

**Cuyahoga Falls City Council
Minutes of the Public Affairs Committee**

September 6, 2016

Members: Vic Pallotta, Chair
Adam Miller
Jerry James

Mr. Pallotta called the meeting to order at 7:29 p.m. All members were present.

The minutes from the July 18, 2016 meeting were approved as written.

Legislation Discussed:

Temp. Ord. A-61

An ordinance amending Section 107.07 of the Codified Ordinances, Meetings Open to the Public, and declaring an emergency.

Mr. Rubino stated that July 1st, 2016, the city law director, Russ Balthis, issued a legal opinion regarding meetings of political caucus by members of City Council. The legislation that Council is considering in committee tonight is an effort to bring our ordinances in alignment with this legal opinion. Mrs. Klinger stated that it is a simple housekeeping ordinance.

Mr. Pallotta asked Mr. Balthis if there was an e-mail to the Attorney General of Ohio in regards to this and the Sunshine Laws and the Home Rule. Mr. Balthis stated when the issue came up whether Council Rules could permit political caucuses, the Law Department did reach out to the Ohio Attorney General's office to see if they had any guidance. They had not encountered this issue in the past. The Attorney General's office does not give legal opinions to municipalities. The Law Department did research and came up with an opinion that was issued on July 1st, a finding that they felt that the meetings were not permitted under the Ohio Public Records laws, and that those laws should apply to the meetings of this Council. Mr. Pallotta asked if the committee were to hold this ordinance, would there ever be an opinion by the Ohio Attorney General as to the results of this. Mr. Balthis stated that, under the current law, the Ohio Attorney General's Office would not issue a legal opinion on this issue. They have to be requested by state officeholders, boards and commissions of state government. The only two local exceptions are law directors of limited Home Rule townships and county prosecutors.

Mr. Miller asked if there was any case precedence or anything that happened in the last nine months as to why this resolution or ordinance is being presented. Mr. Balthis stated that there has not been a case specifically on point, but there was a case that was actually just handed down by the Ohio Supreme Court that expanded on the Ohio Public Meetings and Open Meeting laws and, at the same time, there has also been considerable case law on the power of Home Rule. The best way to describe it is the way Council would be permitted to have these meetings would be if Home Rule could trump the state law that says that they're not permitted. Looking at case law over the last 10 years, and particularly in the last few years, the State has really strengthened the Ohio Public Meetings Laws and Home Rule has been significantly restricted. In looking at this, the

Law Department feels very confident that the Open Meeting Laws of the State of Ohio would trump the Home Rule arguments that would be made.

Mrs. Pyke asked if the state legislatures are allowed to caucus. Mr. Balthis stated there is a specific section in the Ohio Revised Code that does permit the State Legislature to caucus, but that exception specifically applies to state legislatures and excludes school boards and local legislative bodies. Mrs. Pyke stated that she has been on council 19 years, and they have always had caucuses. They had a legal opinion from a previous law director that specifically said that they were allowed to caucus before their meetings. It's very difficult to organize a meeting so that it will run smoothly without having the ability to work with the individuals, especially individuals like Mr. Miller, who has only been at counsel for nine months, to be able to explain the process and to work it through with them. She stated she wanted to make it perfectly clear that, as they had caucuses at that time, they had not been discussing how they were going to vote, nor did they have more than a majority of council in that room at one time. Mrs. Pyke asked Mr. Balthis if Council were to discuss, while sitting in Council Chambers and being open to the public, the process that will take place tonight without discussing the vote, are they violating any type of Sunshine Law. Mr. Balthis stated that the Sunshine Law requires notice and minutes to be kept. If a majority of any committee is present without proper notice and minutes, it would be a violation. The law has erred on the side of the public's right to access and not just access, but notice and minutes. Mr. Balthis stated that he would be happy to speak with Council further about options to try to make sure the public's right to know is balanced with Council's very legitimate right to be prepared and be able to run the meetings how they see fit. Mrs. Pyke stated that it is not stopping Council from running smoothly. Mr. Balthis stated that the rules don't necessarily require that you be discussing how they're going to vote. If Council is discussing public business, the Open Meetings Law would require the proper notice and access and minutes of the meeting be kept.

Mr. Pyke asked Mr. Balthis if he could expand on how it violates the Sunshine Law when people are following through on phone calls and then calling another person. Mr. Balthis stated that there is a case on that that says that you can't violate the Open Meetings Law, as opposed to being in the room, to then call each person and repeat the same conversation over and over. A good example is the most recent case, which was earlier this year, which was an Ohio Supreme Court decision that ruled that it was a violation of the Ohio Open Meetings Law to hit "reply all" if all of council was on an e-mail, because the idea is that back and forth on discussion should be done in open public meetings, so that the public can fully understand what led the members of council, or, in that case, a school board, to their conclusion. He stated that they could make a practical argument that maybe the Court went too far, because there's a public record there. People could read the e-mail if they would like. That argument was made and the Court did not find it persuasive and said, even so, the Court felt that it was a violation of the letter and the spirit of the Sunshine Law. Mr. Balthis stated that that was one of the cases that gave him the greatest pause and, in his opinion, is something that drove the Law Department's opinion on this issue. If the Court feels that that violated the Sunshine Laws, it raised great concern that they would feel the same about Council's historic caucus rule. Again, there was a law opinion from years ago, and the case law has changed greatly over the last decade in terms of weakening Home Rule and strengthening Ohio's Public Records Laws.

Mrs. Pyke asked if someone came up to the City Council rail after a meeting to speak to two members of the same committee, do they have to excuse themselves because they have two members of one committee. Mr. Balthis stated that under the direct interpretation of the Ohio Public Records Laws, as the City's Law Director, the best piece of advice he could give them is for one of the members to excuse themselves. Mrs. Pyke stated that she wants the public to know that it is going to make it a little difficult, because that was their opportunity to really work through issues that they might have with the chairmen of committees, knowing that legislation had to be amended or reminding them of certain procedures that had to take place that night. Mr. Balthis stated that the law is designed to encourage that individual to maybe go to the podium, so there could be an open discussion and everybody could hear the information, so if there is somebody else in the audience with a counterpoint they would like to make and would like Council to hear, they would to have that opportunity. The purpose of the law is not to stop those conversations from happening. It is to encourage them to happen in public forums where it's easy for the public to see and hear the workings of their local government. Mrs. Pyke stated that she understands that, but they all know that there are a lot of people that won't get up and speak publicly and would rather come up to council members individually. Mrs. Pyke stated that she appreciated Mr. Balthis' opinions and thanked him. Ms. Nichols-Rhodes stated that she wanted to point out that there are three members of each committee. If two members are speaking without the third person, it's really not fair for those two people to share information without the third person sharing in the conversation, so she thinks this is a smart thing.

Mr. Miller moved to bring out Temp. Ord. A-61 with a favorable recommendation, second by Mr. James. Motion passed (3-0).

Mr. Pallotta then addressed the public regarding Utility Billing. He stated that they will begin with Mr. Czetli, the Service Director for the City. When members of the various departments are finished speaking, they will invite the public to come to the podium. Mr. Czetli stated that he will quickly summarize what the Administration has done to update Council since they went on August recess. He gave a report to City Council surrounding the utility billing issue on July 18th. He then sent a written update to full Council on August the 12th, and a copy of the Utility Billing insert that was sent out to all customers. On August 18th, he sent a written update to Council and a copy of Mayor Walters' announcement regarding customer service changes and a summary of the Sunday, August 14th, gathering in the parking lot of the Municipal Building. In addition, the Akron Beacon Journal and the Falls News-Press have had a number of articles about this. Mr. Czetli stated that, over this transition period, they have received hundreds of phone calls and e-mails from the public, in addition to the approximately 30 to 40 phone calls and e-mails from various Council members. He can report that the overwhelming majority of customers that have called, e-mailed or stopped into the Utility Billing Department with questions or issues have been very understanding once their particular situation was explained to them. As reported throughout the process, all discovered technical issues have been corrected by the software vendors and all efforts are being made to get all six billing cycles to a normal cycle.

Council President Pyke asked him to invite the various department heads that were a part of this conversion and, hopefully, they can answer questions that Council may have and answers to the public that are here tonight.

Mr. Czetli stated that he would like to begin with Mr. Konich. Mr. Konich is the Director of Information Technology and will give them an overview of the software technology surrounding this conversion. Mr. Konich stated that the Utility Billing System is one of the modules of Innoprise, the name of the software purchased from a company called Harris ERP. Some of the other modules are in Finance, Community Involvement, Payroll and HR. Over the past year, they have been performing a series of technical and application testing and converting to the new Utility Billing System. All phases of mapping configuration testing required by Harris ERP were completed. In May of this year, the decision was made by the implementation team to go live on June 13th. Testing and training continued, and, on June 7th, the implementation team met to review the status of testing and training. From a data mapping and conversion standpoint, IT was ready to go. From an application standpoint, UB was ready to go. Harris ERP and Aclara, which provides the meter reads, also agreed they were ready to go. On Friday night, June 10th, the data conversion began. It was completed on Sunday afternoon, June 12th, without incident. The results were verified by the Utility Billing Department that evening, and they were live Monday morning, June 13th. Unfortunately, several issues occurred during the first week that did not show up in testing. This caused significant delays in the billing cycle. The original issues that caused the delays were identified and, working with Harris ERP, they were addressed and resolved. At this point, any issues that they are aware of to date have been identified, and they are working closely with Harris ERP to get resolved and corrected. Any future issues will be addressed in the same manner.

Mrs. Pyke asked if parallel testing was done. Mr. Konich stated that they did a version of parallel testing. A true parallel test is when they take data and convert it and close their other system. Now they have two systems that are identical. Months of parallel processing are performed where when something is done on the new system, it is done on the old system; then the results are compared. They did not do that, because that was not what was recommended by Harris when they started the conversion. To do that was going to require a lot of resources. Harris did not feel that they were staffed properly to do that effectively or efficiently. What Harris suggested they do was what they refer to as extensive testing, which has been successful in other implementations that they have done in past, and that was the testing that they did probably several months before they went live. Mrs. Pyke asked if they ever took anyone's actual bills and worked them through this system as though they had a test system and a live system. Mr. Konich stated that they created a test system and then they made it look like the production system, so, at that point, they were exactly the same system. They then took the test system, and that's where they did a lot of their testing. As the days went on, that data gets old, it refreshes, it gets updated. Those same updates aren't made in the other system. Everything that Utility Billing does, they go through all the processes and make sure everything is okay. So, it was not a one-for-one parallel. They did test all the functionality of the software. Mrs. Pyke stated that on the utility bills, they have a balance forward because of the billing cycles overlapping each other. She asked if the corrections have been made so they will not have these billing cycles overlapping to the point where the previous billing cycle

has been paid before the next billing cycle goes out. Mr. Konich stated that he cannot answer that question, but that it will be addressed directly that evening. Mr. Czetli stated that, as they go through the different department heads, they can answer questions. The billing cycles are back on cycle now. All the discovered technical issues have been addressed. All efforts are being made to put everybody back on a normal cycle. All September billings have gone out on time. They have been striving to get people back on a normal cycle. Mrs. Klinger stated that she just heard two conflicting statements between what Mr. Konich said and what Mr. Czetli said. Mr. Konich said all known issues have been identified and they're working on them and Mr. Czetli said they've been identified and they're fixed. Mr. Czetli stated that the ones that they have discovered have been corrected by the software vendors. They still have to get people back on a normal cycle. That is what is still throwing off their bills.

Mr. Czetli stated that Mr. Dougherty, the Electric Superintendent, was going to speak next and review the Power Cost Factor, meter reliability and kilowatt hour consumption. Mr. Dougherty stated that he would first address what the Power Cost Factor, PCF, was. It has been on bills since at least 1987, with the rate ordinance that was passed in that year. Per the 2014 rate ordinance, Power Cost Factor is the sum of the last six months of power costs divided by the sum of the last six months of kilowatt hour sales. That is then subtracted from a set cost, which is 8 cents per kilowatt hour. That results in a factor called the PCF factor. You multiply the PCF by a customer's kilowatt hour consumption for that month, and that's your PCF charge. Depending on how high power costs have been in the last six months relative to kilowatt hour sales, the PCF can be a charge or it can be a credit on customer bills. The PCF accounts for the constantly-fluctuating costs of their power supply. Credit rating agencies see this as a method of Power Cost Recovery and essential in keeping utilities in good financial standing, while keeping the base electric rates as low as possible. As expected, the PCF has been rising steadily due the increasing power costs on the City's bills from AMP, American Municipal Power. A couple of reasons why this PCF or the power costs have been rising are that transmission charges are going up and capacity charges are going up. That all gets billed to the City on monthly bills from AMP, the company that the City buys their power from.

Mr. Dougherty stated that, in the last few months, the City received special e-mails from AMP, one at the end of the July and one at the end of the August, noting how high the kilowatt hours purchased were on the system. Those two months ended up being two of the highest three months in Cuyahoga Falls' history in terms of kilowatt hours purchased from AMP. The July bill was 38 percent more kilowatt hours than May and the August bill was 44 percent more kilowatt hours than May. According to AMP, many of their members are falling into the same boat as Cuyahoga Falls in terms of the number of the kilowatt hours that were purchased. As mentioned before, usage varies and our power costs are going up, so people are using a lot of kilowatt hours due to the heat. This summer, there were 15 customers who asked for their meters to be tested to make sure they read right. All 15 meters read spot on. A company was brought in to test three of these meters to make sure they read right. They tested the same meters that read right on the City's system. They also hooked up a meter standard to the City's test set and compared the meter standard in that test set versus their meter standard. They said the City's test set is spot on. So,

from that, Mr. Dougherty stated he can comfortably say that he believes the City's meters are definitely accurate and reliable.

Mrs. Pyke asked if the PCF is based only on the open power that the City is buying. Mr. Dougherty stated it is all of the City's power costs. Mrs. Pyke asked if the City pays in advance for that power and locks in the price. Mr. Dougherty stated that it is not paid for in advance. They have contracts where they lock in a set price in advance that accounts for a certain fraction of the power the City buys. Mrs. Pyke asked if the City is not locking in enough power. Mr. Dougherty stated that the City has a lot of ownership through AMP. They are in a wide variety of projects. Since its ownership, none of that is a set cost during a month. It varies month to month, depending on how that plant is running. Mrs. Pyke asked if the Energy Efficiency Program is in the PCF. Mr. Dougherty stated that the rate ordinance in 2014 made sure to spell out that the Energy Efficiency Program is calculated into the power costs. Mrs. Pyke asked if they have seen an increase in the Energy Efficiency Program. Mr. Dougherty stated that, when that was talked about that in 2014, it was said the budget would be \$200,000. It has been under \$200,000 every year. Mrs. Pyke asked if another problem is the billing cycles are exceeding a month's time, so residents are seeing a higher amount of kilowatt hours on their bill. Mr. Dougherty stated that is correct. Mrs. Pyke asked if the residents are seeing a higher cost factor when using more energy, because it went to a 6-month average, instead of 12 months, where 12 months would have averaged out the lower months and the higher months. Mr. Dougherty stated that 12 months would definitely lead to less variation from month to month on their Power Cost Factor, because of rolling in 6 more months of data. It definitely has been a little more volatile with 6 months as opposed to 12 months, although 6 months is highly recommended as the ideal amount, because, when doing a 6-month rolling average, it takes you a year to recoup their power cost. They try to keep the power cost recovery in the same year as their expenses, so 6 months is the recommended timeframe for their rolling average. Mr. Dougherty stated that the base rates that a resident would pay is set by ordinance. In 2014, there was a rate increase that took effect in 2015 and then another one in 2016. Both those rate increases were, as far as the base rates, three percent for residential customers. The PCF is a totally separate entity, and that's been definitely rising over the last year and a half, as AMP kind of gave the heads-up that power costs were going to be rising.

Mr. Colavecchio asked if, currently, residents in Cuyahoga Falls are paying substantially less for power than First Energy customers. Mr. Dougherty stated that he did check the bill his parents, who live in Akron, receive from First Energy. He used their bill, took their total charge and divided it by the kilowatt hours that they consumed. All the way through July, Cuyahoga Falls' power was less than his parents' bill per kilowatt hour. The August PCF did go above First Energy and the September's PCF is also above. They expect it to come down as they catch up on kilowatt hour sales through the billing system. Mr. Colavecchio asked if, for the past 10 years, Cuyahoga Falls has been below First Energy each of those years and in what percentage. Mr. Dougherty answered that they have. A year or two ago, they were 15 percent lower. The city's PCF was negative at the beginning of last year; now, it's definitely not negative.

Mrs. Klinger stated that, on the Power Cost Factor, based on the chart given to Council, in August 2016, the Power Cost Factor, right now, is .023390, a little over two cents. In August

2015, it wasn't even a penny. It was .000956. So, that's the shift with the cost of power with this high power usage that has been seen in a 12-month period. If Council remembers, they went to a 6-month Power Cost Factor calculation because of debt covenant issues with the City's electric debt. She stated that they have to be very careful what they do with this formula so that a default situation is not created for the City.

Mr. Pallotta stated that the next speaker will be Mr. Jones, the Utility Billing Manager. Mr. Jones stated that, currently, there are six different billing cycles that bill each month: The 1st, 5th, 10th, 15th, 20th and 25th. When the original delays occurred as a result of the manual checks of bills to ensure accuracy for residents, it had a domino effect on subsequent cycles. To date, they still offer any evening or weekend appointments requested by residents. Additionally, both voluntary and mandatory overtime has been offered to the staff to help meet any customer needs. Mrs. Pyke asked when the extended hours for the public began. Mr. Jones stated he believed it was July, but he would have to check to make sure. Mrs. Pyke stated if they are recommending that the residents call Utility Billing first, and if they can't get through to Utility Billing, call him and then Miss Hazlett, and then Mr. Czetli. What should they be telling residents when they can't get through. Mr. Jones stated that they should call the main Utility Billing line. He is available all day, and returns his calls the same day, and, at the very latest, early the next day. Miss Hazlett is also available to return any customer calls that do come in.

Mr. Brillhart stated that his biggest concern has been when he comes in personally on the 19th of the month to pay his bill that is due on the 22nd, it doesn't show that he paid when he gets his next bill. He asked why that is and what is being done to fix that. Mr. Jones stated that when cycles got delayed originally, two separate bills were going out closer than 25 days together, which is the amount of time anyone gets to pay a bill. With the new system, they have to finalize payments after the bookkeeper looks at that day's payments to balance drawers and make sure that the proper amount of money has been collected. The finalization comes the next day. For example, if Mr. Brillhart would pay on the 19th, and his bill is officially due on the 22nd, that payment would be processed in that period and finalized before his new bill, unless it fell on a weekend or holiday, in which case, it may show a balance due on the next bill. Mr. Brillhart stated that this has actually been going on for a number of years. He asked Mr. Jones if what he was saying is they are going to get to that point that if someone personally comes in and pay their bill three days before it's due, it will be processed that day and credited that day. Mr. Jones stated that if a bill is paid in person, it should be finalized that day; if not, then within the next business day. Mrs. Pyke asked if, when this change first took place, there was any notification on the new bills that this was a new bill or that the account numbers had been changed, and why were the account numbers changed and the access to the accounts changed. Mr. Jones stated that there was an ad in the Falls New-Press and something on the website to let people who paid online know that they would need to re-register with the new account number. As far as the new account numbers, he was told that they couldn't bring over old account numbers to the new system; that new account numbers had to be assigned. Mr. Jones stated that Mr. Konich would be better able to address why the account numbers had to change.

Ms. Hazlett, Deputy Service Director, stated that an overwhelming majority of all customers they have talked with have had their questions and concerns addressed in a favorable manner after talking to either Mr. Jones, another Utility Billing staff member or herself. They are in the process of returning all voice mails left for Utility Billing. They are spending as much time as needed with each customer in order to provide them with any information needed to understand their bills. They have crossed-trained some additional staff members and have all hands on deck to answer questions. Some of most common questions have to deal with the billing cycle days and the balance forward amounts. As the bills were going out, the bill dates may not have been an accurate representation of the actual read dates for service. Some billing cycles included more or less than 30 days of service. A longer billing cycle period may have then been followed by a shorter billing cycle period in addition to the bills going out prior to the first one being due. This was necessary to get those that were off their normal billing date back to their normal cycle date. Since the first bill wasn't due when the second one went out, a balance forward would have been shown if the bill hadn't been paid yet.

Mrs. Pyke asked Ms. Hazlett to explain what happened to the people who are on budget billing during this time. Ms. Hazlett stated that budget billing means a resident is on a budget for each month and settles up for that bill twice a year. In August of this year, they settled up all of those accounts that were on budget billing. What that means is that instead of paying the budget amount, the amount actually owed is paid to get the account back to zero and then started back at the budget amount the next month. Mrs. Pyke asked if this was done twice a year and is there any reason why it was being done in August, one of the hottest months where someone might have the highest bill. Ms. Hazlett stated this is typically done in July and in January, but, because they went to the new system in June, they delayed that to August. There were a number of people who had not received their June bills yet, so July bills were delayed. In order to get at least their June bills out to them, they then delayed budget reconciliation until August. They are working with every resident who contacts them and says they need additional time to make payments. They are not turning anybody off during this transition time. Mrs. Pyke stated that someone on this budget plan has to settle up with an increased cycle and they're doing a direct withdrawal from their checking account, all of sudden, they could have a bill that's massive. She asked if those bills were stopped from being directly withdrawn from their checking account. Ms. Hazlett stated that if they call Utility Billing, they are removing them from automatic bank draft. Mrs. Pyke asked what would happen if they go into someone's account and put them in arrears because of removing a large amount of money. Mrs. Hazlett stated that if they overdraft, they can call them and they can call the bank. They are able to work with the bank and let them know what happened and will see if they can get any fees that may have been applied waived on the bank side.

Mr. Iona asked if the utility bills were still being done in-house. Ms. Hazlett stated that the bills are processed in-house. Only the printing has been outsourced. Mr. Iona asked if there was a failsafe to catch bills that are abnormally high. Ms. Hazlett stated that they have thresholds in their systems that will stop bills from going out. They have to manually review all those accounts. The threshold depends on the utility. For water, it might be a \$300 charge. For electric, it might be \$1,000. There are thresholds for each type of residential service and commercial service. They send the printing company a file and the printing company sends back the proofs. They review

the proofs before the bills go out. They are printed from their information. Mrs. Pyke asked who was responsible for doing that review. Ms. Hazlett stated that Utility Billing, and specifically Mr. Jones does the review.

Mr. Pallotta asked Mayor Walters if he would like to address Council and the audience. Mayor Walters stated the biggest cause of this problem was there were three software companies that had to communicate and they did not. They haven't mentioned the Aclaira, which is the software for the AMR, which is the Automatic Meter Reading system that they had. Right off the bat, that put them behind. If they fall behind on any of the six billing cycles, they're in trouble, because they're late on the next one. That's the exactly what happened, because they cannot get the automatic meter reads and they can't run through 4,000 backyards to get those. That problem had to be worked out with Aclair, which is the other software piece that was not mentioned. Once those came over and they had the reads, then they could send the bills out. However, at that point, they are delayed and in trouble with the next billing cycle. That caused a lot of discrepancies in the number of the days in the bills. Mayor Walters stated he was not happy, because residents expect a bill every 30 days they can plan on. It's in their budget. Some people didn't get a bill at all and, the next month, they got two. No one plans for that, especially with this weather. What has happened is unacceptable and wrong. Mayor Walters stated that it wasn't one thing that they could point to. It was the communication of all the software that did not work as they did when they were tested. They have been in touch with both of those companies and are working with their representatives. It looks like the bugs have been worked out, but once billing gets behind, every five days, there is trouble, because now everything has got to be put back in cycle. In order to do that, if someone had a bill that was longer, now the next one has to be shorter. It causes a lot of confusion. They relied on the software, and it didn't communicate. Mayor Walters stated that he understands their frustration and confusion. The way that they can fix this is that they need to talk to them. Right now, the Utility Billing office is open. It's going to be open tonight. If anyone that wants to come over with him, they will pull up their account and have their questions answered. He stated that he wants to have some oversight. There were a lot of questions on the rates and the PCF. He is going to bring in the Summit County Auditor. They are starting this week. They are going to do a review of the calculations used. They don't want any question in anyone's mind that they have anything wrong with their bills. They will review the report from the Summit County Auditor and share it with residents when it's completed.

Mrs. Pyke stated that she appreciates Mayor Walters and his staff coming forward to talk to everyone tonight. She asked if something could be printed on the utility bills explaining why the cycles are off. Mayor Walters stated that they talked about the best way to communicate and what to say, but there were so many different issues that to put a blanket statement in that little memo portion of the bill would have probably confused everything further, because what happened in the 6 billing cycles were not the same with each. Some didn't receive a bill. Some had a very low estimate and, the next bill, they had to make that up. Some had a zero usage or a minimum usage of electric. They have been working on trying to communicate, but the messages are different for different accounts. In a public forum, account information cannot be divulged. It is confidential, so it has to be done one-on-one, via e-mail, phone call or office visits. Mr. Pallotta asked why the rollover was performed in the middle of the highest-usage months, June, July and August. Mayor

Walters stated that they had been working on it previously. First of all, no one anticipated this type of summer. With the testing that was done, they didn't anticipate any problems. They had no knowledge that it was going to go like this where the bills were for long cycles. Coupled with the hotter weather and the higher usage, that caused a lot of the problems.

Mr. Pallotta announced that he was going to open the discussion up to the public. Mr. Terry Mader, 9146 Theiss Road, stated he appreciates all the comments that have been made by the department heads. The question has been coming up about parallel testing. He worked for the phone company for almost 40 years. They had new systems coming into play and never disconnected the old systems until the new systems were totally bug free. He stated that this is totally unacceptable. He understands that it is a financial burden on a city of this size to be able to do something of that magnitude. He appreciates the fact the City is working as hard as they can with all these overtime hours that the Mayor just shared and that he's willing to talk with people and take care of individual situations, but, quite honestly, this should never have happened. The old system should have been paralleled with the new system, all the bugs were worked out, and then they could have disconnected the old system and they wouldn't be having this discussion tonight.

Mr. Gerald Cook, 1755 Williams Street, stated that he has been trying for three weeks trying to get through on that line. Every time, he gets a message stating they will get back to him in three days. Right now, his disability has been stopped for a while, so he's in a pickle. He has to worry about his bills about every night when he goes to bed. This afternoon, he was on the phone for 40 minutes and heard this recording, recording and recording. He is getting tired of hearing this recording.

Ms. Susan Schirra, 276 Hillbrook Drive, asked when is the balance forward going to be taken off for a bill they've already paid. It has already been paid, through Utility Service, but on their statement, it says "Balance Forward." For three weeks, they have been calling that number and left messages. It has been a week and a half and they have not gotten their three-day callback.

Mr. Dave Sebastian, 3286 Northampton Road, stated he has been calling back since June, when he tried to figure out why he didn't get his bill. He hasn't heard anything tonight that tells him that any of this been figured out, straightened out or anybody has a clue what's going on, because some say it's been fixed; some say it hasn't been fixed. His bill is \$900. His bill should be \$250 to \$300 even with the high electric this year. He has bills back to 2000, so he knows what his history is with the city. Everybody says it's all individualized. This is a problem across the whole city. The bills are not right, the system is not working right and everything is just not working.

Mr. Carl Reuther, of Reuther Mold, stated that their bill went from \$14,000 to \$22,000. He asked their controller what the reason was for that. She did some investigation and started pulling together some numbers. She went through the numbers and pulled together a spreadsheet. After working with Mr. Dougherty, they found out that the numbers that were used to calculate the bill were not the numbers that were in the spreadsheet; that there were discrepancies between the two numbers. After figuring that out, they found out that their bill was understated by another thousand

dollars, which is about four and a half percent. That was also true for the previous month. If the audit comes back and it is found that that it has been off four and a half percent, does that mean everybody here should be expecting, also, for the last couple months, an additional charge.

Mr. Aldo Deiluis, 192 Ravenshollow Drive, stated he has been a resident for about 25 years. For 25 years, he has been in the energy business, as well. Since about 2009-2010, natural gas prices have been falling, constantly and regularly, for those last seven, eight years and so has, in kind, the electricity prices. Electricity follows natural gas, especially with the closing of coal plants. What's happening in the market is actually falling prices. What that means is they are paying more than we should. On Choose Energy.com, the generation rate would be 5.79 cents. Add in transmission and generation of about 3 cents, and it would be at about almost 9 cents. Mr. Deiluis stated his residential rate averages about 11.2 cents here in Cuyahoga Falls. He is paying somewhere in the order of 30 percent more per kilowatt hour than he would if on competitive rates. He urged the residents to challenge those who are making purchases on their behalf with AMP Ohio to do better deals with AMP Ohio, because that mix is not in their favor right now.

Mr. Aaron Sturkey, 1914 Victoria Street, stated that he received a very high bill that a lot of other people here in the city has received. He didn't actually have the issue with the phone call. He got a phone call back from Mr. Jones within four hours. The explanation that was given was that it has been the heat that has been the issue. His central air conditioning was out during most of that period of time. He had three window fans running. He was given the option to have that total paid at the end of this month with no penalties. It wasn't that it was wrong, according to the City, it was that he was given additional time to take and pay on this bill. He fixed his air conditioning. This current bill with his central air working is \$141. So, there has to be some an inaccuracy somewhere in the system. There's no reason that it could have been this much more based on three window fans versus a central air conditioning unit.

Mr. Ed Sturkey, 1844 Sackett Hills Drive, stated he was on the Board of Directors of North Akron Savings Bank, about a 400-million-dollar company. On the issue of parallel testing, any time testing to bring a new system online was done at the bank, they made sure that we were adequately staffed and that there was no change prior to the time that this took place. He finds that it is almost unconscionable that a red flag didn't go up when it was mentioned initially that there was not adequate staff or qualified staff to run this parallel test. People are given the opportunity to negotiate how they're going to pay their bill when it seems that all things are indicating that they're not even certain what the bills are or if they're accurate. Maybe somebody has the time to wait for a county audit or whatever, but he knows that there's people on this council that work in business. This kind of this thing would not go on in the private sector. Mr. Sturkey stated that he is a member of the Marian Lake Homeowners Association. They have air lines that run under the lake that generate oxygen for the lake so that it stays healthy. Their bill tripled. That's not influenced by weather. There's a hose running under there. Their bill has been the same for forever. Now, it's tripled. This bill is wrong. He doesn't need to be told how best he can pay it. He needs the system to be corrected.

Mr. Harry Delmar, 2045-20th Street, stated he has been a resident for 24 years and have been on budget billing for the entire time. He always pays, at that end of the budget adjustment, \$40 or \$50 depending on weather. This time, it was \$400 and the billing cycle was for 47 days. He called Mr. Jones, and they were able to discuss the bill and come to an agreement. He looked at the Power Cost Factor. There was mention of a 38-percent increase and a 44-percent increase for the last couple months. He looked back from February to August, a 6-month window. His PCF went from 3.5 cents to \$2.33 per kilowatt hour. That's a 2,000-percent increase. He wants to know if this software is bad, are they going to hold money back from these people that sold them this thing that doesn't work. Mrs. Pyke asked Mr. Dougherty if he could work with Mr. Delmar and get back to Council to let them know if the information given about his Power Cost Factor is, indeed, correct and could that be happening to other people. Mr. Dougherty stated that he can get his name and address and work with him. The 38 percent and 44 percent was from July and August over May. That was just on kilowatt hours' sales alone. That's part of the calculation for PCF. That's not the whole calculation. Taking into account the fact that it was negative at the beginning of the last year, it is a lot higher. You can't compare it from one month to another month. Mrs. Pyke asked if the chart that was given to Council that shows the PCF is the total or are there other factors within this number. Mr. Dougherty stated that when he said what the PCF was earlier, that's the number that calculates the factors. If you multiply that number, which is in dollars per kilowatt hour, times the kilowatt hours that that the customer consumed on that bill, then you get their PCF charge. Mrs. Pyke stated that to get the cost by kilowatt hour, you've got to multiply this PCF. Mr. Dougherty stated that multiplying that by the kilowatt hours consumed is the PCF charge. Mrs. Pyke stated that whatever this amount went up is what their PCF total should have gone up. Mr. Dougherty stated it is many hundreds of a percent, but there is a lot that plays into that calculation. It's sales. It's costs. There is a set cost. The set cost is 8 cents per kilowatt hour. It is meant to collect when power costs are over a certain threshold and then refund when it's under that threshold. So, with there being a threshold, they can't say kilowatt hours went up 38 percent; therefore, the PCF goes up 38 percent.

Ms. Lauren Thompson, 2268 Harding Road, stated the she and her husband recently purchased their home. Utility Billing told them what the average utilities were over the past year and that is what they expected to pay. It was double that. Secondly, they said that they tested 15 meters in a City of 50,000 residents. That's 3 millionths of a percent of the meters that they tested for accuracy. Anyone who knows anything about statistics knows that that is not a good sample size to know that their meter testing is accurate. Ms. Thompson wanted to know if there was any way that this software system can accommodate doing a bank draft online so that they are not charged a convenience fee, and, therefore, the customers are also not charged the convenience fee. Her billing cycle was originally at the end of the month, the 25th, and, now, it's the 5th. Her mortgage and car payment are due the 1st. She wants to know if there is any way she can switch back to her original cycle.

Ms. Cathy Cherveney, 2240 Maitland Avenue, stated that she pays online and cannot get into the old system. She can't tell what's been paid, how much she paid or how much her previous bills were to go back and to check and see why this bill is so high compared to the other. She is

wondering if they're ever going to be able to get back in the previous bills since they are now shut out of them.

Ms. John Chapman, 166 Michael Lane, stated he thinks that there is a bigger problem than this Utility Billing issue that's come up with this last few weeks. One of the things that was made clear to him last year was that the City was trying to cut the utilities off of residents who had utility billing problems. In the past, if they were having a problem, the Utility Billing Department would work with them diligently to try to keep the power on. He is glad to see that the Mayor is bringing in the County Auditor to come and audit the books and make sure everybody is paying the right amounts. What he would like to see from Council is some sort of direct oversight of the Utility Department. They can use perhaps form a Cuyahoga Falls Utility Commission similar to the Zoning Board or to the Planning Board where they can bring issues and complaints when they're not getting good responses from the City. He wants to see not just an audit of the books. He thinks the Mayor could answer most of these questions by releasing all of the internal communications between departments.

Mr. Mike Hoynes, 540 East Portage Trail, stated that he was here tonight representing his daughter, who got a bill from the City, over a three-month period, of more than \$400. She is in AMHA housing in Cuyahoga Falls. It will be a major problem if her electric is shut off, because AMHA evicts the tenant. They've already had two eviction notices in that area that his daughter lives in up on Prange Drive. That is pretty bad when, because of the bad billing system that has come in here, people are being evicted. She doesn't have a big, huge bank account and he is a retiree on Social Security. He doesn't have a bankroll to help her out with it.

Ms. Robin May, 2337 21st Street, stated her bill is way out of line. She is not on budget billing. She always overpays her bill every single month, because, in the summer, it's always going to be a higher bill. Her bill tripled. She called and spoke with Ms. Hazlett. She had no trouble getting through whatsoever. She called her back within maybe two hours. When she looks at the bottom of her bill, the month of July, the bar graph is not there. She overpaid the month of July by \$110. The month of August is double. She doesn't believe the hot weather has anything to do with it. She paid that bill, because she doesn't want to have a late fee on it, but she wants back what she wasn't supposed to be charged. She was listening to how much overtime the City is paying workers here to talk to the public about these issues. That's resident tax dollars over this mistake. They are now paying overtime to people to correct this.

Ms. Joni McDonald, 3572 Kaiser Parkway, stated that they have an online community where they talk to each other in the neighborhood. They all been discussing these same issues. Her kilowatt hours are three times what they normally are. Somebody needs to put or format or write Power Cost Recovery for dummies, so that people that do not understand can understand why this is so high, because it seems that the past and previous administration for previous years negotiated power rates better than they are right now. She stated she has two water lines, a water line for a sprinkler system, which does not go through sewer, and one for everything else. They have always been that same rate, but now it's different for each line. Everybody is so hyper-focused on the electric part of this, because it is the biggest part of it and most amount of the dollars, but her water rate

has increased, as well. Sewage rates did go up earlier in the year, but the water rates weren't supposed to change. Those lines should be the same. It's the same water coming in through the pipes from the same place.

John Drumm, 2781 Tiffitt Street, stated he has had a pool since 1975. Every spring, when they would fill their pool, the Utility Department would come out and take a reading before and after filling the pool, so they would only get charged for water and not the sewer. After helping a neighbor put in a pool this year, he found out they no longer do that. He is going to put in a new pool next week. It's going to be 26,000 gallons of water and none of it's going to go through the sewer system, but he is going to get charged for 26,000 gallons to go through the sewer system. If he is not going to use the sewer system, why is he being charged that sewer rate.

Mrs. Pyke asked if it would be possible to post the current rates on the website so that if people have questions about how much they're paying and they want to compare that to First Energy, they could look at the website, see current costs and do their comparison. Mr. Dougherty stated that, right now, on the Cuyahoga Falls' website, all the rates for all the rate classes are listed. There is also a calculator there where a person can put in their electric consumption and rate class and it will tell them what their bill should be. Mrs. Pyke asked if they could get the rest of the utilities posted. Mr. Czetli stated that he doesn't see why not. The public should understand there has not been a water rate increase since 2012, because that's done by ordinance by City Council. The only difference there has been is the sewer rate. They don't control that, because it all goes through the treatment plant in Akron. Mrs. Pyke asked who was on the implementation team. Mr. Czetli stated that it was a number of different people, because it involved the IT department, it involved the Utility Billing Department, it involved the Electric Department, the Water Department, and then, of course, the software vendors. This goes back a number of years. The people that spoke here tonight certainly were involved in that, but then there has been other people, as well. Mr. Pallotta asked Mayor Walters if he would you like to address the public either individually or collectively on what they had to say at the mic. Mayor Walters stated that the Utility Billing office is open right now if anyone has unanswered questions.

Mr. Pallotta then stated that there were residents present that wished to address Council and the Administration concerning IROK. Mr. Tom Overfield, 758 Kathron Avenue, stated he was there representing Falls Tool Rental. When he was approached to sponsor IROK early in the year, they gave him a nice bulletin of everything he was going to get from them. With the \$1,500 sponsorship, he didn't get anything. He was supposed to be on four websites, including the City site, and was only on one. His question to the Administration is have they heard anything from those promoters about them getting a refund, because they should be getting about a third back. Mayor Walters stated he provided the number of Mike Thomas to Mr. Pallotta. As far as he knows, IROK is going to have their nonprofit open, so if they do fundraising, they will be able to pay any type of debt that they have. It is not the City. They rent the site from the City and then they put on the event. He would encourage Mr. Overfield to call Mike Thomas, if he has not already, and see what their plan is. Mr. Overfield stated that it was under the City's watch. They were the one that formed the committee and then the committee answered to them about who they suggested to run the IROK. Mayor Walters stated there was one submission, and it was IROK, so their choice

was pretty easy. Mrs. Pyke asked if there was any way that the City would be willing to ask IROK to perform an audit to get back to the City. Mayor Walters stated that he would be happy to give Mike Thomas' number to her, also. Mr. Balthis, Law Director, stated that IROK is a 501(c)(3) organization, which means their tax returns must be public by law. Those tax returns are normally posted on a website call Guidestar. It's different than an audit, but a full tax return is a public document that would be easy to obtain.

The meeting adjourned at 9:28 p.m.