

Hidden Valley development came into existence around 1975. Hidden Valley lies in Amherst Township, but falls within the Facility Planning Area of Lorain's water and sewer treatment area. An agreement was constructed between the city's Safety Service Director, Elio Yacobozzi and developer, Mr. Gargasz. There were 3 agreements in total, the last one written in 1979. The City of Lorain owns and controls the water treatment plant and the sewer treatment plants. The City of Lorain applied for and received Federal Money and State Revolving Fund grants for construction and upgrades. The water and sewer lines were laid and paid for by the developer, which was then passed on to the homeowner through the purchasing price. The agreement included giving the City of Lorain ownership of the lines and for the homeowners or "customers" living within Amherst Township but serviced by the City of Lorain to pay the in city customer rate plus 30% surcharge for water and no surcharge for sewer. This contract was partially adhered to until 2012, at which time the City of Lorain arbitrarily increased the cost to the outside city customers to the in city rate plus 100%, an increase of 70%. Those residing in Hidden Valley were irate; some bills were \$300-\$400 for one month of water and sewer. Residents went to the Trustees for help after multiple calls to the City of Lorain fell on deaf ears, residents were told by the City Council members that they do not need to talk to them because they are not residents. The Safety Service Director told residents, that the City has the power to control the rates and because the outside residents don't pay any income tax, so they have to pay a higher rate. The Utilities dept funds all its operating costs through the customer rates, it is operating in a proprietary manner, and no income tax is used to fund the Utilities. He also stated that the Trustees have no say in our complaint because the contract is with each individual resident and not with the trustees. After many frustrating phone calls to the City of Lorain, the PUCO, State Representatives, State Senators, TV stations, EPA etc... The residents went to the Lorain County Commissioners for help. 125 residents flooded the Commissioners meeting in September 2012 asking for help. The Commissioners unanimously signed the resolution that the residents provided asking the City of Lorain for fair and equitable rates. Unbeknownst to the outside city customers, 2 of the Commissioners met with the Mayor of Lorain and agreed to change the fee structure back to the in city rate plus 30% and add an extra fee of 10.94 per month escalating 5% each year for 5 years. This fee has no rational nexus and was arbitrarily added to those living outside the city. The minimal usage residents were now being charged up to 209% with the added fee. The city changed the fee terminology while still collecting double the in city rate. At the end of 5 years, the City of Lorain collected \$725,400.00 from the added fee alone. The new fee given to the outside customers was a double charge for Operations, maintenance, and replacement. OM&R is already included within the surcharged rate.

The residents of Hidden Valley had no other choice than to contact an attorney to help us ease this burden. A legal team was hired in January 2013 and litigation commenced in October 2013. To date we have been through numerous Judges, Magistrates have had dates moved, and our trial delayed twice.

The residents of Amherst Township, Lorain County, Ohio need help! We have nowhere else to go, we have been tied up in the court system for 4 ½ years. We have been paying high rates for 6 years. Our senior citizens do NOT get any discount even though they qualify due to the poverty level guidelines set forth by the government. Our residents do not receive the summer sewer discount afforded to the City of Lorain residents. The outside city customers pay full price including our poverty level elderly, while

the in city customers are receiving discounts for the exact same service. Approximately, 45% of some City administrative position's salary is paid for by both the in city and outside city customer rate payers through the Utility funds. As a percentage, outside city customers are paying more for their salary due to the surcharged rates, yet we have no voice. All the while, we have contributed tax payer's dollars to the Federal and State government which have been awarded to the City of Lorain through grants and low interest loans to improve their system.

The abuses of outside customer billing practices which are arbitrary and confiscatory need to stop. . Any increase in the cost of service should always have a rational nexus attached and should not be used for political gain by leaders in a city.