

Cuyahoga Falls City Council
Minutes of the Finance and Appropriations Committee Meeting

September 19, 2022

Members: Mary Nichols-Rhodes, Chair
Tim Gorbach
Adam Miller

Ms. Nichols-Rhodes called the meeting to order at 6:30 p.m. All members were present.

The minutes of the July 18, 2022 Finance and Appropriations Committee were approved as written.

Legislation Discussed

Temp. Ord. A-92
Temp. Ord. A-93
Temp. Ord. A-94
Temp. Ord. A-95
Temp. Ord. A-96
Temp. Ord. A-97

Discussion:

Temp. Ord A-92

An ordinance authorizing the Director of Public Service to enter into a contract or contracts, without competitive bidding, with Go Sustainable Energy, LLC for the evaluation of distributed energy resources such as solar and battery storage, and declaring an emergency.

Mr. Michael Dougherty presented Temporary Ordinance A-92 to Council. The City has a municipal power system and purchases power for its customers. The City wishes to investigate the possibility of putting battery storage on the City's power distribution system and utilizing them to save on peaking power costs. Go Sustainable Energy, LLC (Go Sustainable) is qualified as a provider of professional services regarding evaluation of distributed energy resources such as battery storage and development and management of energy efficiency programs. Go Sustainable will continue to act as a consultant for the Solar RFP through the rest of the process, including the evaluation of the proposals. The City utilizes Go Sustainable's services for its commercial and industrial energy efficiency program. The City desires to have Go Sustainable assist with the development and evaluation of a battery storage RFP. Although no specific expenditure for Go Sustainable Energy's professional services has individually exceeded the competitive bidding cost threshold to date, collectively these expenditures will soon exceed the competitive bidding amount of \$50,000.

Ms. Nichols-Rhodes stated that Go Sustainable is an energy engineering company that the City uses as a consultant. She is particularly glad that the City is going with them for battery storage, as she finds them to be knowledgeable experts. There is a cap of \$100,000.

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Mr. Gorbach moved to bring out Temp. Ord. A-92 with a favorable recommendation, second by Mr. Miller. Motion passed (3-0).

Temp. Ord. A-93

An ordinance establishing the OneOhio Fund #228 as part of the OneOhio Opioid Settlement, and declaring an emergency.

Ms. Janet Ciotola, Law Director, presented Temporary Ordinance A-93 to Council. Ohio R.C. 5705.09(F), requires a special fund for each class of revenues derived from a source other than the general property tax, which the law requires to be used for a particular purpose. Auditor of State bulletin 2022-003; identifies that approved uses of the local government share of OneOhio funds must be utilized in a manner consistent with the approved purposes definition in the OneOhio memorandum of understanding. The funds must be used for evidence-based, forward-looking , strategies, programming and services used to (i) expand the availability of treatment for individuals affected by substance use disorders, (ii) develop, promote and provide evidence-based substance use prevention strategies, (iii) provide substance use avoidance and awareness education, (iv) decrease the oversupply of licit and illicit opioids, and (v) support recovery from addiction services performed by qualified and appropriately-licensed providers. Ms. Ciotola stated that the State Auditor requested City's receiving funds from the OneOhio required an ordinance regulating how those funds were to be expended.

Mr. Gorbach moved to bring out Temp. Ord. A-93 with a favorable recommendation, second by Mr. Miller. Motion passed (3-0).

Temp. Ord. A-94

An ordinance providing for supplemental appropriations for capital expenditures of the City of Cuyahoga Falls in the Electric, Sewer, and Water Funds in relation to the Automated Meter Reading Project, and declaring an emergency.

Mr. Bryan Hoffman, Finance Director, presented Temporary Ordinance A-94 to Council. Article VI, Sections 7 and 8 of the City Charter provide that City Council may revise, amend, and supplement budgetary appropriations during the fiscal year, and may authorize the transfer of unencumbered appropriations within various accounts. Ordinance 40-2020 authorized the Director of Public Services to enter into contracts, without competitive bidding with Aclara Technologies LLC, Badger Meter Inc and Conxx Inc, in connection with the settlement agreement to provide the City with an upgraded automated meter reading system. Moneys will be appropriated to the departments or divisions as set forth as follows: Electric Capital Outlay, \$3,305,515.00; Sewer Capital Outlay, \$1,920,155.00; Water Capital Outlay, \$1,920,155.00.

Mr. Hoffman stated that they split it up into two separate parts, because of lead times and things like that. This legislation covers the purchase and warehousing of the meters. Those water and electric meters need to be ordered. Because there are thousands of meters, they have set up a warehouse to receive those. The behind-the-scenes part of the project is putting together some of

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the software that is needed to be able to get the reads from the meters back to the Utility Billing software. All of that needs to be tested to make sure that it is working properly. The next step will then be the meter installation.

Ms. Nichols-Rhodes asked if some of the meters going to cost less because of JCI. Mr. Hoffman stated that that is correct. He did not have the specifics on pricing and the credits that the City received in front of him tonight, but he will provide those. This would be the net of that. Mr. Hoffman stated that they have contracted with UMS, Utility Meter Solutions.

Ms. Ciotola, Law Director, stated that UMS will assist with putting together a plan and some public information out on a time schedules. They are exceptionally good at it and very efficient. They are doing it in Akron now.

Mr. Gorbach stated that this has been a long time coming. Ms. Ciotola has done a lot of work on this. He congratulated her and her staff.

Mr. Balthis thanked Ms. Ciotola again for her work on the JCI lawsuit. It is important to note that the action the City took to hold the contractor accountable is saving money in this process and is what helps to keep the City's rates lower. When spending a lot of money on things like meters, it is important to know that because of the good work of the Administration, they are saving money that gets passed on to the residents. He stated that he is sure the residents will get ample amount of notice and time before the City will need to get into their homes for repairs and upgrades of the meters. Most of the electric meters are outside, but all of the water meters are inside.

Ms. Ciotola stated that they appreciate Mr. Balthis' work on this matter as well.

Mr. Gorbach moved to bring out Temp. Ord. A-94 with a favorable recommendation, second by Mr. Miller. Motion passed (3-0).

Temp. Ord. A-95

An ordinance authorizing the Director of Public Service to enter into a contract or contracts, without competitive bidding, with Glendhill Road Machinery Company to purchase the dump body, hydraulics, and electronic controls to complete the new #948 tandem axle cab and chassis for the Street Division, and declaring an emergency.

Mr. John Campbell, Superintendent of Motor Vehicles, presented Temporary Ordinance A-95 to Council. The Cuyahoga Falls Street Division requires a new dump truck. Glendhill Road Machinery Company is able to supply the components necessary to complete the vehicle in a timely manner. The Director of Public Service will be authorized to enter into a contract or contracts, without competitive bidding, with Glendhill Road Machinery Company to purchase the dump body, hydraulics, and electronic controls to complete the new #948 tandem axle cab and chassis for the Street Division. The Director of Finance will be authorized and directed to make payment for same from the Capital Projects Fund, Line Item Capital Outlay.

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Mr. Gorbach moved to bring out Temp. Ord. A-95 with a favorable recommendation, second by Mr. Miller. Motion passed (3-0).

Temp. Ord. A-96

An ordinance providing for the issuance and sale of bonds in the maximum principal amount of \$3,875,000 for the purpose of paying the costs of the acquisition and installation of water system meters for use by the water and sanitary sewer systems, together with all necessary appurtenances thereto, and declaring an emergency.

Mr. Bryan Hoffman, Finance Director, presented Temporary Ordinance A-96 to Council. Council has requested that the Director of Finance, as fiscal officer of this City, certify the estimated life or period of usefulness of the Improvement described in Section 2 and the maximum maturity of the Bonds described in Section 2. The Director of Finance has certified to this Council that the estimated life or period of usefulness of the Improvement described in Section 2 is at least five (5) years and that the maximum maturity of the Bonds described in Section 2 is ten (10) years.

Mr. Hoffman stated that this ordinance is in conjunction with the Temporary Ordinance A-94 regarding appropriation. This ordinance and the next one, A-97, will allow them to borrow funds to make the payments for the water and electric meters.

Mr. Gorbach moved to bring out Temp. Ord. A-96 with a favorable recommendation, second by Mr. Miller. Motion passed (3-0).

Temp. Ord. A-97

An ordinance providing for the issuance and sale of bonds in the maximum principal amount of \$3,335,000, for the purpose of paying the costs of the acquisition and installation of electric system meters, together with all necessary appurtenances thereto, and declaring an emergency.

Mr. Bryan Hoffman, Finance Director, presented Temporary Ordinance A-97 to Council. Council has requested that the Director of Finance, as fiscal officer of this City, certify the estimated life or period of usefulness of the Improvement described in Section 2 and the maximum maturity of the Bonds described in Section 2. The Director of Finance has certified to this Council that the estimated life or period of usefulness of the Improvement described in Section 2 is at least five (5) years and that the maximum maturity of the Bonds described in Section 2 is ten (10) years.

Mr. Stams stated that if his math is correct, they are almost \$7 million in debt. Mr. Hoffman stated that that is correct. Mr. Stams asked what the projected return is on this debt. Mr. Hoffman asked if he meant the interest rate. Mr. Stams stated that he meant the return on the investment that the City is making in the meters. The meters are the way that usage is recorded. He asked if these meters are going to be more efficient. Mr. Hoffman stated that the water and sewer meters currently used date back to 2018. In 2019, the City sued Johnson Controls because, although the electric readers were reading accurately, they were not sending the reads to City Hall properly. Part of the settlement is that the City would replace its electric meters and water meters, because

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the old system was outdated, and they have new technology that is more efficient and more technologically advanced than the current water meters. They are replacing those to make sure they have a system that functions properly and that they can get the reads so that there is accurate billing from the City. Mr. Stams thanked Mr. Hoffman for his explanation.

Mr. Gorbach moved to bring out Temp. Ord. A-97 with a favorable recommendation, second by Mr. Miller. Motion passed (3-0).

The meeting adjourned at 6:51 p.m.