

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

October 7, 2024

Members: Mary Nichols-Rhodes, Chair
Mike Brillhart, Vice Chair
Meika Penta, Brian Ashton, Joe Siegfert

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

Legislation Discussed

Temp. Ord. A-81

Temp. Ord. A-82

Temp. Ord. A-83

Discussion:

Temp. Ord. A-81

An ordinance determining to proceed with the acquisition, installation, equipment, and improvement of certain public improvements in the City of Cuyahoga Falls, Ohio in cooperation with the Akron Summit County Energy Special Improvement District, and declaring an emergency.

Ms. Janet Ciotola, Law Director, presented Temporary Ordinance A-81 to Council. Council duly adopted Resolution No. 11-2024 on September 23, 2024 declaring the necessity of acquiring, installing, equipping, and improving energy efficiency improvements, including, without limitation, HVAC systems and LED lighting located on real property owned by AKRON PEN 1972, LLC, at 1972 Akron Peninsula Road, Akron, Ohio 44313 with Summit County Fiscal Officer Parcel ID No. 3507260 within the City of Cuyahoga Falls, Ohio providing for the acquisition, installation, equipping, and improvement of the Project by the Owner, as set forth in the Owner's Petition For Special Assessments for Special Energy Improvement Projects, including by levying and collecting special assessments to be assessed upon the Property in an amount sufficient to pay the costs of the Project, which was estimated to be \$10,261,145.70 in the Petition, including other related costs of financing the Project, which may include, without limitation, the payment of principal of and interest on nonprofit corporate obligations issued to pay the costs of the Project and other interest, financing, credit enhancement, and issuance expenses and ongoing trustee fees and Akron-Summit County Energy Special Improvement District administrative fees and expenses; and determining that the Project will be treated as a special energy improvement project to be undertaken cooperatively by the City and the District.

Ms. Ciotola stated that she will be discussing Temporary Ordinance A-81 and A-82 collectively. AKRON PEN 1972, LLC is the owner of property at 1972 Akron Peninsula Road. They are in the process of implementing energy-efficiency systems, such as HVAC and LED lighting. The property owner has petitioned the City to levy a series of assessments to finance these improvements. Assessments will be placed on the real property, and the property owner will pay it over a 15-year time period. The assessments are paid to Summit County semiannually as part

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of the tax bill on the property and once paid, the County will direct the assessment payments to the Development Finance Authority (DFA), who will use those proceeds to pay the bonds.

City Council will need to adopt three pieces of legislation. The City has already adopted the resolution. Pending before Council are two ordinances, one determining to proceed with the project and the financing of the project and other to actually levy the special assessment. The amount of the assessment is currently an estimate based on an assumed interest rate. Once all three pieces of legislation are approved, the DFA will proceed to price the bonds and will issue the bonds at that time. They then will come back to Council with ordinances to set the actual assessment amount. It is important to note that while Council must approve the PACE financing structure, the bonds issued by the DFA and the assessments levied on the property are both nonrecourse to the City and the City has no financial responsibility to pay them. If there is a default on the bonds, then the County, at the direction of the DFA, would foreclose on the property and those proceedings would address any default.

Mr. Balthis stated that PACE is being used around the state as an economic development tool and also to help finance energy-efficiency improvements that are positive. This is the first time one of these projects has been done in Cuyahoga Falls. other than a small one that was done in order to get PACE going to put LED lights in a substation. Very clearly, there is no legal obligation to the City and no liability to the City. Because of the way the state statute is set up, they have to issue the assessment. Mr. Balthis stated that it is great to partner with the DFA, and he appreciates the Administration bringing this forward. It takes a lot of energy and work to do this. This gets done a lot of different ways across the State, and he is happy to see that the City is following the statute exactly, which is how it should be done.

Mr. Brillhart moved to bring out Temp. Ord. A-81 with a favorable recommendation, second by Mr. Sieferth. Motion passed (5-0).

Temp. Ord. A-82

An ordinance levying special assessments for the purpose of acquiring, installing, equipping, and improving certain public improvements in the City of Cuyahoga Falls, Ohio in cooperation with the Akron Summit County Energy Special Improvement District; and approving an Energy Project Cooperative Agreement, a Special Assessment Agreement, and a Supplement to a Standing Payment Agreement connection with improvements and in such special assessments, and declaring an emergency.

Ms. Janet Ciotola, Law Director, presented Temporary Ordinance A-82 to Council. AKRON PEN 1972, LLC has submitted its Petition For Special Assessments for Special Energy Improvement Projects in order to provide for the completion of a special energy improvement project on real property owned by the Owner in the City of Cuyahoga Falls, Ohio. Council duly passed Resolution No. 11-2024 on September 23, 2024, which approved the Petition and added the Owner's property subject to the Petition to the Akron-Summit County Energy Special Improvement District and declared the necessity of acquiring, installing, equipping, and improving energy efficiency

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improvements, including, without limitation, HVAC systems and LED lighting, as described in the Resolution of Necessity and as set forth in the Petition requesting those improvements.

Mr. Brillhart moved to bring out Temp. Ord. A-82 with a favorable recommendation, second by Mr. Siegferth. Motion passed (5-0).

Temp. Ord. A-83

An ordinance authorizing the Director of Public Service to enter into a contract or contracts, according to law, with Survalent Technology Corp. for the replacement of the Supervisory Control and Data Acquisition platform for the Electric Department, and declaring an emergency.

The City

Mr. Rod Troxell, Electric Superintendent, presented Temporary Ordinance A-81 to Council. The City applied the procedures set forth in Ohio Revised Code Sections 153.65 to 153.73 in selecting a professional design services firm to assist with the replacement of the Supervisory Control and Data Acquisition platform for the Electric Department. After a review of all the proposals submitted to the City, Survalent Technology Corp. was selected as the most qualified for the project.

The Director of Public Service will be authorized to enter into a contract or contracts, according to law, with Survalent Technology Corp. for the replacement of the Supervisory Control and Data Acquisition (SCADA) platform for the Electric Department. The Director of Finance will be authorized to make payment for same from the Electric Fund, Line Item Capital Outlay.

Mr. Troxell stated that this will replace the current SCADA system. A SCADA system allows them to view everything going on with the substations and the feeders that come off the substations. It gives them alarms when they have an issue so that people can be sent out to fix those issues. They have 13 substations and approximately 32 feeders in the City of Cuyahoga Falls. The current vendor is QEI. They have had some issues with QEI's customer service. They stopped supporting the system they are now running a couple years ago, so they did a public bid for a new vendor. It was a long process and Survalent Technology Corp. was the one chosen. They weren't the cheapest, but price was weighted, but not the main concern. There was a very wide range in pricing, from \$800,000 and this one at \$255,415. The budget is \$320,000, so it is under budget. He has talked to Napoleon, Ohio, who switched to Survalent in 2013, and they have been happy with them. They anticipate this going well. Based on Council's approval, they will order the service, put the software on, and begin.

Ms. Nichols-Rhodes stated that the budget was \$320,000 and this is coming in at \$255,000. She appreciates that Napoleon, Ohio was contacted because they have not had Survalent here. This will be used at the new building. She asked if it was possible to determine when it will be installed and running.

Mr. Troxell stated that their plan is to have the old system running from the old building while they are putting the new system in place and then transfer the substations one by one over to the

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new system and get rid of the old. There will be a timeframe, but they will be operating SCADA out of the old building and a bit out of the new building. They may have some staff at the old building for a period of time because that is where the main SCADA system is going to be. The sooner the better.

Mr. Balthis asked if SCADA helps them know when there are outages or issues through the system. Mr. Troxell stated that they don't know every outage by SCADA, but they know the big ones. The system they have currently does not consistently send notifications, and that is one of the reasons they wanted to look at another system. A mobile platform is not existent with QEI. This system will have that.

Mr. Balthis asked the difference between the old and new system and how much the new system will enable them to identify, one, if an outage exists and, two, help narrow down the area to send the employees to find the outages. Mr. Troxell stated that, with this system and the new meter system getting installed, it will be more accurate. They have a lot of technology that they have not included in this. They wanted to get the base model up and running to make sure they are happy with the company and get things started and help prevent outages.

Mr. Brillhart moved to bring out Temp. Ord. A-83 with a favorable recommendation, second by Mr. Seigferth. Motion passed (5-0).

The meeting adjourned at 6:45 p.m.