

Finance Committee Minutes

Honorable Council
City of Newark, Ohio
January 20, 2026
5:45 pm

The Finance Committee met in Council Chambers on January 20, 2026 with these members in attendance:

Doug Marmie – Chair
Spencer Barker – Vice Chair
Bill Cost Jr.
Michael Houser
Bradley Chute

We wish to report:

Mr. Marmie - The unappropriated balance of the General Fund is \$1,006,145.00 and the balance of the Budget Stabilization Fund is \$660,271.00.

1. **Resolution No. 26-01** A RESOLUTION APPROPRIATING MONIES FOR THE CURRENT EXPENSES OF THE MUNICIPAL CORPORATION.

Section 1. There is hereby a disappropriation of the appropriated balance of the 665 CSO/Sewer Projects Fund, in the amount of \$25,000,000.00 (Original budget for project was \$65,000,000. Bid opened at \$38,000,000. Leaving extra \$2,000,000 for project contingency.)

665.765.5522765	Sewer Lines 16 North Sewer Project	25,000,000.00
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Brandon Fox, Water Administrator – Happy 2026, right? Good evening. So, this is actually a disappropriation. So, as you know, we successfully bid and awarded or are in the process of awarding our 16 North Sewer Project, sewer separation project. So, we originally budgeted \$65 million for that project. The bids came in. We got three bids. The lowest, most successful bid was \$38 million. So, that's a great win for the City. But with that, there's about \$25 million extra dollars in the budget line. So, we just want to disappropriate that so that it makes the auditor's financials look a little better.

Motion to send to full Council by Mr. Barker, Second by Mr. Houser

Mr. Houser - Are you seeing a trend with some of your projects that the bids are coming in under budget? I know, obviously, for a while I feel like costs and a lot of that stuff were going up and going up and getting higher. Why are you seeing this one a lot lower, do you think?

Mr. Fox - Don't know an answer to it. But, yes, well, the last two we've awarded, the South 2nd Street Project, came in at about 60% of our engineer's estimate. This one obviously came in probably about 60%, 70% of what we estimated. Our design consultants obviously put those engineer's estimates together based on a best guess and projects that they see around the area. We thought we had a good

estimate. The \$65 million did include a 20% contingency just for the unknowns. The other two bids we received were also below the \$65 million. The contractor that got the bid is Fabrizi. They completed the 4th Street Project here recently. They've done three big projects for the City. We've met with them. They're confident in their work. We're happy to have them back in town. EPA was very surprised when they saw the bid. They were surprised at the bid price as well, but we're very thankful that we got it.

Mr. Marmie - Yes, with the announcement of Intel, there are a lot of businesses that moved into the area. There's a lot of competition now, so I think you're going to see more competitive bidding because of that, and just some of those costs will be associated. On the ones that supply and demand don't actually come into, because concrete, asphalt, anything like that, we're not going to win that battle.

Mayor Hall - Mr. Chairman, if I could add, I was in the construction industry for a little bit, but timing can make a difference. I mean, obviously, all these contractors are booking up for the next couple of years, and if they happen to have a gap and timing is right, they'll grab it because they want it. In the same way, if someone's very busy, they'll say, we'll bid a little higher, and if we get it, we'll go ahead and do it, but we don't need it as bad as others. So, there's a lot of parts and pieces to it. But having reviewed it, and Brandon does a great job, we're very confident they'll do a great job. They're familiar with the area. The contractors have come in for outside work. You know, the first phase of everything is a little challenging to all of them until they learn Newark and do the logistics and the traffic and where they can lay down materials and things like that. And I would say, to be honest with you, we're good to work with. I'll be blunt and pat us on the back, and they enjoy working with that. One bid was over \$50 million, so, you know, this wasn't typical. They all work in the 30s and 40s, but good for that. Thank you.

Mr. Cost – Is there less of a struggle to get materials? That's what we were going through all through COVID.

Mr. Fox - Absolutely, yeah.

Mr. Cost - Has that lightened up some?

Mr. Fox - Yeah, that's definitely lightened up. The lead times are way down for pipe materials. As Mr. Marmie said, you know, concrete prices, asphalt, limestone, that stuff is still higher than we would expect it. But, yeah, all the pipe and delivery times, it has definitely shortened back to realistic timeframes.

Mr. Marmie - Very good. Any further discussion or questions?

Motion passed 5-0

Meeting stands adjourned.

Doug Marmie, Chair