

**C & O CANAL TRUST, INC.**  
**AGENDA: MEETING #69 OF THE BOARD OF DIRECTORS**  
**By Videoconference hosted by C&O Canal Trust**  
**October 8, 2021**

**Attendance**

John Guttman, Chair - present  
Francis Grant-Suttie, Vice Chair – present  
Bert Swain, Treasurer - present  
Anthony Stacy, Secretary - present  
Gay Barclay, Board Member - present  
Paul Bremer, Board Member - present  
Steve Chaudet, Board Member - present  
Randy Cone, Board Member - absent  
Sherif Etefa, Board Member - present  
Mary Ann Fisher, Board Member - present  
Sandy Grace, Board Member - present  
Marc Grossman, Board Member - present  
Paul Juola, Board Member - present  
Paul Krogh, Board Member - present  
Tara Lowe, Board Member - absent  
Robert Mertz, Board Member - present  
William Newman, Board Member - present  
Dan Spedden, Board Member - present  
Cory Van Horn, Board Member - present  
Jonathan Warner, Board Member - present

Anthony Bates, Partnership Coordinator, CHOH - present  
John Noel, Deputy Superintendent, CHOH - present

Lauren Riviello, Director of Development - present  
Aidan Barnes, Director of Programs and Partnerships - present  
Jane Neff, Office Administrator - present  
Robin Zanotti, President - present

**I. Welcome and Introduction**

Board Chair John Guttman called the meeting to order at 9:36am and welcomed Sandy Grace as a new Board member.

**II. Chairman's Report**

The Board Chair requested a motion to approve the June 11, 2021 Board meeting minutes. Motion was approved. John explained why the Board also received the May 20 joint Executive and Finance Committee meeting minutes. This is a means of achieving transparency on actions taken at the joint committee meeting.

John stated that approval of the FY22 budget is the most important item for the board at this particular meeting because it is forward looking. The budget is momentous in terms of its size, where we are as an organization, and what we've accomplished due to work of staff, donors, volunteers and support of everybody on the Board. We have now reached a \$1 million operating budget level.

Picnic in the Park was a success and couldn't have been a better event. Financially it was tremendous. Kudos to the staff and NPS for their efforts. The 50<sup>th</sup> anniversary video was well received. Gay Barclay did a tremendous amount of work. Two years in a row we've had to modify the way we've done business and two years in a row we've had tremendous success.

### **III. President's Report**

Robin Zanotti said that we're still in the thick of the COVID-19 response. August 18 was going to be the first day back in the office, but that was delayed. We still have the plan for our hybrid model in place. We plan on three days in the office and two remote once COVID restrictions are lifted.

Canal Quarters is still seeing high occupancy. Occupancy still exceeds last year.

Contributions during this quarter include \$35K from Montgomery County. The first Paycheck Protection loan has been forgiven and is showing as revenue in FY21. The second loan is also expected to be forgiven and will show as revenue in FY22. The Trust has received a total of \$403,000 in relief grants and loans.

Interviews are complete for the Director of Marketing and Communications. Finalists met with Trust staff and the Communications Committee. The application period for replacing Rod Newton ends October 15. There are several impressive candidates. The Trust is entering into a contract with Don Street to conduct maintenance on the lockhouses and response to visitor service needs. This will lessen the increased demands on staff for emergency calls related to the lockhouses during this exceptionally high occupancy period.

Research is complete on which lockhouse to renovate, in response to a potential generous donation. Paul Bremer asked when the Board would be addressed on the lockhouse addition. John Guttman said a task force is working to identify the lockhouse in coordination with NPS. The donors will also be involved in the lockhouse selection. The Board will receive a full report once the lockhouse is selected.

The Trust is raising money this year for the rare, threatened and endangered plants. We are anticipating a two-year campaign to provide \$55,000 to NPS for this effort over the next two years. Additionally, \$20,000 will go to towpath resurfacing and \$30,000 to Canal Classrooms, which is going through an evolution of virtual programming due to COVID. The next grant from the Transportation Alternatives Program was approved, which provides funding for 18 miles of towpath resurfacing in Allegany County.

### **IV. Committee Reports**

#### **PROGRAM**

Francis Grant-Suttie announced that Melissa Walker attended the committee meeting in order to be introduced. She comes from the Canal Stewards program. When you add in Canal Stewards and Canal For All, the programs are in full throttle despite COVID. This is accomplished because of our volunteers. In FY19 there were 446 volunteers and 290 in FY20. This year we are back up to 406 volunteers.

Francis thanked several Board members that have stepped up to support the park in a variety of ways. Their efforts went above and beyond their responsibilities as Board members.

Aidan Barnes reported that the team is missing Rod and looking forward to finding his replacement. Liz Janelle is the new Canal for All Coordinator and Melissa Walker started in July as the Canal Stewards Coordinator. These are both contract positions.

Canal Quarters is doing well. Occupancy rates are high but also expenses due to cleaning. The program is breaking even. Lockhouse 10 reached 30 nights occupancy/month on a few occasions. There were 4,719 occupants in FY21.

Canal Community Days is also going strong. There were 250 volunteers that joined programs. Forty people joined corporate stewardship programs. New requests are coming in for October. Canal For All had 278 participants in 2021. Fall programs are being scheduled. The second year of the \$19,000 grant for Canal For All from Montgomery County was awarded.

The Canal Stewards program more than doubled in its first year. High traffic sites are being adopted. A work day and other social events are being planned for program cohesion.

Abbie Ricketts was re-elected as Chair of the Canal Towns Partnership. Sinclair Hamilton was re-elected as Secretary. The ten-year anniversary celebration of the Canal Towns Partnership was postponed. There are still ten towns in the partnership. Sharpsburg has withdrawn and Paw Paw, WV joined.

## COMMUNICATIONS

Email subscribers increased by over 1,000 for the quarter, pushing total membership to over 15,000. Facebook and Instagram sites are also showing steady growth and solid engagement. Downloads for the app are at 7,260 and revenue is \$5,133. A mobile app upgrade was launched in August.

There were multiple stories written about the park's 50<sup>th</sup> anniversary. Thanks to support from our tourism partners, stories about the park also reached national and international publications.

There was a slight decrease in Canal Quarters booking in August, but overall, still performing better than pre-pandemic. In June, we already surpassed our book total for all of 2020, although we had much lower than normal booking during the pandemic lockdown last year.

The Pathways grant-funded Trust database clean-up is complete.

## GOVERNANCE

Bill Newman mentioned there are three directors rotating off the board. Steve Chaudet is eager to rejoin after sitting out for one year as required by our bylaws. Randy Cone and John Schnebly are also rotating off the board. Bill welcomed Sandy Grace to the board. Gay Barclay, Paul Bremer, Robert Mertz, Anthony Stacy and Jonathan Warner are being re-elected. Sheriff is joining the board again. Bill made a motion and it was seconded and approved.

We have three directors that have been on the board for three terms – John Guttmann, Bill Newman and Dan Spedden. Directors can serve a fourth term with a waiver. Motion was made and it was approved. Bert has graciously signed up for another term as Treasurer. Sandra Adams has expressed an interest in returning to the Board next year.

John Guttman said that Steve Chaudet is rotating off the board. He expressed a desire to continue serving the Trust in any way he can. Steve has been a member of both the Development and Executive Committees. He is an important donor and important thinker about development issues. Steve also has a deep understanding of financial issues. Steve will continue to serve on the Development and Finance Committees.

## FINANCE

Bert Swain said this is an easy report with the numbers we have. It really is recognition of everybody in terms of where we are at this point. \$1.268M in terms of total cash. \$1.338M in total assets. The Paycheck Protection Program loan of \$91,772 will become income in the next fiscal year. Total equity is \$921,170. Total income is \$1,040,000. \$281,000 net income as of August 31.

Everything is favorable regarding the budget. Income exceeds what was budgeted and expenses are lower. We are looking to have another strong year in FY22.

## DEVELOPMENT

Lauren Riviello said that it has been an incredible fiscal year and that Picnic in the Park worked out well. There was a 29% increase in unrestricted funds and 33% in restricted. This is a 30% increase over FY20. Total projected income for Picnic in the Park was \$151,165. This does not include Towpath Go revenue, which is another \$18,000. We had eight Towpath Go participants that each raised over \$1,000.

There are now 90 William O. Douglas Society members. New members in FY21 total 22. Total revenue is \$331,736 in FY21 (compared to \$337,555 in FY20). There are ten members of the Potowmack Society with four new inquiries. We have a goal to modestly increase the number for FY22. Board giving to date is \$93,522 as of August 31.

The Next 50 years campaign has raised \$615,440. The goal was \$500,000. There are now 63 benches installed. Eleven remaining benches for 2021 are scheduled for installation in October. Thirteen new benches are committed for 2022.

## Grants

- Nora Roberts Foundation – \$5,000 for Canal Classrooms
- Montgomery County Community Collaboration grants
  - \$30,000 for general programs
  - \$19,000 – Canal For All
- Montgomery County Economic Development grant - \$35,000 for general operations

Raised \$49,752 for Towpath Forever and \$20,800 For Canal Classrooms.

## V. Superintendent's Report

John Noel gave the Superintendent's Report for Tina Cappetta.

John congratulated the Trust for a strong financial position. John has been here since the establishment of the Trust and congratulated the current Board and Trust staff for making this happen.

Rare plants are a priority in the park. We have 281 rare, threatened and endangered plant species documented in the park. NPS is seeking applications for a botanist to collect seeds and propagate some

of the plants. NPS will be delivering specimens for a rare plant species discovered recently in the park that has not been seen before in Maryland.

A botanist is starting a fellowship program in the spring and will be identifying plants in the Palisades area of the park.

John is leading efforts to develop an efficient maintenance team. The Chief of Maintenance gets pulled away from strategic issues to address daily operations. They are hiring two employees that will serve as deputies to the Chief of Maintenance. NPS just hired an individual that will help to change the culture in that area. Another person hired is focused on projects. NPS plans to do more in-house mowing and other projects. They are planning to save money to build an in-house historic preservation team. The Williamsport maintenance shop is moving to Hancock, saving \$430,000 annually.

John would like those quartermasters who signed up for mowing around the lockhouses to continue mowing. The Canal Quarters program will continue benefiting the park by mowing.

Culvert 82 will be lumped into another project and funded through the FWHA and a series of other bridges to be addressed. It may be FY23 or 24 before it can be repaired.

The park is under a continuing resolution (CR) until December 3. There are certain project funds that will not be released under a CR.

Paw Paw tunnel renovation is underway. The project near McMahon's mill is also started. This project will take a couple of years. Significant work is also taking place on the Capital Crescent Trail. They are resurfacing the trail and cutting back trees and vegetation.

The towpath is being resurfaced from MM72 to Big Slackwater. They are supposed to be done in a few months. They are also receiving funding for miles 155 – 174. Work may commence in 2022 depending on funding matches.

## **VI. FY22 Operating Plans**

### **DEVELOPMENT**

The Trust is planning an increase in unrestricted revenue. There is a \$75K goal to raise funds for rare plants over two years. We also added in a goal based on a potential lockhouse gift and will utilize the gift over 3-5 years. Canal Community Days – raise \$45K and install 15 donor sponsored benches. Raise \$30K for Canal Classrooms.

There will be a focus on working with the communications team is reviewing our website language to make sure it is up to date and as good as possible. There are also plans to increase the physical presence in the park. We will schedule Giving Days in the park in conjunction with Canal Community Days. We are planning to install signage in the park with a QR code for the Trust website.

The William O. Douglas Society reception is in November.

### **PROGRAMS**

The plan for Canal Quarters will remain the same; under consideration is a two-night minimum and raising the fees.

Liz is funded for Canal For All through the end of the year. We are looking at adding community DEI advisors to make sure the Trust programming reflects the needs of the groups we want to work with. The Canal Stewards program will continue to expand. Canal Towns is working on a video, but this has been postponed. We still could have a third year of an AmeriCorps Vista. A Canal Ambassadors Program and Chesapeake Conservation Corps are also being considered.

## COMMUNICATIONS

Messaging for FY22 includes developing new branding around the My Canal concept and combining Canal Discoveries, Plan your Visit, and the C&O Canal Explorer into one. The website will also be updated with new branding language.

The photo database will be enhanced through tagging photos, building an online submission form and improving diversity representation in the photo catalog. Ongoing communications support will be provided to development, programs and special events.

Efforts will also be made to recruit new members to the Communications Committee.

## FY22 BUDGET

Bert Swain said that total revenue is projected as a little less than this year because this was a good year. Some of the expenses will be a little higher. We still have a projected profit for the fiscal year.

Robin said that on the income side, we zero based the revenue to understand what can be expected. This was originally sent to the Finance and Executive Committee as a draft with a 3% increase in salary. It was changed to 4% at the direction of the Finance and Executive Committee. Budget assumes full staffing. We are increasing Tymber from part-time to full-time. This is a \$6,000 increase.

Additional increases in expenses includes the maintenance contractor. Cleaning the lockhouses increased from \$5,000 to \$7,000. There is a budget increase for a separate phone system for the Trust and increasing technology infrastructure.

## **VI. Adjournment:**

The meeting adjourned at 12:16pm. The next meeting is scheduled for December 10, 2021.