Service Committee Minutes

Honorable Council City of Newark, Ohio January 21, 2025

The Service Committee met in Council Chambers on January 21, 2025 with these members in attendance:

Jeff Rath - Chair
Dustin Neely - Vice Chair
Bill Cost Jr.
Beth Bline
Bradley Chute

We wish to report:

1. **Resolution No. 25-02** Cooperating with the Ohio Department of Transportation (ODOT) for roadway improvements to West Church Street from North 29th Street to Green Wave Drive, and declaring an emergency.

Brian Morehead, City Engineer - Thank you. Good evening. This is pretty self-explanatory. This is the final legislation that comes from ODOT. You've seen this, similar documents before. As usual, they don't really give us enough time to get it through our process, so that's why there's an emergency clause on it. Their plan is to have the project out to bid here early this spring so that we can be under construction later this summer.

Mr. Rath - Anticipated completion?

Mr. Morehead - Probably spring of '26.

Mr. Rath - So a year-long project.

Mr. Morehead - Yeah, probably. A little bit less than a year.

Mr. Rath - Any questions from the committee? Any questions from the audience?

Mr. Cost - What all was involved?

Mr. Morehead - There will be new storm sewer installed in that segment, new curb and gutter that's not there at this point, and sidewalk as well. The whole roadway will basically be reconstructed.

Mr. Cost - I'm sure you've got a lot of folks in the neighborhood who are going to be happy about the paving. I'm sure of that. I've heard enough of that.

Mr. Morehead - Yes, as will I, absolutely.

Mr. Rath - Will this affect the bridge?

Mr. Morehead - No, this is from 29th Street back to Green Wave Drive.

Mr. Rath - So you can still come down 30th and left on Church?

Mr. Morehead - Yes.

Motion to send to full Council by Mr. Neely, Second by Ms. Bline, Passed 5-0

 Resolution No. 25-03 A RESOLUTION AUTHORIZING AND DIRECTING THE DIRECTOR OF PUBLIC SERVICE FOR THE CITY OF NEWARK, OHIO, TO RELEASE THE LIEN PREVIOUSLY PLACED AGAINST THE PROPERTY LOCATED AT AND KNOWN AS 125 WEST CANAL STREET, NEWARK, OHIO (PARCEL NO. 054-211464-00.000) AND DECLARING AN EMERGENCY

Brandon Fox, Water Administrator - Good evening. This is, I think, a first for us that we're aware of. As you're aware, when water and sewer fees do not get paid we end up eventually liening those properties on the home, on the parcel owner and so this resolution and the next one, 25-04, are both the same. They were basically properties that we liened and the properties had gone to foreclosure in the time that we liened them to when they were actually foreclosed and sold. There was an area where the auditor didn't, that we didn't know that the property had been sold and so we liened it and the new owner we couldn't lien it on the new owner, basically, and so because of the little bit of delay and information we had liened the water payment on the new owner which we can't legally do. So, both of these are, we're requesting to just release that lien back from the county auditor. We'll have to eat both of these water payments.

Mr. Rath – Do you know how much they were?

Mr. Fox - This one was \$550.31 and Resolution 25-04 is \$612.74. Just a little information, we do have a meeting set up with the Licking County auditor. We're going to talk through their processes a little bit and try to understand exactly how we can tighten that window a little bit from the time that we have past due accounts until we actually lien it, summon the treasurer's office and how we do that process. This is the first time that I think we've ever had this that our staff is aware of. It doesn't happen a lot but it was just one of those timing issues.

Mr. Rath - So I understand placing emergency clause on a lien so that it's in place and in process before the property is sold, but why the emergency to release the lien since the property is sold?

Doug Marmie, 6th Ward Councilman – I can tell you. If you don't do it immediately, then you actually owe interest on that if there are any charges or anything.

Mr. Rath – Owe interest to ourselves?

Mr. Marmie – Well, no. Any time you put anything that's illegal, if you don't do it immediately, you're in jeopardy of a countersuit.

Tricia Moore, Law Director - On top of what Mr. Marmie is saying, also they are in the middle of trying to get a title to the property and everything and that lien has got to be taken off before they have a clear title to the property. So, they're in the midst of the sale right now and we're trying to get that off so they can finish the sale and get all the documents.

Mr. Fox - That's actually how we found out about it because the title company contacted us.

Mr. Rath – Okay. I understand that, but if they're in the midst of a sale, the property is not sold.

Director Moore – No, it is sold but they're in the middle of the title search and all closing and all of that. So, because of this lien, that's holding all of that up. I think it was an auction. Is that correct? It was a sheriff's sale. They sell it right there at the sheriff's sale. Now they're working on all the paperwork. So, we're just trying to clean our lien off so that the paperwork can go through and come out clean for the new owners

Mr. Rath – Are these commercial or residential properties?

Mr. Fox – Residential.

Mr. Cost – So, there is no way to assess that against the former owners?

Mr. Fox – No, because the property had already sold from the time that we...It was in the foreclosure process when the time that we liened it, and so the lien from us filing lien occurred after the property had already transferred or gone to sheriff's sale. To our understanding no, because we didn't file the lien when the previous owner owned the property.

Mr. Rath - That part makes sense.

Mr. Chute – So, the lien, in essence, is collateralizing the debt. So, they're still indebted to the city. Are they going to be able to get water service to their next residence if they...?

Mr. Fox – That is the one thing. We can hold it. Sometimes they will come back in, and if they try to get service, we won't provide them service for this. After this happened, we've had conversations about how our internal processes and the water office could help with some of these past due accounts like this. So, that's why we're going to meet with the auditor's office and try to figure out because it's a timing issue. These were from July, August, September bills that we just now liened in December. So, there's a process we have to follow. It can take 90 days before we actually lien that property. Again, this is the first time we've been made aware of this issue. I don't think it's going to be common, but if we can not have this in the future, we want to do that.

Motion to send to full Council by Mr. Neely, Second by Ms. Bline

Ms. Bline - This is a good thing to really illuminate because as rental properties have increased, situations like this may well increase. So, to adopt a process to back up and hold those persons accountable, you know, it's important. So, something we're going to have to deal with.

Passed 5-0

3. **Resolution No. 25-04** A RESOLUTION AUTHORIZING AND DIRECTING THE DIRECTOR OF PUBLIC SERVICE FOR THE CITY OF NEWARK, OHIO, TO RELEASE THE LIEN PREVIOUSLY PLACED AGAINST THE PROPERTY LOCATED AT AND KNOWN AS 553-555 WEST MAIN STREET, NEWARK, OHIO (PARCEL NO. 054-227640-00.000) AND DECLARING AN EMERGENCY

Mr. Fox - Ditto from what we basically said earlier for 25-03. The only thing I will say is when we found out about this, thanks to Tricia, but we did coordinate with the law director's office and tried to figure this all out before we just went forward with it. They were very helpful in trying to work through the details of this.

Motion to send to full Council by Mr. Neely, Second by Ms. Bline, Passed 5-0

Meeting stands adjourned