

**SUMMARY OF MINUTES
BOARD OF DIRECTORS
MUSKINGUM WATERSHED CONSERVANCY DISTRICT
Held at Kent State University Tuscarawas
October 27, 2023, 9:00 a.m.**

A meeting of the Board of Directors of the Muskingum Watershed Conservancy District was held at Kent State University Tuscarawas, 330 University Drive NE, New Philadelphia, Ohio, on Friday, October 27, 2023, 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: Gordon Maupin, James Gresh (virtually), Robert Moorehead, and Jennifer Ponchak. Mr. Moorehead presided. On motion by Ms. Ponchak, and seconded by Mr. Maupin, Ronald Dziedzicki and James Gresh were excused. Mr. Gresh joined virtually and had no voting rights.

MWCD staff in attendance were Adria Bergeron, Mary Burley, Craig Butler, Jamie Carlisle, Hilary Celuch, James Crandall (virtually), Brad Janssen, David Lautenschlager, Jonathan Mizer, Eric Stechschulte, Aaron Stump, Matt Thomas, Nate Wilson, and Jeff Yohe.

2. INTRODUCTION OF VISITORS AND PUBLIC COMMENT

Also, in attendance for all or portions of this meeting were: Terry Fercana, Jeremy Ousley, and Jill Pfeiffer-Ward (*Environmental Design Group*); Adam May and Ben Rantilla (*Hasenstab Architects, Inc.*); Mayor Joel Day and Service Director Ron McAbier (*City of New Philadelphia*); Scott Robinson (*President of Tuscarawas County Chamber of Commerce*); Marla Akridge (*Executive Director of Tuscarawas Economic Development Corporation*); Brad Bielski (*Dean of Kent State University—Tuscarawas Branch*); Steve Walker (*Buckeye Trail Association*); Holly Shelton (*Vice President of Foundation for Appalachian Ohio*); Dan Lansor (*Arrowhead Association*); Mike Wells (*President of Atwood Glens Association*).

Other Business Item: “Presentation of possible new headquarters concept design” was moved to the public participation section. Environmental Design Group (Jeremy Ousley and Jill Pfeiffer-Ward) and Hasenstab Architects, Inc. (Adam May and Ben Rantilla) presented to the Board a design concept for potential new headquarters for MWCD. The group provided a slideshow presentation of the building design and indicated that the location would be at the New Philadelphia Industrial Park which is near the Buckeye Career Center/Kent State University Tuscarawas Campus. The new headquarters would accommodate all of the staff that currently occupies the two Main Office Buildings (the Bryce Building and the Annex Building on Reiser). Mr. Butler added that a new MWCD headquarters falls within the Master Plan. The following local agencies and governmental entities attended the meeting and voiced their support: Mayor Joel Day and Service Director Ron McAbier of the City of New Philadelphia; Scott Robinson, President of Tuscarawas County Chamber of Commerce; Marla Akridge, Executive Director of Tuscarawas Economic Development Corporation; and Dean Brad Bielski of the Kent State University—Tuscarawas Branch.

Mr. Steve Walker, President of the Buckeye Trail Association, presented to Mr. Butler (accepting on behalf of MWCD) The 2023 Merrill Gilfillan Award for Visionary Agency Partners. This award was given for outstanding cooperation and support in preserving, promoting, and improving the Buckeye Trail through the MWCD Lakes region.

3. APPROVAL OF MINUTES

On motion by Mr. Maupin, seconded by Ms. Ponchak, the minutes of the September 22, 2023,

meeting of the Board of Directors were approved.

4. FINANCIAL

Attached (*copies on file*) is the financial report for the nine-month period ending September 30, 2023. The total operating income is \$19,087,458 compared to \$28,724,211 in 2022. The Operating net income without the Utica Shale royalties is \$4,221,876, an increase of \$816,670 over the prior year.

The operational revenue is \$33,931,289 compared to \$42,951,279 in 2022, or a 21% decrease.

- Several operational areas will not hit the originally budgeted revenue.
 - Oil and Gas revenue (Utica) will fall short of the budget as discussed at previous meetings. We will be bringing back for the Board’s review an updated Utica Shale allocation based on the projections at the November meeting.
 - Park Revenue \$10,385,342 (90% of budget) and Marina Revenue \$3,202,136 (89% of budget) are projected to fall short of budget. The parks and marinas have done a good job at managing the expense budgets, so both departments will be ahead of their overall operational budgets.
- All other operational areas are projected to meet or exceed the revenue budgets for 2023.
- See Park and marina quarterly analysis and KPI tracking for more detailed explanation of those areas through the third quarter.

Operational expenses are \$14,843,841 an increase of 4% over the prior year. Personnel expenses are \$7,999,026 of this amount and make up for the increase in expenses. All other expenses are flat year over year, and within budgeted expectations.

Maintenance Assessment Fund

Maintenance Assessment revenue is \$5,803,870 through September, which is down 3% compared with the prior year. We have received all second half collections, however, there is one county that will be reported in the October financial report. Expenditures are \$3,040,891, a 16% decrease from the prior year. Expenditures are within budgeted expectations.

The Conservancy District is in a positive financial position through the third quarter. We are utilizing this information to assist us in developing the 2024 budget.

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

5. PAYMENT OF BILLS

On motion by Mr. Maupin, seconded by Ms. Ponchak, the report of the payment of bills for the period ending September 30, 2023, was approved as presented. (*Copies on file*)

6. BUSINESS

6.01a LEASE TRANSACTIONS

On motion by Mr. Maupin, seconded by Ms. Ponchak, 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 PROPOSED LOT LINE CHANGE—PIEDMONT LOT P-117X

On motion by Ms. Ponchak, seconded by Mr. Maupin, proposed lot change, as recommended and set forth in the above memorandum, was approved.

6.01c AMENDMENTS & CONSENTS TO ASSIGNMENT OF OIL AND GAS LEASES

On motion by Mr. Maupin, seconded by Ms. Ponchak, proposed resolution, as recommended and set forth in the above memorandum, was approved.

6.01d CLEAN OHIO GRANT: AEP PHASE IV ACQUISITION AT WILLIS CREEK

On motion by Mr. Maupin, seconded by Ms. Ponchak, proposed resolution of authorization, as recommended and set forth in the above memorandum, was approved.

6.02a INVOICES PRIOR TO PURCHASE ORDERS

On motion by Mr. Maupin, seconded by Mr. Dzedzicki, 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 Ms. Ponchak, seconded by Mr. Maupin, proposed report, as recommended and set forth in the above memorandum, was approved.

6.02c USE OF CREDIT CARDS QUARTERLY REVIEW

On motion by Ms. Ponchak, seconded by Mr. Maupin, proposed report, as recommended and set forth in the above memorandum, was approved.

6.02d 2024 MARINE PATROL ASSISTANCE GRANT PROGRAM

On motion by Ms. Ponchak, seconded by Mr. Maupin, proposed resolution, as recommended and set forth in the above memorandum, was approved.

6.02e 2024 NAVIGATIONAL AIDS GRANT PROGRAM

On motion by Ms. Ponchak, seconded by Mr. Maupin, proposed resolution, as recommended and set forth in the above memorandum, was approved.

6.02f PARK AND MARINA AUDITS

On motion by Mr. Maupin, seconded by Ms. Ponchak, proposed audit reports and corrective action plans, as recommended and set forth in the above memorandum, were approved.

6.02g 2024 DRAFT BUDGET

Informational use only. No Board action is required.

6.03a HUMAN RESOURCES SUMMARY

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

6.03b PROPOSED NEW OPERATIONAL POLICY—EMERGENCY COMMUNICATIONS PLAN

On motion by Ms. Ponchak, seconded by Mr. Maupin, proposed operational policy, as recommended and set forth in the above memorandum, was approved.

6.03c PROPOSED PERSONNEL POLICY MANUAL UPDATES

On motion by Ms. Ponchak, seconded by Mr. Maupin, proposed personnel policies, as recommended and set forth in the above memorandum, were approved.

6.04a PLEASANT HILL LAKE COVERT ROAD BRIDGE REPLACEMENT BID AND AWARD RESULTS

No Board action is required.

6.04b TAPPAN LAKE PARK ACTIVITY CENTER AMENITIES DESIGN REQUEST APPROVAL TO ENTER INTO DESIGN CONTRACT

On motion by Mr. Maupin, seconded by Ms. Ponchak, proposed authorization to amend existing contract, as recommended and set forth in the above memorandum, was approved.

6.04c TAPPAN LAKE EAST AND WEST SHORE COTTAGE AREA SHORELINE STABILIZATION PROJECT FINAL PROJECT ACCOUNTING AND CHANGE ORDER RATIFICATION REQUEST

On motion by Mr. Maupin, seconded by Ms. Ponchak, proposed ratification of the execution of all change orders, as recommended and set forth in the above memorandum, was approved.

6.04d PIEDMONT LAKE REYNOLDS ROAD PARKING LOT FACILITY IMPROVEMENTS PROJECT FINAL PROJECT ACCOUNTING AND CHANGE ORDER RATIFICATION REQUEST

On motion by Ms. Ponchak, seconded by Mr. Maupin, proposed ratification of the execution of all change orders, as recommended and set forth in the above memorandum, was approved.

6.04e WASTEWATER SYSTEM IMPROVEMENTS, VARIOUS LOCATIONS CONTRACT EXTENSION AND 2024 FUNDING AUTHORIZATION

On motion by Mr. Maupin, seconded by Ms. Ponchak, proposed extension of term for design contracts, as recommended and set forth in the above memorandum, was approved.

6.04f CLENDING LAKE MARINA WATER TREATMENT FACILITY | REQUEST TO BID AND AWARD

On motion by Ms. Ponchak, seconded by Mr. Maupin, proposed rebid of project, as recommended and set forth in the above memorandum, was approved.

6.04g CHARLES MILL LAKE SHORELINE STABILIZATION PROJECT BID AND AWARD

On motion by Mr. Maupin, seconded by Ms. Ponchak, proposed authorization to advertise and bid and award, as recommended and set forth in the above memorandum, was approved.

6.04h ATWOOD LAKE—WEST MARINA LAUNCH RAMP IMPROVEMENTS | REQUEST TO BID AND AWARD

On motion by Ms. Ponchak, seconded by Mr. Maupin, proposed authorization to bid and award, as recommended and set forth in the above memorandum, was approved.

6.05 OTHER BUSINESS

Ms. Holly Shelton, Vice President of Foundation for Appalachian Ohio, presented Mr. Butler (on behalf of MWCD) with the Chaddock Philanthropist of the Year award. This award was created in honor and recognition of FAO Board member Jeff Chaddock and his partner, Mark Morrow, to celebrate those who have made an outsized difference in Appalachia through their gifts of philanthropy. FAO chose MWCD specifically because of its support and creation of the fund to support environmental stewardship in the region.

Mr. Jeff Yohe gave a quarterly status report on the progress of the Master Plan. *(Copy on file).*

6.06 STRATEGIC PLAN DASHBOARD PRESENTATION

Informational only. Staff presented drafts of the internal and external dashboards which have metrics for measuring progress on the Strategic Plan which was approved in 2022. The Board requested to review the dashboards and discuss the topic further at a different Board meeting.

7. REPORTS

7.01 UTICA ROYALTY REVENUE REPORT

Utica royalty revenue is currently generated by **116** producing wells at Tappan, Clendening, Seneca, Dover, Piedmont, Atwood, and Leesville Reservoirs. A breakdown of the monthly royalty revenue can be seen on the attached page.

Utica royalties for **September** totaled **\$2.06M** (\$2,063,143.16) which was an approximate **2%** decrease in month-over-month revenue from August (\$2.11M).

Royalty Report Exhibit *copy is on file.*

7.07 IMMINENT OR PENDING LITIGATION

None.

8. SUBDISTRICTS

8.01 PAYMENT OF BILLS – CHIPPEWA SUBDISTRICT

Attached is the Payment of Bills report for the Chippewa Subdistrict for the period September 1, 2023, through September 30, 2023.

The July report is for check numbers 3004 through 3014 totaling \$28,041.66.

All payments have been reviewed and found to be in order. It is recommended that the Board approve the September 2023 payment of bills for the Chippewa Subdistrict.

Muskingum Watershed Conservancy District			
Chippewa Subdistrict			
Payment of Bills			
September 1, 2023 through September 30, 2023			
CHECK NUMBER	PAYMENT DATE	PAY TO NAME	PAYMENT AMOUNT
000003004	9/14/2023	BRYAN YUNGEN	3,150.00
000003005	9/14/2023	FRONTIER COMMUNICATIONS	510.00
000003006	9/21/2023	COMDOC	44.26
000003007	9/21/2023	ENTERPRISE FLEET MANAGEMENT	560.59
000003008	9/21/2023	MB EXCAVATING	6,059.20
000003009	9/21/2023	T D LANDSCAPE	3,112.00
000003010	9/21/2023	USDA-APHIS, GENERAL	2,176.37
000003011	9/21/2023	WAGNER TRUCKING & EXCAVATING,	280.00
000003012	9/28/2023	HOME DEPOT	63.88
000003013	9/28/2023	WEX BANK	208.56
000003014	9/28/2023	WOOLPERT INC	11,876.80
			\$28,041.66

On motion by Mr. Maupin, seconded by Ms. Ponchak, the report of the payment of bills for the period ending August 31, 2023, for the Chippewa Subdistrict, was approved as presented.

9. EXECUTIVE SESSION

No executive session was needed.

10. ADJOURN

There being no further business, on motion by Mr. Maupin, seconded by Ms. Ponchak, the meeting of the Board of Directors was adjourned. The next regularly scheduled meeting is Friday, November 17, 2023, at 9:00 a.m., at Kent State University Tuscarawas.

10.30.2023, jlc
 Approved 11.17.2023