

September 30 Work Session Follow Up

At the September 30 Special City Council Work Session, several property owners spoke during the public comment period regarding concerns about their recent 60 day utility bills. In addition, we collected contact information and concerns from many property owners in attendance. We did check the contact forms against the names and addresses of the people who spoke to the city council and unfortunately, not all people who spoke provided contact information via the forms. We did our best to find those accounts from the names and addresses so we could double check their latest utility bills.

Between Tuesday and Sunday, we have responded to all concerns that were communicated to us via the contact forms. We also checked the accounts that were discussed verbally but since we were not asked by the property owners to follow up with them nor did they provide contact information, we did not communicate directly with them. To be clear though, some people spoke and also provided contact information and we did communicate with them. Because the account information is personal, it is not appropriate that we share it publicly through Mayor and Council emails that are posted on the city's website. However, we want to provide you with a recap of what we found during our review.

Contact Forms: We had 14 concerns communicated via the contact forms that asked for a review of the usage and total amount of the bill. We found in 13 of the cases that the usage was similar or lower than previous years during irrigation periods. The significant increase from the previous month that was being compared was due to irrigation, the addition of the storm fee, and the extended solid waste period (approximately 2.6 months). In one situation, the usage was about 20% higher than previous years and upon review of the usage, it appears that sprinklers were running twice each day and accounted for 92% of the water usage. None of the accounts that were reviewed appeared to have any leaks and there were no errors found in the calculation of the billed amount.

We had 4 concerns communicated via the contact forms that asked for different information. Two citizens wanted daily usage information and we worked with them to get access to data through the on line account portal. One citizen had concerns about how pressure impacted usage and two of the superintendents worked to provide that information to the property owner. One citizen wanted to explore a different way to charge wastewater to multi-family accounts and asked that we contact them in the future. We will contact them as we have the availability to look at that question in depth as it impacts a whole classification of commercial customer and would require changes to the rate structure.

Public Comment: For all addresses that were provided but did not fill out a form, we reviewed their accounts. The review of the accounts ended with similar findings as the written concerns.

One property owner did bring up Cedar Park and that their bills went up even though they were on temporary water for part of the summer. Attached are screenshots of typical properties in Cedar Park. The accounts show 0 kgal usage for the time period that they were connected to temporary water. We checked approximately 50% of the properties that were in the subdivision and did not see anyone that was charged for water during the time they were connected. That being said, we didn't have a specific address to check so we can't rule out the possibility of an error without

checking 100% of the properties or checking one in particular if we knew where the concern was. We don't have the staff time to check every account so we will need to rely on the property owner to contact us if they suspect a problem. A sample size of 50% of the subdivision would indicate to us that the billing worked as intended during construction. We did find a couple of meters in the subdivision that do not appear to be working since the construction so we have a meter representative going to check on those meters. Those meters have extremely low reads so it is erring to the benefit of the customer.

Errors: During every billing cycle, we encounter isolated errors – unfortunately, that will always be the case when we have over 528,000 bills that go out in a year. The errors are human error and this week, we did run into a few of those. In a few cases, the meter set read was entered incorrectly when a meter change-out occurred or when transferring from a contractor to a new property owner. Those are usually very obvious as the bill will be completely out of line, i.e. thousands of dollars for a few days of use. We found one this week that was \$73k – that is obviously an error and it tracked back to a meter set read entered incorrectly in the previous billing software. The other one we found was over \$4,000 for four days of service. This type of error will usually be on this order of magnitude and only occurs on new meter sets when someone makes an error when setting up the new meter. While we don't like to see errors of any kind, unfortunately, human error will always be a potential place for error in the process but fortunately, the errors occur on an extremely small percentage of the work that is done and are easily and quickly corrected to ensure property owners are not overbilled.

The other error that we found this week was a manual overestimation of usage. Before each billing cycle, the usage is pulled from the meter software. Occasionally, one of the meters will not send data back to the software and the usage is either estimated or a meter representative drives by the property with a transceiver to get a reading. If the meter representative still cannot obtain a reading, the usage is manually entered and an appointment is made with the property owner to repair or change out the meter. The estimate is based on previous usage and then it is adjusted the following month when an actual meter reading can be taken and the bill reflects the amount between the estimation from the previous month and the actual current reading. This is extremely rare. We found one account where the estimation was incorrect by a large amount which resulted in a bill that was an order of magnitude off from what would be expected. Luckily the property owner contacted us and we were able to cancel his bill and rebill with the actual usage. If the error had not been caught, the bill for the following several months would have showed a credit given it would have been based actual meter reads.

Current Status of customer responses: We have over 500 calls and emails that still need to be investigated and returned. The majority of these calls are regarding day-to-day operational issues (moving, name changes, garbage service changes, roll out pickups, etc.) and questions regarding when customers will receive their next bill. We have added about 25 people to the phone tree so while our customers may not reach an account representative, they will reach a live person and the longest hold time between Tuesday and Friday was under 5 minutes and most were under 1 minute. The people answering the phones can help with portal access, finding new account numbers, walking through the bill, and general questions. They cannot access the billing system so if they are unable to answer all of the questions, they put in a request for an account rep to follow up. We do

have account representatives working overtime all week to try to respond to requests as soon as possible.

Status of 3rd Party Verification: We have talked with several firms regarding what they could provide for services and their schedule to do the independent review. We have developed a draft scope that is being reviewed by staff and then will be forwarded to the City Council for review per request. Verifying the information between the meter software and the actual bill is one part of the process that can be done by people at the firms we've talked to. Verifying the accuracy of the meters is a very different process and will require field work and access to homes. We are working with our meter vendor to find out if they have ever done a large scale audit of a system to verify accuracy and how it was accomplished. We have several messages in to companies that may be able to give us guidance on how to approach that work but have not received significant information yet.

Staff has spent many days speaking with customers and reviewing account data. While we have found isolated errors due to manual work involved in billing, we have continued to find that the billing software is accurately calculating utility bills.