

## Service Committee Minutes

Honorable Council  
City of Newark, Ohio  
February 7, 2023

The Service Committee met in Council Chambers on February 6, 2023, following the Finance Committee with these members in attendance:

Jeff Rath - Chair  
Jeff Harris – Vice Chair  
Spencer Barker  
Beth Bline  
Cheri Hottinger

### We wish to report:

1. **Resolution No. 23-12** A RESOLUTION AUTHORIZING AND DIRECTING THE DIRECTOR OF PUBLIC SERVICE OF THE CITY OF NEWARK, OHIO TO ADVERTISE FOR BIDS AND ENTER INTO A CONTRACT FOR REMITTANCE OF FUNDS, FOR LEASING CITY-OWNED PROPERTY TO OTHERS TO USE FOR AGRICULTURAL PURPOSES.

**Roger Loomis, Water Administrator** - This is something we do every three years. We have land at our wastewater plant that we lease for farming purposes and they have to come and get permission to do that and that's all this is.

**Motion to send to full council by Mr. Barker, second by Ms. Bline, Motion passed 5-0**

2. **Ordinance No. 23-02** AN ORDINANCE ENACTING AMENDMENTS TO NEWARK'S SEWER USE AND SEWER CHARGES ORDINANCE (91-59); DIRECTING LIMITED PUBLICATION OF THE SEWER USE AND SEWER CHARGES ORDINANCE

**Mr. Loomis** - A couple years ago we were here to update our Sewer Rates. There are a couple of projects we have what we are calling the Second Street project and our 16 North Project. As you are all aware construction costs and that sort of thing have skyrocketed the last two years and so the 16 North Project has gone from an estimated cost of about \$40 million to about \$80 million, the same with South Second Street, it's gone up almost \$16 million. A lot more cost than what the original request was from the rate increase, So we did a rate model, looking at what our rates are at and what we are doing with this legislation is we're requesting an additional 2.7% in 2025 and an additional 1.5% in 2026 which I don't think is terrible for the amount of money we're looking at. They're giving us more years on our loan, 35 years instead of the standard 20 years so that has helped us significantly. That's in addition to what's already in place so in 2024 we'll see a 5% increase, 2025 we'll see a 5% and 2026 a 4% increase. So between now and 2032 you're going to see an average of 4% rate increase in sewer. Most of that except for this right here is already in place.

**Mr. Rath** - you said 5% in 2024

**Mr. Loomis** - 5% in 2024, 5% in 2025 and 4% in 2026 We are making 2024 5% and in 2026 4%. It is strictly to cover the escalating costs of construction. I should point out again these projects are a mandate from US EPA.

**Motion to send to full council by Mr. Barker, second by Ms. Bline**

**Mr. Barker** - How will these rate increases be communicated out?

**Mr. Loomis** - We'll put notes on water bills and on our website and presentations.

**Motion passed 5-0**

Meeting stands adjourned

Jeff Rath -Chair