

Cuyahoga Falls City Council
Minutes of the Finance Committee Meeting
November 15, 2010

Members: Kathy Hummel, Chair
Don Walters
Carol Klinger

Mrs. Hummel called the meeting to order at 6:30 p.m. All members were present.

The minutes from November 1, 2010 and November 8, 2010 were approved as submitted

Discussion

Mrs. Hummel stated the reason she called this meeting was to give Council members an opportunity to express their opinion or comments on the AMR update received from Mrs. Carr dated November 5.

Mrs. Klinger asked about the savings that was reflected around labor. Mrs. Carr stated as far as the meter readers are concerned, they moved them to other positions within the City except for one individual, and they are currently talking to the union about moving that person. Mr. Walters asked if the ability to flag an account that has a sudden spike due to continuous running water has been used. Mrs. Carr stated it has and added they can actually see the spikes so they can jump in right away and notify the customer. It used to go two or three months before it was noticed. They look at the meter on water every 12 hours. Electric can be up-to-the-minute reads. Mrs. Hummel asked about the difference in the number of meters described in the initial presentation that would be installed vs. the ones that have actually been installed. The number is 1,700 less than initially presented. Mrs. Carr stated the total is actually 1,500. She felt the difference was due to the data used to do the estimates in 2007 was different than what was used to determine the 2010 data. Also, a house that may have been active in 2007, may now be vacant. She will have a final count at budget time because they need to make a decision about finishing up. Mrs. Hummel asked if Johnson Controls would be providing the 1,500 meters. Mrs. Carr stated anything that was included under the contract will be provided. Mrs. Hummel asked if there have been any repair issues with the new meters. Mrs. Carr stated they had some glitches but nothing to be concerned about. Everything has been taken care of by Johnson Controls. There was an issue about three months ago with an apartment complex but it has since been corrected.

J.B. Carson, Indianapolis IN, is the performance engineer. He stated that by law, they have to come in and verify performance. His job is insuring the City is getting what the company said it would deliver. Mrs. Hummel asked about the third column on the second sheet regarding projections and industry standards. Mrs. Carr stated they want to see more verification and will give Council specific case studies. They always tried to satisfy a customer who had a high bill due to a leak by reducing the sewage portion of the bill. The new system reduces those types of things by giving City officials an early warning of a potential leak. In terms of theft, they did catch one of the City's employees stealing electricity. The problem with theft, however, is they do not know how long it was going on. Mr. Carson stated the study that was performed was based on AMR levels and they took the low side. He stated his company sat with Mr. Brodzinski and others to look at whether what they were doing made sense. He wasn't sure what could be

presented on theft. That was never laid out to be a measurable thing. Mrs. Carr wanted to go back to accounts they had issues with and, if the same people are in the home now that were in the home at the time of the old meter and act of theft, they can project what the City recovered. In terms of write-offs, she stated that Susan has good records they can look through. Mr. Walters asked about scrap value of the meters that had been swapped out. Mrs. Carr stated there was scrap value but she did not have those figures available tonight. She stated she would get those. Mrs. Klinger indicated she would prefer they do more to hone in on actual costs. The 30% used is based on industry standards, which bothers her because this is a performance based contract. She appreciated the company continuing to try to measure savings but felt they should have been aware on the front end and not at the back end. Mrs. Carr stated she will work with Johnson Control to get better numbers.

Mike Durkel, Cuyahoga Falls, asked if the contract specified a timeframe by which the meter installation was to be completed. Mrs. Carr stated there is still plenty of time left under the contract. Mr. Durkel asked about having a private company do the testing. Mr. Carson stated that all tests are certified. Anyone can look at the labs.

John Drumm, 2781 Tift St., asked if there was a way the City can notify a customer that their utility bill has been estimated. Mrs. Carr stated that an "E" will be printed on the bill if it is an estimate.

Meeting adjourned at 6:51 p.m.