

COMMITTEE OF THE WHOLE MEETING MINUTES

TUESDAY, FEBRUARY 12, 2019 – 6:34 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; KERI KERPER, COMMUNITY DEVELOPMENT PROGRAM COORDINATOR; BOB RING, DIRECTOR OF PUBLIC WORKS; JEFF ROWLEY, POLICE CHIEF; BOB BELL, FIRE CHIEF, AND MICHIKO McELFRESH, MAYOR'S 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. Buffamante Whipple Buttafaro, P.C. – Audit Presentation Fiscal Year June 1, 2017 through May 31, 2018

Alderman Crawford introduced Dave DiTanna from Buffamante, Whipple and Buttafaro, P.C.

Mr. DiTanna stated that it is his firm's responsibility is to provide the City with an opinion on the numbers and disclosures in the documents he provided to the Council and City Officials. BWB's opinion is a clean, unmodified opinion with no exceptions in that they find that the financial statements are in accordance with Generally Accepted Accounting Principles.

Because the city is a government there is another report on Internal Controls and Compliance in accordance with Government Standards. The audit team tests the City's controls on expenses, disbursements, payroll, etc. and if they find weaknesses in the controls they are required to report them. In that part of the audit there are three items that have been found to exit:

All items appeared on last year's audit. First, the City looked to BWB to provide adjustment and assistance to put together the audit document. This is not atypical for governmental entities. Their recommendation is that we continue to accept and review any adjustments. The second weakness is related to reconciliation of the General Ledger and Capital Projects. With respect to Capital Projects, the City has a computer system that lists all revenues, expenses, and liabilities related to each Capital Project. There is a separate Excel worksheet for each project that details the same. Throughout the year, the two do not always match. BWB aids the City in ensuring that the two documents agree. Preparation of financial statement 2018-001. Mr. Di Tanna said that the third item was new last year and had to do with the internal controls of Capital Projects. He

said that the City is working to rectify this issue by issuing a policy on litigation and forming an Audit Committee.

Mr. DiTanna said that the testing disclosed no instances of noncompliance.

Mr. DiTanna drew the Council's attention to Note 6 on page 39 of the Report, in reference to accumulated deficit which are not unusual as there are timing differences of when the project takes place and when the financing is secured. The top half of note 6 falls in to this category. The bottom portion of the note lists projects that are in deficit. The North Union Project is the largest at \$631,000 and the payment made on the \$631,000 is not reflected as it took place subsequent to the end of the fiscal year. Once the debt \$500,000 was issued to pay the \$631,000 is reduced to \$131,000. The second paragraph of Note 7 reflects that a second law suit has been filed.

Mr. Di Tanna drew the Council attention to Page 6 of the Graph Analysis page. by stating that a large part of the City's assets are our infrastructure improvements: North Union Street, the Wastewater Treatment Plant, East State Street, Bradner Stadium, and a large part of our liabilities are payments associated with these. The City's net position has increased a little over \$1 million, making the total net position almost \$50 million. \$44 million of this is invested in our infrastructure, and is not liquid. He stated that over the last five years, our net position has increased a total of \$15 million.

Mr. DiTanna moved on to page 7 and drew the Council's attention to the fact that the expenses grew moderately over the last five years, however the program revenue fluctuated. Revenue over the past five years has not increased –

Alderman Crawford asked if depreciation is in the expensed. Mr. DiTanna said yes and when the Wastewater Treatment plant begins to depreciate the City will see an increase in expense due to the depreciation.

On page 9, Mr. DiTanna indicated that the Assets decreased by \$575,000, liabilities decreased \$128,000 contributing to a total decrease in fund equity of \$447,000. Page 10 shows that the decrease in fund equity primarily because the City did not use the fund balance to support the current budget.

In the General Fund, he stated that revenue increased by \$192,000 he attributed to a number of things, including a small percentage due to property tax increase but the major came from transit income. He said expenditures were flat, a decrease of \$5,000. He said public safety was down largely because the Police Department had purchased equipment the year before. The decrease was offset by a by an increase in operating transfers out to the debt service and capital funds.

Mr. DiTanna discussed the Water Fund. He said that the fund's assets are up and liabilities were down and that fund equity was up about \$100,000. He said that revenues was flat and expenditures decreased about \$100,000 as there were not as many repairs and waterline replacement in 2017-18. He drew the Council's attention to page 17 which illustrated the increase in the transfer out to the capital fund which offset the

lower home and community service expenditures. He said that the water fund has done relatively well from a financial perspective over the past five years.

Mr. DiTanna moved on to the Sewer Fund. He said that not much has happened. If water fund revenue is flat sewer fund would be flat as well and that is what we are seeing. But we can see a significant increase in expenses in the sewer fund as we are beginning to pay the principal and interest on our debt. Home and Community services has increased because we are under an Order of Consent which forces the City to continue to fund required items. He told the Council to read the note on page 28 which describes the City's obligations on the Consent Order.

The Sewer rates have been boosted over the past few years because the City knew that they had the costs of the DEC order as well as the debt service for the new WWTP Plant.

Alderman Crawford asked a question about trending: "Does it seem like the growth of expenditure is flattening out?" Mr. DiTanna said that it is tough to tell, it is more of a question for the Auditor. Alderman Crawford pointed out that there is a decrease in expenditures, something that we have never seen before. Mr. DiTanna said it was a year that costs were flat as were revenues. Mr. Crawford asked if the lawsuit was included in the expenses. Mr. DiTanna confirmed that they were.

Mr. DiTanna said that the documents also included some very interesting things on pages 87-89 and that Council members should read those pages.

2. PL #12-19: (Dougherty) To authorize the use of the concrete subway located at 117 South 4th Street in the City of Olean for parking by the property owner.

Alderman Dougherty mentioned that this PL was discussed in committee and he referred the Aldermen to the diagram that Mr. Ring had drawn of the parking spots. He said that the proposed legislation is basically putting the final touches on a variance that is already in existence. It has three vehicle spaces that do not conflict with the sidewalk, traffic patterns, and the bus traffic. Mr. Ring added that the business has a very wide curb cut and this option makes sense. Alderman George asked if the spaces could be striped? Alderman Gonzalez asked about striping the spaces and asked if we could strip the sidewalk, . Mr. Ring said that that was a good idea, however he would actually prefer a physical barrier. Alderman Witte said that there are several places in town that have black top and the cars sit on the sidewalk. She asked if that was an enforcement issue. And if the City can we ask business owners not to park vertically. To Alderman Witte's point, Alderman Dougherty said that they had discussed that vertical parking would not be permitted. Alderman Dougherty said that there is a structure that you cannot see in the photograph that marks the sidewalk. Alderman Smith asked if there wasn't a variance would he be able to park there. Alderman Dougherty stated that any commercially zoned business has use of their subway. Alderman Gonzalez asked if the business owner would be able to park busses in the spots. The response was no. Alderman Gonzalez thought it would be hard to believe that he couldn't get a bus there. Alderman Smith questioned if that would matter. Alderman Gonzalez said that if he lived

in that neighborhood it would matter. Alderman Dougherty said that he doesn't think that would be a problem. And deferred to the Fire Chief. Alderman Gonzalez stressed that the parking area is wide and he could get a bus in there. Alderman Dougherty said that we are specifying the places you see on the diagram: 77 feet to the utility and 38 feet in the other direction.

Alderman Crawford said what is the enforcement technique if they want to park a jumbo bus there? Or are we making a mountain out of a molehole.

There have every right to operate their business there given the variance. He is just looking at future pitfalls. Would not like to see a huge bus there.

Alderman Smith asked if it transfers with the sale of the property. There were side discussions and said that yes it would transfer with the property..

Alderman Andreano asked if the City assumes responsibility to stripe the spots.

Mr. DeCerbo suggested that the Council limit the parking to what is on the diagram

Alderman Dougherty made a motion to amend the resolution to include the contingency that the owner of the property stripe the property to align with the diagram completed by the Department of Public Works in the appropriate manner. Seconded by Alderman Crawford..

Voice vote. Ayes All.

A motion to approve PL#12-19 as amended was made by Alderman Dougherty and seconded by Alderman Crawford. Voice Vote, ayes all. Motion carried. Referred to the Regular Meeting for resolution.

PL #13-19: (Aiello) That the Common Council as Lead Agency declares the Trailhead Parklet Project an Unlisted Action and determines the project will have no significant impact on the environment.

Ms. Kerper explained that environment impact study was completed and the recommendation is to declare a negative declaration on the project.

A motion to approve PL #13-19 was made by Alderman Gonzalez and seconded by Alderman Witte. Voice vote. Ayes all. Referred to the Regular Meeting for resolution.

3. PL #14-19: (Aiello) To authorize the Mayor to purchase one (1) Lot K Bus from Matthews Bus Alliance, Inc. d/b/a Matthews Buses Commercial.

Mayor Aiello asked Ms. Kerper to explain. Ms. Kerper said that there is a bus in the fleet that needed to be disposed of as it has over 200,000 miles. She said that they have been working over

two year to secure financing for the new bus. She added that it is fully funded as described in the documents.

A motion to approve PL #14-19 was made by Alderman George and seconded by Alderman Andreano. Voice vote. Ayes all. Motion carried. Referred to the Regular meeting for resolution.

4. PL #15-19: (Aiello) To establish four permanent part time Special Patrol Officer positions.

Mayor Aiello said that we now have two special patrol officers in our elementary schools and one that may be floating into the Middle school and one back-up. In order to do this we need four positions with Little Valley Civil Service. We have already hired them, but have to create the positions so they have Civil Service Title. Alderman Crawford asked if they had to take a test. Mayor Aiello said no. Alderman Witte asked who was paying for it. Mayor Aiello said that the school is paying the salary and the City pays for half of the uniform expense. Alderman Witte asked if the “permanent part time” status is acceptable with the Union. Mayor Aiello said that they have an agreement with the Union, the City cannot use these officers to supplement the City, they can only be used as security in the school. Mayor Aiello said that they only work the school year. Alderman Crawford asked if they were armed security guards. Mayor Aiello confirmed that they were. Alderman Crawford asked if there is a contract. Mayor Aiello said that there is a contract. Alderman Gonzalez asked if they were trained. Mayor Aiello confirmed that they were. He said one is a retired OPD, another retired New York State Police and another is a retire probation officer. All have been trained. And Olean officers will take them to the range and they will be sent on training with the State Juvenile Officers Association. He said that they are not resource offices—they are strictly security. However they want them to be comfortable with the students and the faculty. Mr. Crawford said that when he takes his daughter to school the officer is right at the door and it makes him feel more comfortable. They work 7:30 to 3:30. Mayor Witte asked if they still have the resource office. Mayor Aiello confirmed that Officer McGraw is still the resource officer

A motion to approve PL #15-19 was made by Alderman Crawford seconded by Alderman Witte. Voice vote. Six Ayes. Alderman Andreano abstained. Referred to Regular Meeting for resolution.

5. PL #16-19: (Aiello) To amend the City of Olean Code of Ordinances Chapter 12 to include Article VI, Section 12-126, Property Maintenance Code (IPMC) of the New York State Uniform Fire Prevention and Building Code by reference.

Mr. DeCerbo said that this is a housekeeping issue enabling language NYS Property Maintenance Code. That will allow Codes to enforce the NYS rules as well as the City’s property maintenance code.

A Motion was made by Alderman Dougherty seconded by Alderman Witte. Ayes All. Motioned Carried. Referred to Regular Meeting Tuesday, February 26, 2019 for resolution due to publication requirements for Cod of Ordinance amendments.

6. PL #18-19: (Witte) To authorize the installation of a street light on National Grid pole #NM4 on Second Avenue.

Alderman Witte explained that they had already replaced the LED light on Second Ave. She has received two call from residents who like the light and asked council members to take a look at it. The new lighting is brighter.

A motion was made by Alderman Witte, seconded by Alderman Andreano. Voice Vote. All Ayes. Motion Carried. Referred to the Regular Meeting for resolution.

7. PL #19-19: (George) To authorize the installation of street lights on National Grid poles #NG11 and #NG14 on River Street.

Alderman George explained that it is a similar issue to Alderman Witte. Cleaning up an issue with the initial PL.

A motion was made by Alderman George, seconded by Alderman Smith. Voice Vote. All ayes. Motion carried. Referred to the Regular Meeting for resolution.

8. PL#21-19 (Aiello) To award the Three Downtown Farmers' Market Project Contracts to the Lowest Responsible bidder

Mayor Aiello said that the bids came in and that they were favorable this time. He asked Mr. Ring or Ms. Kerper answer questions. Mr. Ring explained how the bid was broken down with the alternates that included the Bistro. He said that the difference between this bid and the earlier one was \$474,000. He said this is a more favorable time of the year for the bid. He said that although we didn't get a lot of bids, there was competition in the sub bids. We are recommending that we approve all the base bid. He said that they are dealing with the fabricator for the bid and they will be opening it later in the month. He says that there should be a \$30,000 buffer. There is already \$40,000 in the general construction contract as a buffer, for possible change orders. Alderman Andreano asked that if they vote on the alternatives are they tied to them. Mr. Ring said yes, it is important so that the contractors can start purchasing items and get ready to break ground on March 1. Mr. Crawford asked if we are picking one tonight.

Ms. Kerper said that the he recommendation is to do the market, the bistro, the sound system and security. Mrs. Andreano asked if they could piecemeal the project. Ms. Kerper said that the vision has been to construct the market, the bistro, make sure they are secure and add the sound system so it would be available for functions. Mrs. Andreano asked about the City's portion. Mrs. Kerper said that it was \$230,000. Mr. Crawford asked if all of the alternates came to \$1,217,000 or if they included additional contract. Mr. Ring confirmed the contract dollar

amount Mr. Gonzalez asked if the contingency is high enough. Mr. Ring said that it is. Mr. Witte asked who would run the farmers' market. Mr. Ring said that Parks will maintain it after it is built.

A motion was made by Alderman Gonzalez, seconded by Alderman George. Voice vote. All Ayes. Motion Carried. Referred to the Regular Meeting for resolution.

9. Adjournment

A motion to adjourn was made by Alderman Crawford, seconded by Alderman Gonzalez. Voice vote, ayes all. Motion carried. Meeting adjourned at approximately 6:35 p.m.