
THE DULY ELECTED MEMBERS OF THE BOARD OF COUNTY COMMISSIONERS OF WASHINGTON COUNTY, OHIO, MET IN SPECIAL SESSION ON APRIL 23, 2013 IN ACCORDANCE WITH OHIO REVISED CODE 305.05, WITH THE FOLLOWING MEMBERS PRESENT: DAVID A. WHITE, PRESIDENT, RONALD L. FEATHERS, MEMBER, AND TIMOTHY C. IRVINE, MEMBER. THE MEETING WAS CALLED TO ORDER AT 11:00 A.M. BY THE PRESIDENT OF THE BOARD WITH THE PLEDGE OF ALLEGIANCE TO OUR FLAG.

Also attending were Prosecutor Jim Schneider, Cora Marshall, Evan Bevins of the *Marietta Times*, Todd Baucher of *WTAP*, and Clerk Rick Peoples.

**AGENDA
Washington County Commissioners
Special Meeting**

11:00 a.m., April 23, 2013

Approve Agenda

Consideration of Lease of Mineral Rights at County Home

Adjourn

INFORMATION

Eastern Ohio Development Alliance (EODA) Annual Meeting, 10:30 a.m., **Friday**, April 26
Commissioners' Off-Site Weekly Meeting, 7:00 p.m., **Thursday**, May 2, Adams Twp. Hall, Lowell

RE: AGENDA

Mr. Irvine moved and Mr. Feathers seconded a motion to accept the agenda.

A calling of the roll resulted in the following vote: David White aye, Ronald Feathers aye, Timothy Irvine aye. Motion passed.

RE: CONSIDERATION OF LEASE OF MINERAL RIGHTS AT COUNTY HOME

Prosecutor Jim Schneider presented a letter dated April 22, 2013 to the Commissioners notifying them he has reviewed the paperwork relating to the Deep Well Lease of County Home property, and has found the documents to be "lawful for the Commissioners to sign". He recommended the Commissioners adopt resolutions to (1) enter into agreement with Attorney James S. Huggins to act as legal representative in dealing with oil companies and mineral rights of County Home property, and (2) enter into necessary agreements with the company or companies as part of the consortium of landowners known as the Caywood Group.

Mr. Schneider advised the Commissioners to not sign an oil and gas agreement at this meeting, but instead he presented a resolution that will allow them to sign agreement(s) at the appropriate time without meeting again in public session. He noted there is an existing gas well on the property, and that he will file necessary paperwork to dissolve that lease in a timely manner.

Mr. Irvine commented that approximately seventy (70) acres where the County Home is physically located will have no drilling on it, but may have lines running through it below the surface.

Mr. Irvine moved and Mr. Feathers seconded a motion to approve a resolution agreeing to enter into a personal services contract with Attorney James S. Huggins for him and his law firm, Theisen Brock, LPA, 424 Second Street, Marietta, Ohio 45750, to act on behalf of the Washington County Commissioners to negotiate with an oil company or oil companies and prepare documents necessary for the County to lease real property, specifically at the Washington County Home, as part of a landowners' group or consortium known as the Caywood Group, for the specific purpose of entering into a Purchase and Sale Agreement with SGM Holdings, LLC, aka SGM Energy, with the understanding that the Commissioners will also enter into an Oil and Gas Lease with said company.

At the invitation for discussion by President White, Ms. Marshall asked if this agreement:

- Will provide a pipeline for transmission of gas through County Home property.
- Will require "double ditching" to ensure topsoil is replaced to preserve the integrity of the property.
- Will be provided to the public prior to signing to determine if there is community interest in it or reaction to it.
- Includes sufficient insurance protection.
- Adequately protects the best interests of Washington County by using outside counsel.

Mr. Irvine responded:

- It is his understanding the pipeline will not be a transmission line through the property. There may be a pipeline to gather product from the Caywood group.
- Double ditching is required in the Agreement.
- This issue has been discussed at regular Commissioner’s meetings.
- The Agreement does include insurance coverage.

Mr. Schneider commented he is recommending Mr. Huggins to negotiate the lease on behalf of the County, and he has determined it is appropriate for Mr. Huggins to act in such capacity. He noted Mr. Huggins is not serving as legal counsel for the County, but will represent the County in this negotiation process.

Ms. Marshall asked if any Caywood Group landowners have yet been compensated by Reed Energy. Mr. Schneider said he didn’t believe any have. Ms. Marshall then said it might be of value for the County to consider other companies, such as Triad Energy, which is local.

Ms. Marshall expressed her appreciation to the Commissioners for the opportunity to speak. She encouraged them, as they consider an agreement for the lease of mineral rights, to ensure inclusion of appropriate pipeline depth and maximum line pressure, requirement for double ditching, and assigning responsibility for resolution of any title defect. She indicated she speaks as a Washington County resident concerned about the appropriate use of Washington County property, maintaining a safe environment for residents and staff at the County Home, and securing a good, solid lease arrangement that is in the best interest of the County.

Hearing no other comments, President White called for a vote. A calling of the roll resulted in the following vote: Mr. Irvine aye, Mr. Feathers aye, Mr. White aye. Motion passed.

Mr. Feathers moved and Mr. Irvine seconded a motion to enter into a Purchase and Sale Agreement, negotiated on the County’s behalf by Attorney James S. Huggins, as part of a landowners’ group or consortium known as the Caywood Group, with SGM Holdings, aka SGM Energy, for the purpose of leasing to that company the real estate known as the Washington County Home property, for the purpose of deep well drilling for oil and gas, according to the written addenda and specifications and exceptions listed therein, and with the further understanding that the Commissioners will enter into the proposed Oil and Gas Lease with said company when advised to do so by Mr. Huggins.

A calling of the roll resulted in the following vote: Mr. Irvine aye, Mr. Feathers aye, Mr. White aye. Motion passed.

RE: DRAINAGE ISSUE IN ADAMS TOWNSHIP

Acknowledging it not being on the stated agenda for this meeting, Prosecutor Jim Schneider commented he has received written communication from the attorney for Adams Township residents Kenneth and Janice Long. He noted this may bring resolution to a long-standing discussion with Mr. Long regarding a drainage ditch and bridge pier removal, but he will view the site and discuss with County Engineer Roger Wright before making a recommendation for response to the attorney.

RE: ADJOURNMENT

Mr. Irvine moved and Mr. Feathers seconded a motion to adjourn.

A calling of the roll resulted in a unanimous vote in favor. The meeting adjourned at 11:50 a .m.

_____, President
 _____, Vice President
 _____, Member
 _____, Clerk

