

Service Committee Minutes

Honorable Council
City of Newark, Ohio
September 20, 2021

The Service Committee met in Council Chambers on Monday, September 20, 2021 , following the Finance Committee with these members in attendance:

Jeff Rath - Chair
Jeff Harris – Vice Chair
Spencer Barker
Jeremy Blake
Ryan Bubb

We wish to report:

1. Consider **Resolution 21-61** A RESOLUTION AUTHORIZING AND DIRECTING THE DIRECTOR OF PUBLIC SERVICE OF THE CITY OF NEWARK, OHIO TO NEGOTIATE AND ENTER INTO CONTRACT TO PROVIDE WATER SERVICE TO THE LICKING VALLEY WATER DISTRICT
Water Administrator, Roger Loomis – This is simply a resolution to allow the service director to start discussions with the Village of Hanover, the Township of Marne and the Township of Hanover, to possibly work out an agreement to provide water service to that area, it establishes a water district, this hasn't happened yet, but this is initials discussions on that. I understand Hanover is going to be pitching a similar resolution so they can negotiate and the Townships are going to do the same thing. So this district would be basically, Hanover, and Marne and Hanover Townships. We've already done some engineering studies as part of our water system to see if we could supply water out that far. That study was supplying water out that way and to the north and to the southwest. That study has indicated that we could supply water out that way. So this would just be a matter of giving us permission to go out and do the negotiations and to see if some kind of contract could be worked out with those entities.
Mr. Rath – Supplying water to that district, should it be established, is that going to diminish our supply or our pressure in any way?
Mr. Loomis – We currently have a capability of about 15 million gallons per day, we're producing and using about 7 ½ million gallons per day. The safe yield of the Licking River is about 22 million gallons, so we're at about 1/3 of that right now, and that has not changes significantly in the past 20 years. We're talking about an area that's going to be in the range of somewhere less than ½ million gallons of water.
Mr. Rath – I am assuming this is going to be profitable for the City of Newark?
Mr. Loomis – That depends on how our contract reads. Part of the effort behind this is the EPA has had some issues out there with arsenic in the water and a lot of new housing, that's one reason they are interested in City water and we have excess water, so why not sell it if we can come up with an agreement. They have sewer service and contract with the county for the sewer service, so it would be a similar kind of deal. We have hired an attorney to work on the establishment of the water district, that's their business and have done this several times.
Mr. Rath – Will the residents have an option or is that a non-optional thing?

Mr. Loomis – Water is a lot different than sewer, so they would have an option not to connect to the water service, unless the Village would come up with a resolution that says they have to, but that's up to them. In the end Hanover, Marne Township, Hanover Township and possibly Newark would have representatives on this board for this water district. It's a water district, so it's a separate entity.

Mr. Harris – Would we have to hire more people?

Mr. Loomis – All we're doing is selling water. There are options out there, we don't have all of the details worked out, this just allows us to discuss those. Do we do all of the billing or maintenance, we could negotiate that in, like with the Village of St Louisville we have a maintenance agreement so if our guys go up there and do some work, they pay us to do that. The district could hire personnel and run the whole thing and we would just be simply selling water.

Mr. Barker – Probably two weeks ago we passed through ARP funding that was able to get the additional storage, would creating this water district and selling that water affect that storage at all? I don't believe it will, but I want to confirm it.

Mr. Loomis – No. We need the storage whether we have this district or not. We need the additional storage for fire protection basically. The amount they would use compared to our 7 million gallons would not change anything significantly.

Mr. Barker – So, it's not going to hurt the City of Newark residents or affect their water supply.

Mr. Loomis – Correct.

Mr. Bubbs – Roger, thank you for your leadership on this. I think one of Newark's biggest assets is the water, so I hope this becomes profitable for the City of Newark.

Motion to send to full council by Mr. Bubbs, second by Mr. Harris, motion passed 5-0

Meeting stands adjourned

Jeff Rath - Chair