

**MINUTES**  
**WHITLEY COUNTY REDEVELOPMENT COMMISSION**  
**Tuesday, June 29, 2021**

**WHITLEY COUNTY GOVERNMENT CENTER**  
**1<sup>st</sup> FLOOR-COMMISSIONERS/COUNCIL MEETING ROOM**

<b>MEMBERS</b>	<b>PRESENT</b>	<b>ABSENT</b>	<b>STAFF</b>	
Jim Argerbright	X		Tiffany Deakins	Dale Buuck
Frank Kessler	X		Mark Cullnane	Cami Hippenhammer
Michael Schrader	X			
George Schrupf	X			
Kim Wheeler	X			
Jill Western	X			
			<b>LEGAL COUNSEL</b>	
			Andy Boxberger	
<b>GUESTS IN ATTENDANCE</b>			<b>GUESTS ON-LINE/PHONE</b>	
Troy Wilcoxson		Steve Western		
Lana Beregszazi				

**CALL TO ORDER**

Mr. Argerbright called the regular meeting to order at 8:02 a.m.

**ROLL CALL**

Mr. Argerbright read roll call. All members present and absent are listed above.

**LARWILL SEWER PROJECT UPDATE**

Lana Beregszazi stated that the Larwill sewer extension is in the ground and functional. She said that the dwelling on the former Studebaker property at 1460 N. State Road 5 has not yet been connected due to misinformation from Red Star. She stated that Red Star recently purchased the property and petitioned to have it rezoned to IPM, and that their intention was to split the house and surrounding acreage off from the remainder of the property and sell the house and surrounding acreage. She said that Red Star had originally indicated that they intended to demolish the house. She recommended that Red Star be responsible for any fees for connecting the house to the extension, because connection of the house to the sewer extension would increase its value and it was an investment property for Red Star. She stated that the Health Department would require the house be connected to the extension. She said that she had recently been in communication with Tonya Weeks and that Ms. Weeks was being very helpful despite very recently taking over at Red Star.

Ms. Beregszazi stated that A&B Boring was expecting to be paid for work completed. She recommended that a portion of their most recent invoice be retained until as-builts were received. She stated that A&B Boring still needed to complete final restoration and that she expected that to be done in the next couple weeks. She said that the extension had been pressure tested and pump stations, lateral lines to pump stations, and electrical panels had been installed and appeared to be working as expected. She stated that the property owner at 1390 N. State Road 5 had expressed dissatisfaction with the location and size of an electrical panel on the property. She said that the location of the septic system and well had limited the potential locations of the panel on the property. She stated that the panel could possibly be lowered, but relocation would be difficult. She discussed the Commission and Red Star's agreement to commit some level of financial assistance toward

decommissioning septic systems on properties to which service had been extended. She said that she would provide a final report after project completion.

Mr. Schrupf asked if the cost of connecting the Studebaker property would be around \$7,000. Ms. Beregszazi stated that the grinder pump would cost \$6,000-\$7,000, not including installation. She said that the original installation cost was based on a single deployment of labor and materials to multiple sites. She stated that she expected an updated installation cost to be slightly higher. She said that she was unaware that Red Star had decided to purchase the Studebaker property to the south instead of the property to the north, as had been initially contemplated. She stated that this change had resulted in a delay to the project. She said that inaccurate information from Red Star about the location of its geothermal system likely resulted in a contractor damaging part of the system while performing work according to plan.

Mr. Buuck stated that Cody Bays, former President of Red Star, had not been responsive to questions and that this had resulted in the delays and problems previously mentioned by Ms. Beregszazi. Ms. Beregszazi corroborated this statement.

Ms. Beregszazi stated that the time needed to complete the project was more than expected, but that the cost was about what was expected and that additional costs could be attributed to communication issues with Red Star.

Mr. Argerbright asked Mr. Cullnane if the Plan Commission had acted upon any zoning petitions for the Studebaker property. Mr. Cullnane stated that the Plan Commission had rezoned approximately 10.5 acres from AG to IPM, but that he was unsure if the County Commissioners had approved the rezoning. He said that the acreage including the house and surrounding property at the southwest corner of the parcel was not part of the rezoning and that it had yet to be subdivided from the remainder.

Mr. Wheeler asked what the minimum acreage of the house and surrounding property was. Mr. Cullnane said that he was unsure about the minimum size for a lot in the AG district on sanitary sewer and added that it was probably 10,000 or 20,000 square feet.

The Commission, Ms. Beregszazi, Mr. Boxberger, Mr. Buuck, and Mr. Cullnane discussed issues related to Red Star and the Studebaker property. Mr. Kessler asked Ms. Beregszazi how she found out about Red Star's plans for the Studebaker property and house. She said that she first heard about its plans from the maintenance supervisor while on a site visit and that at that time she was informed that Red Star intended to demolish the house. Mr. Schrupf recommended that Red Star be sent a notification that the project was complete. He added that any additional work required to connect the Studebaker house to the extension should be Red Star's responsibility. Mr. Boxberger said that the Commission had no legal obligation to pay for connecting the Studebaker house. Ms. Beregszazi stated that the Commission owns the grinder pump station near the house. Mr. Buuck said that the house property was now an investment for Red Star. Mr. Schrader stated that he felt the Commission had fulfilled its obligation; Mr. Argerbright agreed.

Mr. Schrupf asked if Red Star was still planning to expand. Mr. Buuck stated that he was not certain because he had received conflicting information concerning its exact plans. Mr. Cullnane said that, when Red Star filed the petition to rezone the Studebaker property, the plan had been to rezone, development plan, and then platting the house and surrounding acreage. He stated that there had been no communication with Red Star about development plan or platting since the rezone was approved. Mr. Schrupf said that he was under the impression that Red Star's parent company,

Wishbone Medical, was expanding in Kosciusko County. Mr. Argerbright said that he felt the consensus was that Red Star be responsible for the cost of connecting the Studebaker house to the extension.

Mr. Cullnane asked Ms. Beregszazi for her opinion regarding retainage of an A&B Boring invoice for work performed on the extension. Ms. Beregszazi stated that the full amount, 95%, or 90% would be reasonable and that it was ultimately at the Commission's discretion. She added that she felt it was prudent to retain some amount to incentivize timely completion of the project, and that the remainder could be paid once the contractor performs grading, seeding, and final restoration.

Mr. Kessler made a motion to approve payment of 90% of the invoice from A&B Boring and that the remaining 10% be retained until it provided as-builts and performed grading, seeding, and final restoration. Mr. Schrader seconded. Ms. Beregszazi requested that payment of the remaining 10% be expedited once the project was completed. Mr. Kessler amended the motion to include expedited payment of the retainage once the project was completed. Mr. Schrader seconded the amended motion. Motion passed unanimously by a roll call vote of 5-0.

Ms. Beregszazi stated that the contractor damaged a part of Red Star's geothermal system during construction. She said that the contractor was following the plans, but that the information received from Red Star about buried infrastructure was incorrect. She said that the County may receive an invoice for repairs.

Mr. Argerbright, Ms. Beregszazi, and Mr. Cullnane discussed a previous claim from BCS Management that contained travel expenses that were not itemized. Ms. Beregszazi stated that the travel was for site visits done by her employees and included 3-4 months of mileage. Mr. Argerbright asked if this travel was expensed at the IRS rate; Ms. Beregszazi confirmed. Mr. Cullnane presented Ms. Beregszazi the invoice in question for her review. Ms. Beregszazi stated that travel had been included as a lump sum. Mr. Cullnane stated that the Commission would need an invoice with travel expenses itemized per month to process the claim. Ms. Beregszazi requested that the travel expenses be deducted from the invoice and that the Commission consider approving the revised claim. The Commission agreed.

Ms. Beregszazi stated that the Red Star temporary construction and permanent sewer utility easement had been recorded.

#### **WRIGHT MEDICAL / MKS LEASE AGREEMENT**

Mr. Boxberger summarized the current situation with MKS and the pending lease payments. He recommended to have all parties sign an agreement to prepay the full lease balance in lieu of the two-year lease term. There was discussion about the amounts already paid and what would be the lump sum payment. Mr. Argerbright asked for the Commission's thoughts. Mr. Kessler said he would be ok with the lump sum option. Mr. Schrupf confirmed that the road would be accepted by the Commissioners. Mr. Wheeler made a motion that the Commission prepay the full lease amount in the amount of \$212,500, subject to acknowledgement from MKS; Mr. Kessler seconded. Mr. Boxberger further clarified the process. Motion passed by roll call vote, 5-0.

#### **GATEWAY PROPERTIES TEMPORARY ACCESS AGREEMENTS**

Mr. Boxberger described the need for agreements for two properties that could have small encroachments during construction. He noted that the WAJ agreement would include resodding any lawn disturbed during construction. Mr. Kessler made a motion to approve the agreements with WAJ Real Estate Holdings, LLC and Gateway Properties, LLC; Mr. Schrader seconded. Motion passed by roll call vote, 5-0.

Mr. Boxberger also mentioned that a water retainage issue that a property owner was having could have been resolved. It appeared that a willow tree was blocking the drainage flow.

### **MISCELLANEOUS MATTERS**

Mr. Buuck provided updates: Sailrite and Impact CNC projects were proceeding.

Mr. Boxberger mentioned that the lotron bond was getting close to being finalized.

Mr. Argerbright discussed some potential properties that the development committee should evaluate in the coming months. He reaffirmed the importance as US 30 improvements are becoming more likely. Mr. Schrupf and Buuck discussed the status of recommendations of the local US 30 committee. The legislature could be considering up to \$800 million in federal infrastructure funds be made available to INDOT for US 30 and US 31 improvements, with the stipulation to be used within a few years.

Mr. Buuck stated that without more sites to offer, business opportunities were being missed.

Mr. Wilcoxson discussed the status of the 26-acre Jerry Busche property on 100S. They had met with adjacent property owner that might be used for stormwater detention. He described the potential aspects of property development that might qualify as public projects.

### **CLAIMS**

Claims were presented for review. The claims consisted of:

DFE Fire Systems	\$35,500.09 (Impact CNC fire suppression)
BCS Management	\$3,092.80 (Larwill sewer)
Sailrite	\$17,464.10 (Training grant reimbursement)
PB Development	\$212,500.00 (MKS agreement)
A&B Boring	\$55,012.50 (Larwill sewer)

Mr. Cullnane stated that based on the preceding discussion, removing the transportation line item from the BCS invoice resulted in the above amount.

Mr. Boxberger recommended holding the PB Development claim until all parties sign off on the lump sum prepayment.

Mr. Cullnane calculated the 10% retainage for the A&B Boring claim. He stated that the retainage amounted to \$6,112.50.

Mr. Wheeler made a motion to approve the claims, as presented; Mr. Schrader seconded. The motion passed by roll call vote, 5-0.

### **IN THE MATTER OF MINUTES**

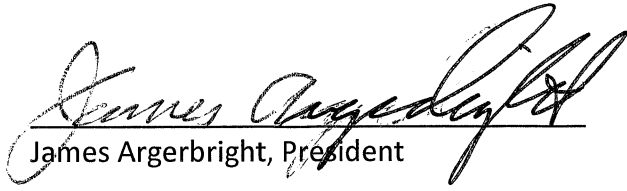
Minutes for the June 15<sup>th</sup> meeting were presented for consideration. Ms. Western recommended a change of word choice in the first sentence of the section discussing Wright Medical/MKS road update from "at" to "had." Mr. Schrupf made a motion to approve the minutes as presented; Mr. Wheeler seconded. Motion passed by roll call vote, 5-0.

Ms. Western asked about the applicability of masks and public health emergency.

Being no further business, Mr. Argerbright declared the meeting adjourned at 9:04 a.m.

**WHITLEY COUNTY  
REDEVELOPMENT COMMISSION**

**ATTEST:**

  
James Argerbright, President

\_\_\_\_\_  
Michael Schrader, Secretary