

# COMMITTEE OF THE WHOLE MEETING MINUTES

*TUESDAY, APRIL 24, 2018 – 6:30 p.m.*

## COUNCIL CHAMBERS – OLEAN MUNICIPAL BUILDING

IN ATTENDANCE WERE: ALDERMEN CRAWFORD, WITTE, ANDREANO, GONZALEZ, DOUGHERTY, SMITH, AND GEORGE. OTHERS: MAYOR WILLIAM AIELLO; LENS MARTIAL, CITY CLERK; NICHOLAS DICERBO, JR., CITY ATTORNEY; FRED SARADIN, CITY AUDITOR; BOB RING, DIRECTOR OF PUBLIC WORKS; KERI KERPER, COMMUNITY DEVELOPMENT PROGRAM COORDINATOR; BOB BELL, FIRE CHIEF; JEFF ROWLEY, POLICE CHIEF; ED JENNINGS, CODE ENFORCEMENT SUPERVISOR, AND TIFFANY TAYLOR, MANAGERIAL CONFIDENTIAL ADMINISTRATIVE SECRETARY.

Alderman Crawford called the meeting to order at 6:30 p.m. and asked that the record show that all Aldermen were present.

1. PL #48-18: (Aiello) To authorize the sale of 105 South Thirteenth Street to a private entity.

Mayor Aiello explained that this is one of the City owned houses. An individual has come forward who would like to purchase the home for demolition, in order to create more parking for his business.

Alderman Gonzalez questioned if there are any hurdles that will prevent the installation of a parking lot, and Mr. Jennings replied that a variance for the lot has already been granted. Alderman Witte asked if it will be a paved lot, and Mr. Jennings replied that it will be.

Alderman Crawford asked if there will be a timeline in which to complete the work, and Mr. DiCerbo replied that he will be subject to the same terms of the previous sale of City owned property for demolition. Alderman Smith added that the demolition must occur within ten months.

Alderman Smith continued by stating that he feels that this is a good conveyance, and he recommends the Council approve the transfer of this property. It is in poor condition and needs to come down as soon as possible.

A motion to approve PL #48-18 was made by Alderman Smith, seconded by Alderman Witte. Voice vote, ayes all. Motion carried. Referred to Regular Meeting for Resolution.

2. PL #49-18: (Crawford) To authorize the transfer of \$97,000 from General Fund Contingency, \$30,000 from Water Fund Contingency, and \$30,000 from Sewer Fund Contingency to Vehicle Replacement Fund (Capital Fund #102) for the purchase of a new Department of Public Works truck and backhoe.

Alderman Crawford explained that this item was discussed a couple of weeks ago in committee. We are getting close to the beginning of construction season. He has spoken with Mayor Aiello and Mr. Ring, who have advised that we need 60 to 90 days lead time, as it takes about that long for the vehicles to be delivered after ordering. We need to get moving on this.

Alderman Andreano stated that she understands that these items are needed, but she is not in favor of taking the money from the Water and Sewer Contingencies for the purchases. She feels that these items need to be budgeted in the General Fund.

Alderman Crawford responded that the reason that the funding for the backhoe is taken from all three funds is because the vehicles are used for all scopes of work. Mr. Ring confirmed this, and added that \$30,000 is taken from each Contingency for the backhoe purchase.

Alderman Gonzalez stated that if the money was budgeted for rather than taken from Contingency, then it would still come from all three funds. He is in favor of this transfer. Alderman Dougherty stated that if we budgeted these items in the water and sewer fund, we would need to raise rates more than we already had. Alderman Andreano responded that she thought we had just raise rates to do these things.

Alderman Crawford explained that under normal circumstances, we would allow the Contingency to roll into the Fund Balance at the end of the fiscal year, and we would purchase the vehicles at that time with money from the Fund Balance. We need to order the vehicles sooner than this, and that is why we are proceeding now with a Contingency transfer.

Alderman Witte questioned if we have received the insurance money from Cattaraugus County for the damaged backhoe, and Mayor Aiello responded that we have. We used these funds to purchase an excavator for use while we tried to work things out with the County for the remainder of the funds. They refused to work with us. He asked that the Council keep in mind that by stretching the purchase price over three funds, those who don't pay taxes are still paying their fair share.

Alderman George asked if a delayed purchase would cause a project delay. Mr. Ring responded that it would. He would like to do more work internally this season, and it will be very difficult without this equipment that he is proposing be purchased.

A motion to approve PL #49-18 was made by Alderman Crawford, seconded by Alderman Dougherty. Voice vote, ayes all except Alderman Andreano, who voted nay. Motion carried. Referred to Regular Meeting for Resolution.

### 3. Discussion – DOT's Equitable Business Opportunity's Local Responsible Official

Mr. Ring stated that this is for the State's online reporting system for Capital Projects. It aids the City in their work with the contractor and the State. The previous Director of Public Works had taken care of this in the past, and a Resolution is required by the Department of Public Works to designate Mr. Ring as the Local Responsible Official in order to gain him access into the system.

Alderman Crawford asked if this is just a general formality, and Mr. Ring stated that it is.

A Resolution will be added to the Regular Meeting agenda for approval.

#### 4. Discussion – CATCO Judgment

Mayor Aiello explained that, as everyone knows, an Article 78 was filed against the City by CATCO Construction. They had done an audit on the North Union Street Project and determined that we owed them additional money. Our hired engineering firm signed off on this. We have been to court over this matter, and the court has issued a Judgment against the City. We now need to pay.

Alderman Crawford stated that a plan has been put together to make the necessary payment. Fortunately, there is money in Fund Balance to pay for a portion of the Judgment. The General Fund Balance would pay half of the amount due from the General Fund (\$431,986), the Water Fund Balance would pay the entire amount due from the Water Fund (\$90,676), and the Sewer Fund would pay the entire amount due from the Sewer Fund (\$64,187). The remainder due from the General Fund (\$431,986) would be bonded for.

Alderman George questioned where this leaves the General Fund Balance, and Alderman Crawford replied that it leaves us with approximately \$2 million in the fund. Alderman Crawford continued that although there is not currently a formal Fund Balance Policy in place, numbers between 10% and 20% have been thrown around. This number is below 15%, but it keeps us above 10%.

Alderman Crawford explained that this is a bitter pill to swallow, but it is what it is. We need to get moving, as the City is subject to post Judgment interest of 9%.

A Resolution will be added to the Regular Meeting agenda for approval.

#### 5. Adjournment

A motion to adjourn was made by Alderman Crawford, seconded by Alderman Gonzalez. Voice vote, ayes all. Motion carried. Meeting adjourned at approximately 6:45 p.m.