

Chairman Clifford called the meeting to order at 5:30.

Present were committee members Etori, Clifford, Tommola and Gillam. Other aldermen present were President Davis, Humphrey and Whitcomb.

Also present were Attorney Bloomer, Treasurer Markowski, Commissioner Wennberg, Business Manager Gorruso, Assistant Treasurer Holmquist, Bob Flaherty, Vice President and Jason Bethke, President, from Fathom and Gordon Dritchilo.

Chairman Clifford invited Commissioner Wennberg to introduce the representatives from Fathom and brief the committee.

Commissioner Wennberg distributed a memorandum and asked the Fathom representatives to address the committee. Mr. Bethke began by offering an apology for the recent billing errors associated with the water and sewer utility conversion project. He said he would speak to the specifics later in the meeting but wanted to assure everyone that the new water meters are accurately measuring water use. The initial problem stemmed from a software error that caused the communication of the water use to be inaccurate in some cases.

Commissioner Wennberg ran through the content of the memo. He explained that the conversion from NEMRC to Fathom corrected a large number of errors in the old billing system. Business Manager Gorruso provided the committee with several examples of errors. One was the Ground Round restaurant that for 10 years had been billed for 1/100th of their actual water use due to an incorrect entry in the old system. In addition, Ms. Gorruso showed the committee how the new meters have improved our ability to answer customer questions about their bills or water use.

Commissioner Wennberg told the committee that the online customer portal was working well, and the work order system was preferred by the department staff. He said 76% of all of the meters had been replaced since February and nearly all of the remainder should be completed by the end of October, which is on schedule.

Mr. Bethke explained the sequence of the problems that had occurred with the billing. The communications issue required the issuance of hundreds of estimated bills in July. The problem was identified and the manufacturer, Itron, sent a team with Fathom employees to Rutland to reprogram the radio devices. Itron and Fathom have confirmed that the devices are now operating properly. Fathom and the City wanted to perform additional testing of the communications and billing systems before the October cycle. Testing went all the way to preparing the electronic billing files. One of the Fathom team members erroneously sent the file to the print vendor without the required approvals and the print vendor printed and mailed the test bills without the required approval from Fathom. The result was almost 3,000 bills arrived in the mail that were never intended to be sent.

Mr. Bethke said that new procedures have been put in place to prevent this from happening again.

Alderman Tommola asked if the equipment error was unique to Rutland. Mr. Bethke said yes.

Alderman Tommola expressed concern for the security of the data being handled by the Itron system. Mr. Flaherty explained that the data does not include any identifiable information – it contains a meter reading and a meter serial number, not addresses or names.

President Davis asked if the problem had been fixed. She explained that public trust in the accuracy of the system was gone and needed to be reestablished. Mr. Bethke said the radio communications problem was fixed and it was continually being tested. He agreed that they had to restore confidence in the accuracy of the bills.

Ms. Gorruso described the work now underway to look at the next bills individually and investigate anything that looks like a discrepancy.

Alderman Etori expressed great frustration with how the project was being managed, and that he had lost confidence in Fathom. Mr. Bethke said he understood the frustration at the mistakes and assured the committee that there would be no further problems, and that the City would experience greater efficiencies when the project was completed.

Alderman Tommola said he was not satisfied with the description of the errors and the fixes. He said he wanted more specificity about the technology failure and the failures that resulted in the unintended bills. Mr. Bethke said the print file was a data file, the same as a regular cycle billing file. An employee within the testing team sent the file to the print vendor which should never have happened. The print vendor is supposed to contact Fathom to verify that any file received is supposed to be printed and mailed, but they did not do that in this case.

Alderman Etori noted that the errors were requiring City staff to devote many additional man hours to deal with these errors. Commissioner Wennberg confirmed that the work load on the office staff was more than anticipated.

President Davis said the Fathom contract is supposed to reduce City staff workload and create savings for ratepayers. At this point it appears neither has occurred. She agreed with Alderman Tommola that people needed better information to be reassured that the problem will not happen again.

Treasurer Markowski said she agreed with Alderman Tommola. She said her office still did not have a single contact person at Fathom to quickly address issues. She expressed concern that Fathom apparently did not have adequate controls in place to prevent these errors.

Mr. Bethke gave Treasurer Markowski several names for contacts depending upon the issue. He offered to work with the City departments to develop a punch list of needed improvements and put them in place.

Alderman Etori asked when the project started. Mr. Flaherty said it was around last August but the transition was still in mid-stream and the final system was not fully in place.

Alderman Etori asked if the committee was willing to meet monthly to monitor the project going forward. He moved that *the DPW Committee meet monthly regarding the meter program with a Fathom representative present in order to maintain accountability to the rate payers*. The motion passed unanimously.

Treasurer Markowski told the committee that Alderwoman Humphry had asked about processing payments made on the erroneous bills. She said that 136 payments had been received and were credited to their accounts. She explained that everyone who came in to pay in person was told not to pay the bill but many chose to do so anyway.

Alderman Tommola asked City Attorney Bloomer if Fathom had breached their contract. Attorney Bloomer indicated that he would have to review the contract but even if he had a response it would be in executive session.

Alderman Etori moved to *refer the Fathom contract to the City Attorney*. The motion passed unanimously.

There being no other business the committee adjourned at 7:08 PM.