

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at The Tolloty Technology Incubator, New Philadelphia, Ohio
November 17, 2017, 9:00 a.m.**

A meeting of the Board of Directors of the Muskingum Watershed Conservancy District was held at the Tolloty Technology Incubator, 1776 Tech Park Drive NE, New Philadelphia, Ohio, on Friday, November 17, 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 Crandall, Jim Cugliari, Fred Hammon, Scott Heller, John Hoopingarner, Brad Janssen, Doug Little, Karen Miller, Boris Slogar, Clarissa Thompson, Scott Tritt, and John Watkins.

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*); Sean Logan (*Woolpert/Sean D. Logan Associates*); Bruce Robinson (*MWCD Development Advisory Committee*); Brett Heffner, Earl Lynch, Gary Biglin, and Dale Schraeder (*Shelby area residents*); Timothy Lynch (*Shiloh resident*); and Terry Fercona (*Environmental Design Group*).

Mr. Heffner, Mr. Biglin, and Mr. Schraeder addressed the Board with opposition to the Black Fork Subdistrict project. Mr. Heffner submitted a petition with approximately 500 signature. The petition, a copy of which is on file, states "We the undersigned residents of the Blackfork Subdistrict, oppose the building of the Regional Detention Basins (Dry Dams) as proposed by the Blackfork Subdistrict of the Muskingum Watershed Conservancy District, and oppose the levy of assessments to fund it."

Mr. Biglin suggested that other solutions should be tried before implementing the proposed major project; and Mr. Schraeder made a request that large log jams be cleared from the Black Fork.

3. APPROVAL OF MINUTES

On motion by Ms. Limbach, seconded by Mr. Moorehead, the minutes of the October 20, 2017, meeting of the Board of Directors were approved.

4. FINANCIAL

Mr. Cugliari presented the financial report for the ten-month period ending October 31, 2017. The total operating revenue is \$18,724,862.00 with operating expenses of \$12,111,183.00 resulting in an excess of revenue over expenses of \$6,613,679.00.

Maintenance Fund: General

- Total revenues are 95.77% of budget and up 14.94% from 2016.
- Use of Water Assets revenue line item is 75.12% of budget but on pace to meet budget at this point.

MWCD Board of Directors – Summary of Minutes

November 17, 2017 – Page 2 of 10

- Interest on Investments has met and exceeded budget by 3.5% or \$41,000.
- Total expenses are 73.59% of budget and up less than 1% from 2016.

Conservation Fund

- Total revenues are 83.82% of budget and down 6.62% from 2016.
- Timber Harvesting is 66.35% of budget but it is anticipated that the budget of \$390,000 will be met for the year.
- Mineral Operations – Gas & Oil Royalties produced \$1,332,160 for the month as some new wells came on line from a production standpoint and it is anticipated that budget will be met for the year.
- Total expenses are 67.04% of budget and down 23.75% from 2016.

Recreation Fund: Parks

- Total revenues are 98.22% of budget and up 1.79% from 2016.
- All major revenue areas are at or close to meeting budget. Trailer Storage is at 60.55% of budget with this area being the main stream of revenue for the balance of the year in parks.
- Total expenses are 80.84% of budget and down 2.69% from 2016.

Recreation Fund: Non-Parks

- Total revenues are 94.36% of budget and up nearly 1% from 2016.
- Most of the revenue areas are at or close to meeting budget with the anticipation that budget will be met in nearly all areas.
- Total expenses are 82.33% of budget and up 6.86% from 2016.
- As discussed previously, the line items of Lake Patrol, Clendening Marina Operations, and Cottage Sites are the areas of planned increased expenses.

Recreation Improvement Fund

- Total expenses are 51.55% of budget with the Park Master Plan item showing expenses totaling \$16,620,297.

Overall as the fiscal year winds down, the actual revenue has been in line with projections while expenses have been pretty much kept within budget. We will begin to wind down spending operationally with most of the larger expenditures being in the park master plan area.

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

5. PAYMENT OF BILLS

On motion by Mr. Paquette, seconded by Mr. Moorehead, the report of the payment of bills for the period ending October 31, 2017, was approved as presented.

6. BUSINESS

6.01a LEASE TRANSACTIONS

On motion by Ms. Limbach, 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 LEASE AMENDMENT RENEWAL AND PARTIAL RELEASE WITH ANTERO: SENECA

On motion by Ms. Limbach, seconded by Mr. Paquette, a lease amendment renewal and partial release of acreage at Seneca Reservoir with Antero Resources, as recommended and set forth in the above memorandum, was approved, contingent upon approval by staff and legal counsel of the final amendment and release/surrender documents.

6.02a PROPOSED 2018 BUDGET

On motion by Mr. Moorehead, seconded by Ms. Limbach, the proposed 2018 budget, as recommended and set forth in the above memorandum, was approved.

Mr. Maupin commented about the need for additional efforts in the area of conservation.

6.02b APPROPRIATION RESOLUTION FOR 2018

On motion by Ms. Limbach, seconded by Mr. Moorehead, the proposed appropriation resolution for 2018, as recommended and set forth in the above memorandum, was adopted.

6.02c DEEP SHALE ROYALTY REVENUE DISTRIBUTION

On motion by Ms. Limbach, seconded by Mr. Moorehead, the proposed distribution of deep shale royalty revenue for 2018, as recommended and set forth in the above memorandum, was approved.

6.02d INVOICES PRIOR TO PURCHASE ORDERS

On motion by Ms. Limbach, 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.

6.03a HUMAN RESOURCES SUMMARY

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

6.03b SEASONAL AND VARIABLE HOUR EMPLOYEE STAFFING PLAN - 2018

On motion by Ms. Limbach, seconded by Mr. Paquette, the proposed seasonal and variable hour employee staffing plan for 2018, as recommended and set forth in the above memorandum, were approved.

6.03c WAGE ADJUSTMENTS - 2018

On motion by Mr. Moorehead, seconded by Ms. Limbach, a three percent (3%) wage increase for eligible non-contracted, non-bargaining unit full-time and part-time employees to be effective on the first pay of 2018, as recommended and set forth in the above memorandum, was approved.

6.04a CHARLES MILL PARK WATER/WASTEWATER UTILITY IMPROVEMENTS: BID AND AWARD RESULTS

At the September 22, 2017 meeting, the Board authorized staff to solicit bids and enter into a contract for the Charles Mill Park Water/Wastewater Utility Improvements project.

Sealed bids were received on October 31, 2017, with the following results:

Contractor	Total Bid
Simonson Construction Services, Ashland	\$2,920,177.62
Workman Industrial Services, Kent	\$2,973,406.00
Elite Excavating Company of Ohio, Mansfield	\$3,014,005.00

The low bid is acceptable and below the engineer’s estimate of \$3,300,000.00.

A contract will be executed with Simonson Construction Services in the amount of \$2,920,177.62. Substantial completion is scheduled for October 30, 2018. This memo is provided for informational purposes only and no Board action is required.

6.04b PIEDMONT MARINA AND CAMPGROUND RENOVATIONS: BID AND AWARD RESULTS

At the September 22, 2017, meeting, the Board authorized staff to solicit bids and enter into a contract for the Piedmont Marina and Campground Renovations project.

Sealed bids were received November 1, 2017, with the following results:

Contractor	Total Bid with accepted Alternate
Tucson Inc., New Philadelphia, Ohio	\$2,096,295.50
GLR Inc., Dayton, Ohio	\$2,234,366.51
Freedom Construction, Barberton, Ohio	\$2,663,481.00
Fechko Excavating, Medina, Ohio	\$2,356,560.52
Cast and Baker, Canonsburg, PA	\$2,589,162.25
Eclipse Company, Chagrin Falls, Ohio	\$2,583,941.00

The amount of the low bid is below the engineer’s estimate of \$2,600,000.00 and is an acceptable bid. The Engineering and Recreation departments have selected the following alternate bid item to be included in the contract: Alternate #1, Concrete Trailer Pad Aprons.

A contract will be executed with Tucson Inc. in the amount \$2,096,295.50. Substantial completion for the project is scheduled for October 1, 2018. This memo is provided for informational purposes only and no Board action is required.

6.04c PLEASANT HILL PARK CAMPGROUND REDEVELOPMENT PHASE 1: BID AND AWARD RESULTS

At the September 22, 2017, meeting, the Board authorized staff to solicit bids and enter into a contract for the Pleasant Hill Park Campground Redevelopment Phase I project.

Sealed bids were received October 26, 2017, with the following results:

Contractor	Total Bid with accepted Alternates
Shrock Premier Custom Construction LLC, Loudonville	\$ 2,637,960.20
Simonson Construction Services, Inc., Ashland	\$ 2,861,801.20
Mark Schaffer Excavating & Trucking Inc., Norwalk	\$ 2,865,591.00

**MWCD Board of Directors – Summary of Minutes
November 17, 2017 – Page 5 of 10**

GLR Inc., Dayton	\$ 2,982,058.75
Lockhart Concrete Company, Akron	\$ 3,274,286.00
Eclipse Company LLC, Chagrin Falls	\$ 3,382,274.56
Mark Haynes Construction Inc., Norwalk	\$ 3,382,707.00
Adena Corporation, Mansfield	Incomplete Bid

The amount of the low bid is below the engineer's estimate of \$3,086,000.00 and is an acceptable bid. The Engineering and Recreation departments have selected the following alternate bid items to be included in the contract: Alternate #1, Welded Wire Mesh, and Alternate #2, Concrete Box Culvert.

A contract will be executed with Shrock Premier Custom Construction in the amount \$ 2,637,960.20. Substantial completion for the project is scheduled for March 1, 2019. This memo is provided for informational purposes only and no Board action is required.

6.04d SENECA LAKE DREDGING PROJECT

On motion by Mr. Paquette, seconded by Ms. Limbach, Amendment #1 to the Construction Manager At-Risk contract with PCi Dredging, as recommended and set forth in the above memorandum, was authorized.

6.04e TAPPAN PARK CAMPGROUND RENOVATIONS PHASE 1: REQUEST TO BID AND AWARD

On motion by Ms. Limbach, seconded by Mr. Paquette, a request to advertise for bids and award a contract for Phase 1 the Tappan Park campground renovations, as recommended and set forth in the above memorandum, was authorized.

6.04f BIZ LIBRARY AGREEMENT

On motion by Mr. Maupin, seconded by Mr. Moorehead, a 4-year agreement with BizLibrary for an off-the-shelf collection of online training videos for employee training, as recommended and set forth in the above memorandum, was approved.

6.05 PROPOSED RATES FOR 2018

On motion by Mr. Maupin, seconded by Mr. Paquette, the proposed rates for parks, marinas and decals for 2018, as recommended and set forth in the above memorandum, were approved.

6.06 ONE-TIME DISPOSAL OF ENGINEERING RECORDS

On motion by Ms. Limbach, seconded by Mr. Maupin, a list of engineering records to be submitted to the Ohio History Center for a one-time disposal, as recommended and set forth in the above memorandum, was approved.

6.07 USGS WATER MONITORING GAGES – ANNUAL OPERATION AND MAINTENANCE CONTRACTS

On motion by Mr. Maupin, seconded by Ms. Limbach, execution of the 2018 Joint Funding Agreements with the U.S. Geological Survey, as recommended and set forth in the above memorandum, was authorized.

6.08 SCHEDULE OF BOARD MEETINGS FOR 2018

On motion by Mr. Moorehead, seconded by Mr. Paquette, a schedule of Board meetings for 2018, as recommended and set forth in the above memorandum, was approved.

OTHER BUSINESS

EMPLOYMENT CONTACT WITH CHIEF COUNSEL

On motion by Mr. Paquette, seconded by Mr. Moorehead, an employment contract with chief counsel for 2018, as recommended and set forth in the above memorandum, was approved.

HYLAND GLOBAL SERVICES, ECM SYSTEM – CHANGE ORDER

On motion by Ms. Limbach, seconded by Mr. Moorehead, staff approval of a change order to a contract with Hyland Global Services for development of an Enterprise Content Management system for recreation leases, as recommended and set forth in the above memorandum, was ratified.

7. REPORTS

7.01 UTICAL ROYALTY REVENUE REPORT

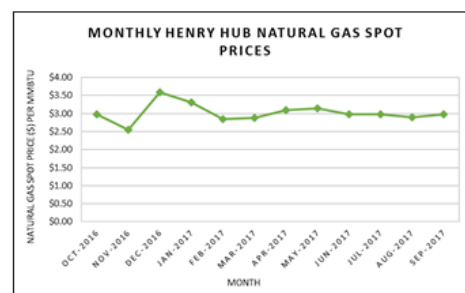
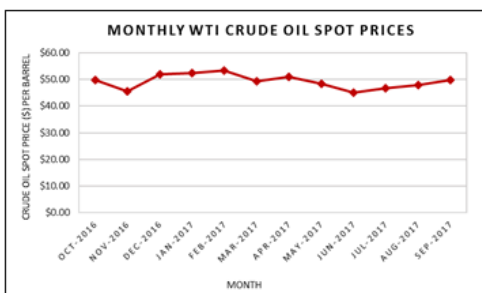
Utica royalty revenue is currently generated by 58 wells at Clendening, Seneca, and Leesville Reservoirs. A breakdown of the wells by operator and reservoir, and the monthly royalty revenue can be seen on the attached page (*copy on file*).

The monthly Utica royalty revenue increased about 115.7% from September '17 (\$612,449.35) to October '17 (\$1,320,891.69). Some individual items of note:

- Two new wells at Seneca were added in October 2017. These include two Fuller Unit wells where Antero is the Producer.
- Three new wells at Leesville were added in October 2017. These include three Edie Unit wells where Chesapeake is the Producer.

The U.S. Energy Information Administration Prices Reports¹ (September 2017)

- The WTI Crude Oil Spot Price² for September 2017: \$49.82 per barrel
- The Henry Hub Natural Gas Spot Price³ for September 2017: \$2.98 per MMBTU



MWCD Board of Directors – Summary of Minutes
November 17, 2017 – Page 7 of 10

¹ Source: U.S. Energy Information Administration (September 2017)

² 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.

³ 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 MARINAS REPORT

The purchase of Tappan Marina was completed on October 17. The current owners are providing storage and winterization services for this off-season, through a short-term agreement. Administrative information, including past customer data, will be transferred to MWCD shortly. Communication with past customers will begin immediately. The contracted removal of the docks for winter storage purposes will have been completed by November 10.

Three RFP's (Requests for Proposals), were received for the leased operation and provision of boat sales and repair services, while only one was received for the leased operation of the restaurant. Meetings with the respondents to review their proposals have been scheduled for the week of November 13, with the goal of having agreements in place by this coming December/January. MWCD will provide the core services of docking, boat rentals, and fuel and bait sales at the marina.

New docks related to the master plan have been delivered to Seneca and Piedmont for installation next spring. Bids are out for improvements to the fueling system at Seneca, with project completion scheduled in time for the 2018 boating season.

The launch ramp at Charles Mill Marina, a facility heavily used by local anglers, will be replaced during the upcoming drawdown period.

A major improvement project involving the Clendening Marina maintenance/storage building is nearing completion. The project has entailed the replacement of the original gravel floor with concrete, the addition of a waste storage tank, new siding and insulation, and the provision of heat. The improvements will allow the building to be used year-round and more efficiently, and the waste collection system will help protect the water quality of Clendening.

7.03 2017 GOALS

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

Mr. Slogar distributed a "Draft for Review" copy of the Strategic Plan which is under development and will be presented in final form to the Board for consideration at the December meeting.

7.04 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:** Seasonal Campground Redevelopment - Phase I, Roadway and Infrastructure - Phase I
- **Seneca:** Marina Point South Campground Redevelopment
- **Tappan:** WWTP Phase 1 Improvements, Campground Renovation – Phase I

Individual Projects Status

- **Atwood Lake Area 20 Campground:** The restroom/shower building, playground, picnic pavilion, concrete RV pads and all utilities are complete. Landscaping is ongoing and final asphalt paving will take place the week of November 6. Substantial completion for the project is scheduled for November, 2017.
- **Atwood Main Campground Improvements – Phase I:** This project was awarded to Sheckler Excavating, Inc. of Malvern on November 10. A preconstruction meeting was held October 30. Construction is scheduled to begin November 13. 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 and a communication conduits. Installation of additional drainage piping will be completed this fall.
- **Charles Mill Lake RV and Boat Storage Lot:** GE Baker has completed the parking lot and lighting. Chain link fencing and gates have been installed around the perimeter. Waiting on Ohio Edison to energize the electric service.
- **Charles Mill Lake Park Water and Wastewater Utility Improvements:** Bids were opened on October 31. A contract will be entered with Simonson Construction Services from Ashland. Substantial completion is scheduled for the end of October in 2018.
- **Charles Mill Lake Park Main Campground Redevelopment – Phase I:** Bids to be opened November 21.
- **Piedmont Campground Renovations Phase I:** Project bids opened on November 1. The apparent low bidder is Tucson Construction from New Philadelphia. This project will include construction of 37 campsites and 6 park model sites. The project also includes a new centralized restroom/shower house.
- **Pleasant Hill Lake Area 22 Campground:** Concrete RV campsite pads, utilities, picnic pavilion, basketball court and CXT restroom/shower building installation and paving are all complete. Landscaping is approximately 95% complete. The project is scheduled to be substantially completed in December, 2017.
- **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 remain to be completed. The substantial completion date is scheduled for December 2017.
- **Pleasant Hill Seasonal Campground Redevelopment – Phase I:** This project was awarded to Shrock Custom Premier Construction of Loudonville on November 9. 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 is has completed building all the force main including the tie-in to Senecaville's wastewater treatment plant. The project will be substantially completed in November.

- **Seneca Lake Parkside Central and Woodlands Campgrounds:** Cast & Baker Corporation has been working on the earthwork, utility relocations and construction of the temporary road. The project will be substantially completed in November 2018.
- **Tappan Lake East Campground:** The project is under construction by Tucson Inc. Final concrete, paving and landscaping is underway. This project is scheduled to be substantially completed in November 2017.
- **Tappan Lake Park Campground Renovation – Phase I:** Final project plans are complete and ready for construction bidding. Bid opening is scheduled during mid-December.

Reservoir Dredging and Shoreline Stabilization (Ongoing)

Dredging Program

- **Tappan Lake:** Project is complete.
- **Seneca Lake:** The design/preconstruction phase work with PCi Dredging continues as plans for dredging and Dredge Material Relocation Areas are developed. A Guaranteed Maximum Price (GMP) for two DMRA sites has been prepared, although additional costs for dredging and other DMRA sites will be presented to the Board at a later date for approval. By breaking up the GMP into smaller parts, tree clearing operations and some initial earthwork can begin now to allow dredging to begin sooner in the spring.

Shoreline Program

- **Tappan Highlands Shoreline Stabilization Project:** Bids open November 20.
- **Seneca Lake Hickory Grove and East Shore Shoreline Stabilization Project:** Bids open November 20.
- **Leesville Lake – South Fork Marina Shoreline Project:** Plans are being developed for a rock riprap and segmental concrete block retaining wall project at the South Fork Marina. Design should be complete by the end of December and the project will be constructed this winter by our Engineering Crew.

7.05 USACE PROJECTS STATUS REPORT

Dover Dam: (no significant update since last report)

- Real estate work continuing over the next few months (ODOT easement at the right abutment and a potential mineral rights easement at the left abutment).

Bolivar Dam:

- Left abutment restoration will take place next year along with the installation of additional piezometers to monitor the performance of the seepage barrier. In addition, the relief wells will be cleaned out next year.
- The final ribbon cutting event was held at the dam October 20. John Hoopingarner spoke on behalf of MWCD and the event was well attended.

Mohawk Dam: (no significant update since last report)

- Dam Safety Modification Report was submitted for review January 31. Additional changes are required to the DSMR and will delay final review until May.

Zoar Levee: (no significant update since last report)

- The scope for geotechnical analyses and archeological services to be awarded in April.
- Zoar is planning a bicentennial celebration May 20.

7.06 IMMEDIATE OR PENDING LITIGATION

No report at this time.

8. SUBDISTRICTS

**8.01a BLACK FORK SUBDISTRICT
BUDGET AND APPROPRIATION RESOLUTION FOR 2018**

On motion by Mr. Maupin, seconded by Mr. Moorehead, the budget and appropriation resolution for 2018 for the Black Fork Subdistrict of the Muskingum Watershed Conservancy District, as recommended and set forth in the above memorandum, was approved.

**8.01b BUFFALO CREEK SUBDISTRICT
BUDGET AND APPROPRIATION RESOLUTION FOR 2018**

On motion by Mr. Maupin, seconded by Mr. Moorehead, the budget and appropriation resolution for 2018 for the Buffalo Creek Subdistrict of the Muskingum Watershed Conservancy District, as recommended and set forth in the above memorandum, was approved.

**8.01c CHIPPEWA SUBDISTRICT
BUDGET AND APPROPRIATION RESOLUTION FOR 2018**

On motion by Mr. Maupin, seconded by Mr. Moorehead, the budget and appropriation resolution for 2018 for the Chippewa Subdistrict of the Muskingum Watershed Conservancy District, as recommended and set forth in the above memorandum, was approved.

**8.01d CLEAR FORK SUBDISTRICT
BUDGET AND APPROPRIATION RESOLUTION FOR 2018**

On motion by Mr. Maupin, seconded by Mr. Moorehead, the budget and appropriation resolution for 2018 for the Clear Fork Subdistrict of the Muskingum Watershed Conservancy District, as recommended and set forth in the above memorandum, was approved.

**8.01e DUCK CREEK SUBDISTRICT
BUDGET AND APPROPRIATION RESOLUTION FOR 2018**

On motion by Mr. Maupin, seconded by Mr. Moorehead, the budget and appropriation resolution for 2018 for the Duck Creek Subdistrict of the Muskingum Watershed Conservancy District, as recommended and set forth in the above memorandum, was approved.

9. EXECUTIVE SESSION

There was no executive session.

10. ADJOURN

There being no further business, on motion by Mr. Paquette, seconded by Mr. Maupin, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is Friday, December 15, 2017, at 9:00 a.m. at the Science and Technology Center, Kent State University Tuscarawas.