

## Service Committee Minutes

Honorable Council  
City of Newark, Ohio  
February 5, 2019

The Service Committee met in Council Chambers on Monday February 4, 2019 following the Finance Committee with these members in attendance:

Jeff Rath, Chair  
Bill Cost Jr  
Jonathan Lang  
Jeremy Blake  
Ryan Bubb

We wish to report:

1. **Resolution No. 19-12** determining that the improvement should be made to properties in and abutting Fairway Estates subdivision and along Horns Hill Road by upgrading the existing sanitary sewer system and installing a new gravity sewer system and the necessary appurtenances, thereto, and declaring an emergency was considered.

**Brian Morehead, City Engineer**- the legislation before you is required as part of the Ohio Revised Code's procedure on the assessment process. In May of last year we submitted and estimated assessment with Council and we opened bids on the project on January 14<sup>th</sup> this was the second bidding the first bid process couldn't be awarded due to the higher cost of the bid as opposed to the estimate. This bid that was opened a couple of weeks ago also exceeds the estimated cost that was filed by about 22%. The ORC says that if the project is 15% or lower it can be awarded without coming to Council but since we are over that 15% we need to come to Council with this piece of legislation to move the project forward. The petition also that was submitted by the property owners up there limits the amount of overage to 15% over that original estimate. Basically we have a project that is 22% higher so that is an extra 7% construction cost that will be picked up by the Utilities Department at this point. The thought is that we are so far along with this project we really need to move it forward and we need to get it to construction as soon as possible. Roger has freed up some additional funds to put towards the project to enable it to move it forward. If you move this piece of legislation on to Council over the next meeting it also requires a public hearing so we would set up a public hearing at the beginning of the Council meeting on February 19th. Next week we would send out notices to all of the property owners up there to invite them to that public meeting if

they want to voice any objection to moving the project forward and then we would ask for a vote later on at that meeting.

**Mr. Rath-** the way that I understand it 15% of the overage of the bid will be assessed to the property owners and the additional 7% will be picked up by our Utilities Department.

**Brian Morehead-** I believe that is accurate. Our construction cost estimate that we filed with Council at the end of May called for \$650,000.00 in construction costs with that we could assess 15% over that cost our current number is 22% over that cost so the only amount that we can assess to the property owners the maximum amount is 15% and the remaining amount will be picked up by the utilities department. The estimated assessment that we had for each property \$4,168.20; If you take 15% greater than that the assessment would be \$4,793.00. These are all based on construction estimates at this point. By the time that we get done with the project the costs are all going to be different because we may have some underage's and overages but the basis for assessing the cost will be the actual cost of the project not the estimated cost. So again the highest that assessment could be is \$4,793.00.

**Mr. Bubb-** I will abstain from voting on Resolution No. 19-12 because I serve on the Homeowners Association Board as a Trustee.

**Mr. Blake-** when the notices go out will it be to just the residents of Fairway Estates or will it include the residents on Horns Hill Rd?

**Brian Morehead-** it will be the residents who signed the original petition which I believe are the Fairway Estates residents.

**Mr. Blake-** that was the second petition

**Brian Morehead-** the second petition is the one that moved forward.

**Mr. Blake-** what will the amount be that will come out of Roger's budget to pay for this?

**Brian Morehead-** estimating it is about \$40,000.00 extra and again we won't apportion that until the project is over and done when we find out what the actual construction costs are.

**Mr. Blake-** we created a temporary board because there were some objections to that, what was the outcome of that?

**Brian Morehead-** there was one objection filed and the Assessment Equalization Board listened to that and they agreed with the objection and they removed that individual from the assessment.

**Mr. Blake-** so they don't have to pay anything?

**Brian Morehead-** correct

**Motion by Mr. Lang to send to full Council, second by Mr. Cost**

**Motion passed by a vote of 4-0-1(Mr. Bubb abstaining)**

Jeff Rath, Chair