



## Marion Utilities

1540 N Washington St.  
Marion, IN 46952  
[www.marionutilities.com](http://www.marionutilities.com)

## Service Board

### BOARD MINUTES OF THE AUGUST 8, 2022 MEETING

The Marion Utility Service Board held a special meeting on Monday, July 8, 2022 at 9:00 a.m. in the L.E.A.D. Center, Building 101, at Marion Utilities, 1540 N. Washington Street, Marion, Indiana.

Roll was called and those board members present were: Bob Loga, Chairman; Doug Carl; Bill Dorsey; Mia Erickson; Al Green; Von Jackson; and Herschel Lewis.

Also present at the meeting were: Pat Pinkerton, Assistant Director for Engineering & Solid Waste; Robin Shrader, Assistant Director for Operations & Maintenance; and Misty Humphries, Secretary. Mike Conner, Attorney, participated via teleconference.

#### **820 N WABASH PROPERTY ACQUISITION**

Mr. Pinkerton stated that a little over a week ago, the Senior Leadership Team was made aware that the property at 820 N Wabash Road was coming up for Sheriff's sale due to a mortgage issue and not a tax issue. Mr. Pinkerton said Darren and Susan Reese had some previous flooding in their garage because the culvert that runs under Wabash Avenue became clogged. Some improvements were made to the culvert afterward and has been maintained on a weekly basis. Mr. Pinkerton said when the home at 820 N Wabash was built, the area had been an open ditch. In order to build, the culvert was extended and the house was built on top of it. The culvert may be in questionable condition because of this. If there should be a collapse, the Utility would have to deal with it because the area services the 77 acre Briarwood sewer. Mr. Pinkerton said that it would be a good idea to acquire the property as some needed combined sewer overflow storage is needed for the Long Term Control Plan. Originally, the storage was going to be closer to the school area. However, there is no reason why the storage could not be moved to this area. This would be an added benefit by purchasing the property. Mr. Dorsey asked if the area would become an open pond. Mr. Pinkerton answered no and explained that the storage would be underground storage with a green surface space. Mr. Carl asked if the house at 804 Quarry would be impacted. Mr. Pinkerton answered no. Mr. Dorsey asked Mr. Pinkerton to explain the storm water run-off. Mr. Pinkerton explained that the storm water run-off came through the Briarwood area through an open ditch to the culvert. There was a 36" culvert to the property line. Mr. Carl reminded the board that there had been a previous issue brought before the board and the residents were very upset. A project was done at the time to fix those issues. Mr. Pinkerton said the only problem now was that the house sits on top of the sewer. He added that if something fails, the homeowners would not likely have the funds to repair the issue which would then flood Briarwood. The issue would then be the responsibility of the Utility to fix to relieve flooding at Briarwood. Mr. Pinkerton stated that it would cost approximately \$100,000 to line the area. Mr. Dorsey asked if there was a minimum bid on the property. Mr. Pinkerton said he thought it was approximately \$51,000. Mr. Logan added that the



assessed value for property tax was \$126,100. It was owned by Robert and Kim Strausbaugh and listed as a rental property. Mr. Logan said generally, the mortgage amount has to be paid off in these types of sales. Mr. Pinkerton asked Mr. Conner to explain the bidding process. Mr. Conner stated that the process would start with a written bid and then bids would be moved to verbal bids in case if anyone wanted to increase their bid. Mr. Carl asked if it would be known or disclosed that the house was sitting on top of a storm sewer. Mr. Conner said he did not know, but he could disclose this to the bidders. Mr. Pinkerton asked if someone who bought the property could back out on sale if they found out that the home was sitting on top of the storm sewer. Mr. Conner said he didn't think so. Mr. Conner thought the buyer would be bound at that point. Mr. Dorsey asked what kind of strategy could be used to get the purchase price down. Mr. Logan suggested approving the purchase of the property and then establishing a maximum price not to exceed a certain amount. Mr. Conner said that he would like Mr. Pinkerton to be present at the sale. Mr. Lewis moved, seconded by Mr. Carl, to approve purchase of the property at 820 N Wabash Avenue. All board members present voted aye. The motion carried unanimously.

The discussion then turned to establishing a maximum purchase price. Mr. Conner said that whatever the board established as the maximum price, he could not exceed that price even by \$1.00. Mr. Lewis said that Mr. Conner could share the intentions of the board regarding the property. Mr. Pinkerton said he could be there. Mr. Conner said he was not sure of the start time. Mrs. Humphries said that the first bid was scheduled to be read at 10 a.m. with the purchase price due by 3:00 p.m. Mr. Dorsey said he would recommend a starting bid of the mortgage price plus \$500 along with disclosure of the issue. Mr. Pinkerton explained that Mr. Conner could start out at the minimum so the board potentially get the property for \$53,000. Mr. Carl suggested setting a maximum bid at \$75,000. Mr. Pinkerton said that an issue could be that if someone bought the property site unseen. The potential purchaser might think that \$53,000 or \$75,000 was a bargain. Mr. Pinkerton reminded the board that they would be setting a maximum price that Mr. Conner could work up to if needed. Mr. Logan said that his thought was to establish a higher maximum bid of \$85,000. Mr. Logan said that the assessment valued the land at \$28,600 and improvements of \$97,500. Mr. Dorsey asked if there were any funds that could be recouped from rehabbing or reselling any of the materials. Mr. Pinkerton said he did not think so. Mr. Lewis suggested a maximum bid \$25,000 over the mortgage value. Mr. Green stated that houses don't stay on the market very long. Mr. Pinkerton said that Darren Reese was interested in the property because he wanted the issue fixed. There was also talk that Mr. Liddick might be interested in the property. Mr. Dorsey asked what would happen if the board didn't buy the house. Mr. Pinkerton said that it would technically be on the homeowner to fix the issue. Mr. Pinkerton reminded the board that a lining project to fix the issue would cost approximately \$100,000. Mr. Carl said he would suggest a maximum bid of \$80,000. Mr. Green asked if funds to purchase the property would come out of the Long Term Control Plan. Mr. Conner stated that the board should double check with Mr. Spitzer regarding any required appraisals. Mr. Conner said he would also consult with Mr. Spitzer when he returned to the office. Mr. Dorsey said he would not be opposed to a maximum bid of \$80,000 as long as full disclosure of the issue was given to the other bidders. Mr. Carl moved, seconded by Mr. Lewis, to approve a maximum bid of \$80,000. All board members present voted aye. The motion carried unanimously.

### **BOARD MEMBERS' COMMENTS**

There were no board member comments at this time.

**CHAIRMAN'S REMARKS**

Mr. Logan thanked everyone for attending the special meeting and said he looked forward to seeing everyone Thursday, August 11<sup>th</sup>.

The next meeting was scheduled for 5:30 p.m. on Thursday, August 11, 2022.

There being no further business before the Board, Mr. Lewis moved, seconded by Mr. Dorsey, to adjourn the meeting. All board members voted aye. Motion carried unanimously.

Meeting adjourned at 9:37 a.m.

Robert Logan, Chairman  
Marion Utilities Service Board

ATTEST

A handwritten signature in cursive script that reads "Misty D. Humphries". The signature is written in black ink on a light-colored background.

Misty Humphries  
Its Secretary