Gary Mandley, Phyllis Newell, Heidi Mabie, Ashley Wilson, Bob Baumgardner, Michael Vault, Lyle Palmer, Ronald Domeo, Richard Truman, Gene Feller, John Abbott, J.T. Stephens, Jim Gardner, Todd Walker, Mark Jukich, Tracy Slusher, Tom Hinderer, Elaine Eneix, Louis Kopocs, Carolee Kopocs, Dave Young, Pat and Dan Palmer, Linda and Lou Mikunda, Roger Whitley, Judith Ohler, Brian Valot, Charles Patterson, Beverly Kale, Wayne Chumat, Dan Berlyung, Gene Daley, Bob Broad, Rod Cairns, Ardesa Gassman, Joe Medure, Frank Kelley, Chris Modranski, James Komas, Doug

Frampton, Herb Foutz, Marrano Geizber, Gary Hall, Walter Brumbaugh, Dan Miles, Thomas Chaye, Kelly Matta, Robert Leggett, Gene Hutto, Barry McCarty, Donna Hall, Horace Blakall, Larry Daley, Darlene Cairns, Karen Evans, (illegible name), Karen Lewis, Carol Ledford, Palmer Fogler, Charles Brannon, Dennis Eckman, Robert J. Russell, Trish McCullough, Glenn Enslen, Jeff Ohler (*Carroll County Commissioner*), James Stout, Mark Brannon (*Monroe Township Trustee*), Gary Spahr, Roy Toalston, Jeanie Stevens, Dick Stevens, Darlene Cramblett, Ruth Ann Caper, JoLane Elson, Sally Blake, Robert Fischer, Larry Palidar, Doyle Hawk (*Carroll County Commissioner*), Carl Miller, Roger Graham, Reginia Williams, Siiglinch Klein, Raymond Dingler (*Monroe Township Trustee*), Suzanne Spahr-Dudley, Sharyn Gates, Clint Gates, Cheryl Palidar, Jeff Caldwell, Marc Alexander, Brenda Menapace, William Handrich, Chris Valot, Lisa Altimore, Bill Skipper, Bob Herron, Nancy McCort, John Veigel, Bob Morgan, Brian Bernard, Denny Roudebush, Dirck Ten Broeck (*MWCD Development Advisory Committee*), (illegible name: Sherrodsville resident), Carlene Graham. Jim Eckel, Colleen Eckel, Donald Nocera, Tom Kinney, Linda Kinney, John (illegible last name), Gary Kale, Scott Yingling, Judy Rontz, Eric Koren, Sherie Smith, Rod Hovan, Barb Levengood, and Richard Chesser.

3. APPROVAL OF MINUTES

On motion by Mr. Horstman, seconded by Mr. Boyle, the minutes of the May 20 and June 20, 2011, meetings of the Board of Directors were approved.

4. FINANCIAL

Mr. Cugliari presented the financial report for the periods ending June 30, 2011. The total revenue for operations excluding Atwood Resort is \$8,663,876.00 with expenses of \$4,171,093.00 resulting in an excess of revenue over expenses of \$4,492,784.00.

Conservation Fund

- Timber Harvesting revenue generated \$88,499.00 during June bringing the total to 29.08% of budget.
- Mineral Operations, gas and oil has monthly revenue of \$2,355,204.00 of which \$2,334,884.40 represents the signing of the lease with Gulfport Energy for acreage at Clendening Reservoir.
- Farm Operations-Sharecrops showed \$97,651.00 in expenditure for the month as the purchase of materials such as fertilizers occurred.

Recreation Fund-Parks

- Total revenues are 83.90% of budget and 4% ahead of last year.
- Vacation cabins are nearly 80% of budget and 9% ahead of last year.
- Park Camping is 80.58% of budget and 2.6% ahead of last year.
- General Park is 28.49% of budget and 17% ahead of last year.
- Overall expenses are ahead of last year but within budget.

Recreation Fund-Non Park

- Total revenues are 55.92% of budget and 1.7% ahead of last year.
- Marina Operations, revenue from are leased operations, are running slightly behind last year, while Piedmont Marina Operations are running ahead of last year.
- Cottages, Clubs and Docks revenue are all in line with budget expectations.
- Expenses are on target with budget expectations.

Maintenance Assessment Fund

- Second half settlements on the maintenance assessment will be received in the next two or three months.
- Expenses are 34.69% of budget and in line with projections.
- Dam Safety Upgrades expenditure of \$695,345.00 was paid to the Corps as the local cost share at Dover Dam.
- Debit Retirement-Assessment expenditure of \$893,671.00 was made to OWDA. This was our fifth payment out of a total of ten.

All areas of the operations are running on target with budget as we complete the first half of the year. Cash flow has improved with the goal of maintaining sufficient funds towards the end of 2011 and into the first quarter of 2012.

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

5. PAYMENT OF BILLS

On motion by Mr. Parham, seconded by Mr. Horstman, a report of the payment of bills for the periods ending May 31, and June 30, 2011, was approved as presented.

Mr. Horstman stated that he had recently discussed the issue of the Atwood Regional Water and Sewer District monthly billing with that office. He requested that Mr. Hoopingarner submit a formal request for relief on this bill.

6. BUSINESS

6.01a LEASE TRANSACTIONS

On motion by Mr. Boyle, seconded by Mr. Parham, 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 EASEMENT FOR OHIO & ERIE CANAL TOWPATH TRAIL

On motion by Mr. Pryce, seconded by Mr. Boyle, an easement to the Ohio & Erie Canal Corridor Coalition to construct and maintain a trail across MWCD property, as recommended and set forth in the above memorandum, was approved.

6.02 BUDGET ADJUSTMENTS

On motion by Mr. Boyle, seconded by Mr. Horstman, budget adjustments made during the months of May and June, as recommended and set forth in the above memorandum, were approved.

6.03 HUMAN RESOURCES SUMMARY

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

6.04a ATWOOD LAKE SHORELINE STABILIZATION PROJECT FINAL PROJECT ACCOUNTING AND CHANGE ORDER RATIFICATION REQUEST

On motion by Mr. Pryce, seconded by Mr. Parham, change orders 2, 3, and 4 for the Atwood Lake shoreline stabilization project, as recommended and set forth in the above memorandum, were ratified. On roll call: Mr. Boyle-yes; Mr. Horstman-no; Mr. Kokovich-yes; Mr. Parham-yes; and Mr. Pryce-yes.

6.04b PURCHASE OF VEHICLE FOR CHARLES MILL LAKE PARK

As approved at the April 22, 2011, meeting of the Board of Directors, bids were solicited for a replacement ranger vehicle for Charles Mill Lake Park. The first of the three annual payments is to be made by the Muskingum Watershed Conservancy Foundation's Pitney Fund.

A first request for bids specifying a 2011 Jeep Liberty, was sent out with no responses being returned. The Jeep Liberty is no longer available.

A second request for bids was then sent specifying a 2012 Chevrolet Impala. Ferris Chevrolet of New Philadelphia submitted the only bid. The purchase price is \$21,896.37 with a \$500.00 value for the trade-in making the total purchase price \$21,396.37. This will be a three-year lease with a \$1.00 buy-out.

Those dealerships not responding to requests were Dunning Motor Sales, Graham Auto Mall, Ewing Chevrolet, Loudonville Motor Company and Huebner Chevrolet.

The remaining two payments will be included in the budgets for 2012 and 2013. No action is required.

6.04c PURCHASE OF VEHICLE FOR ENGINEERING

On motion by Mr. Boyle, seconded by Mr. Parham, a three-year lease/purchase of a 2012 Ford Escape at an annual cost of \$6,079.43 with a \$1.00 buy-out, as recommended and set forth in the above memorandum, was approved .

6.04d PURCHASE OF CRANE TRUCK

On motion by Mr. Boyle, seconded by Mr. Parham, a four-year lease/purchase of a 2012 4 x 4 regular cab and chassis with mounted crane at an annual cost of \$18,021.48 with a \$1.00 buy-out, as recommended and set forth in the above memorandum, was approved .

**6.05a PWM PROGRAM GRANT REQUEST
ODNR ACID MINE DRAINAGE RECLAMATION PROJECTS**

On motion by Mr. Parham, seconded by Mr. Horstman, Partners in Watershed Management grant funding in the amount of \$247,500.00 for ODNR acid mine drainage reclamation projects, as recommended and set forth in the above memorandum, was approved.

6.05b PWM: DEBRIS REMOVAL PROGRAM

The Amendment to the Official Plan of the MWCD stipulates that, “MWCD will establish a program to assist counties, municipalities and townships in the watershed with the identification of debris areas and removal options.” Debris, log jams, and similar impediments particularly related to bridges and culverts can increase flooding to adjoining properties and wash out roads and bridges. In addition, from a reservoir maintenance perspective, debris which washes into MWCD’s reservoirs can pose a public health and safety threat, negatively impact water quality, and ultimately require the expenditure of dollars to remove and properly dispose of the debris.

To that end, staff and Chief Counsel have drafted a document which is intended to provide guidance to local communities seeking financial assistance from MWCD for debris removal projects. This document will also serve as a legal document between a local community and MWCD.

In summary, once a debris removal project is submitted to MWCD for consideration, Board approval will be required for those projects which exceed \$25,000 in MWCD financial commitment. In addition, the agreement between MWCD and a local community addresses the following:

- Project scope
- Cost-sharing percentage
- Procurement and contracting requirements and guidelines
- Ingress/egress requirements
- Debris disposal requirements
- Legal protections and indemnifications for MWCD

Maintenance budget projections include \$100,000 per year for debris removal projects. Requests for financial assistance will be considered in the order in which they are received, though those projects deemed to be a high priority based upon actual or anticipated flooding and public health and safety concerns will receive the highest level of consideration. In addition, the Debris Removal Program is not intended to be used as a watercourse maintenance fund. Only those requests which clearly can show a flooding and health and safety hazard will be considered. Finally, requests for financial assistance will only be accepted from a political subdivision of the State or from a federal agency (e.g. municipality, township, county, federal, state or local agency).

This agreement is provided to the Board for review and comment. No action is required at this time.

6.06 RECOMMENDATION FOR DAC APPOINTMENT

On motion by Mr. Horstman, seconded by Mr. Parham, the appointment of George Romanoski to the Development Advisory Committee, as recommended and set forth in the above memorandum, was approved.

6.07 ATWOOD LAKE RESORT AND CONFERENCE CENTER

Mr. Parham made the following motion: 1) Suspend any action to raze the Lodge or other buildings on the Atwood Resort property and suspend any action to sell the contents of such structures until further order of the Board of Directors; 2) Offer to donate the Atwood Resort to another governmental body (specifically to Carroll County, to Kent State Tuscarawas and, once again, to ODNR) under terms that will assure continued operation of the Resort; 3) If no governmental body will take on this responsibility, then offer the Resort for sale at a price to be determined by the Board in consultation with the Board of Appraisers; If no deal is made under the above, then the Board shall set terms for a public auction of the Resort; and If still no deal is made, then the Board will consider remaining options to include razing the buildings. Motion seconded by Mr. Pryce. Motion carried.

6.08 STRATEGIC PLANNING

Mr. Hoopingarner informed the Board that the original time scheduled to spend with Active Strategy for working on strategic planning has been delayed until later this year. He assured the Board that staff remains committed to this effort.

6.09 OTHER BUSINESS

No other business at this time.

7. REPORTS

7.01 SUMMARY OF MARINA OPERATIONS

Board members received a copy of the Summary of Marina Operations report through June 30, 2011. No action required.

7.02 PARK REPORTS

Board members received a report of gross receipts for the MWCD parks for the period ending July 10, 2011.

7.03 UPDATE ON 2011 GOALS

Mr. Hoopingarner reported on the progress of work toward accomplishing the 2011 goals as adopted by the Board of Directors.

- 1) To develop and implement a strategic plan of management for the Muskingum Watershed Conservancy District.
- 2) To evaluate and recommend a course of action in light of current oil and gas development opportunities.
- 3) To reduce the negative financial liability of the Atwood Lake Resort and Conference Center so that it is no longer a material factor in the overall operations of MWCD.
- 4) To address recreation operations in light of current economic conditions and customer demands.
- 5) To identify and develop conservation programs under the Amendment to the Official Plan.
- 6) To submit for consideration of the Conservancy Court the Subsequent Appraisal Record as required by law.

7.04 USACE PROJECTS STATUS REPORT

Mr. Slogar reported that work is progressing at Dover Dam and that preparations have commenced for the bidding process on the Bolivar project.

7.05 ATWOOD REGIONAL WATER AND SEWER DISTRICT UPDATE

Mr. Parham indicated that the Board of Trustees met this past week and that discussions have begun with their legal counsel regarding the potential of reduction of the ARWSD billing for the Atwood Resort facility.

7.06 IMMINENT OR PENDING LITIGATION

This matter was discussed in Executive Session. In open session, on motion by Mr. Boyle, seconded by Mr. Parham, the Executive Director was authorized to work with legal counsel in the determination of a possible settlement regarding a BWC claim.

8. LEGISLATIVE REVIEW

8.01 CURRENT LEGISLATIVE ACTIVITIES

Mr. Hoopingarner reported on current legislative activities. Since the Board's decision to demolish Atwood Resort on June 30, 2011, several legislators and public officials have contacted MWCD.

9. SUBDISTRICTS

No business at this time.

EXECUTIVE SESSION

On motion by Mr. Horstman, seconded by Mr. Pryce, the Board of Directors entered into executive session at 1:15 p.m. to discuss matters related to ORC §121.22 (G) (3). On roll call: Mr. Boyle-yes; Mr. Horstman-yes; Mr. Kokovich-yes; Mr. Parham-yes; and Mr. Pryce-yes. The executive session ended at 1:50 p.m.

10. ADJOURN

There being no further business, on motion by Mr. Horstman, seconded by Mr. Pryce, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is Friday, August 19, 2011, at 9:00 a.m. at the New Philadelphia City Council Chambers.

07/22/2011

Approved 8/19/2011