

# COMMITTEE OF THE WHOLE MEETING MINUTES

*TUESDAY, APRIL 9, 2019 – 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; BOB RING, DIRECTOR OF PUBLIC WORKS; KERI KERPER, COMMUNITY DEVELOPMENT PROGRAM COORDINATOR; KRIS SHEWAIRY, DIRECTOR OF YOUTH AND RECREATION; GREGG PIECHOTA, CITY ASSESSOR; JEFF ROWLEY, POLICE CHIEF; BOB BELL, FIRE CHIEF, 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 #27-19: (Smith) To order the removal of structures located at 412-R North Thirteenth Street, City of Olean.

Alderman Smith explained that this property was discussed previously in committee. HE explained that it is in very poor condition, and it has been for some time. In addition, ownership of the parcel is unclear. Mr. DiCerbo explained that if this is approved, the resolution will direct the fire chief to demolish the structures immediately. He explained that the bids are not back yet, but that the resolution could either be amended to include a “not to exceed” amount or postponed until the bids come back. He explained that the structure was designated a dangerous building that does need to come down and based on other demolitions, he does not anticipate that it will cost more than \$20,000.

Mr. Saradin explained that there is an estimated \$80,000 in funding available between the line item for emergency demolition and the Capital Fund for demolitions. Ms. Kerper noted that there are some pending vouchers for air monitoring for recent demolitions, so this number is slightly lower.

Alderman Gonzalez explained that he feels that we should just go ahead and move forward with the demolition, Alderman Witte agreed. Alderman Crawford explained that he doesn't want to put a “not to exceed” amount in the resolution, so as not to show our hand to the potential bidders,

Alderman Witte explained that she is comfortable waiting for the numbers to come back, as the buildings have been sitting there for years. Mr. DiCerbo explained that the bid is already out, and we are waiting on them to come in and for the bid opening. He explained that the property is an attractive nuisance.

Alderman Crawford explained that he is in full support of demolishing the structures; however, he would like to see numbers first.

A motion to postpone PL #27-19 to the next Committee of the Whole was made by Alderman Smith, seconded by Alderman Dougherty. Voice vote, ayes all. Motion carried.

2. PL #28-19: (George) To authorize the installation of a “Do Not Block Driveway” sign in the vicinity of 922-924 North Union Street.

Alderman George explained that this was discussed in committee last week, and that there is a small parcel of subway that people try to park in front of and end up blocking driveways. He explained that this affects multiple driveways when people park there, and he recommends the sign to aid in fixing the issue.

A motion to approve PL #28-19 was made by Alderman George, seconded by Alderman Dougherty. Voice vote, ayes all. Motion carried. Referred to Regular Meeting April 23, 2019 for Resolution to allow for required publication of Code change.

3. PL #29-19: (Aiello) 2019-2020 Budget.

Mayor Aiello began by explaining that he has provided the Council with revised documents regarding the proposed budget, including updated information for the Water and Sewer Funds. He explained that he also provided the Council with a document that lists the agreeable changes as discussed in committees recently. He continued by reading the following:

“I would like to thank the Common Council and Department Heads for all the comments and feedback in preparing the 2019 – 2020 Budget.

When we started the budget process, and after meeting several times with the Department Heads, the City Auditor and I identified \$263,000 of non-essential items which were removed before I presented to you the Tentative Budget on February 15, 2019.

That Budget carried a 2% increase in the tax rate or \$.30 per thousand of Assessed Value. The average assessed property value in Olean is approximately \$65,000. So, the increase would be approximately \$19.50 annually to the average homeowner.

After your review and after suggestions from Council Members, we agreed to remove an additional \$100,000. This is a \$363,000 reduction from the amounts originally requested by the department heads and would result in a .53 percent increase to the tax levy. To get to this figure the Council intends on using the contingency fund from the current budget year (2018 - 2019) as well as the contingency fund for the following budget year (2019 - 2020) on items that I feel should be included as part of the budget.

These items are: Municipal Building repairs, additional salt, and mosquito spraying .These three items could deplete the contingency fund by \$137,000 leaving only \$63,000 available for true contingency items.

In addition to my concern of the Council’s continued use and depletion of the contingency fund as a budget management tool, I am also concerned about the following list of future expenses that have not been properly funded in the past. For example:

- Road repairs
- Sidewalks repairs
- Tree’s removal /trimming
- City Building repairs
- Blight eradication /Demo Blight
- Properties
- Fire Hall repairs
- City Garage repairs
  
- Parks upkeep/repairs
- Storm sewer grates
- Water Infrastructure
- Sewer infrastructure
- Re-evaluation
- Needed equipment and vehicles
- Pension and Health Care Costs
- Keeping up with Technology

These are needs, not wants. And the list can go on and on.

In addition another upcoming commitment is employee raises. In this budget there is \$187,000 in employee raises and in the next budget 2020 -2021 it increases to approximately \$370,000. In addition we will also be starting negotiations with the following Unions:

Police Command Union	January 2020
Police Patrol Union	January 2020
Fire Department Union	January 2021
CSEA	January 2022

Again this year Albany has failed to increase AIMS funding, CHIPS funding, and Arterial Maintenance funding, leaving the City to keep pace with the rising costs of the expenses with no additional help from Albany. To offset the rising costs of road maintenance, we were hoping to gain some much needed revenue with the internet sale tax, but we are aware that the State plans to

keep that revenue. Finally the Tax Cap will become permanent which means that the city will be limited to an increase of 2% or the CPI, whichever is less. Which in all likelihood will result in future Councils' being forced to override the tax cap to keep pace with actual expenses.

In conclusion, I think it is imperative and fiscally responsible to increase the 2019 - 2020 Budget by 2%. I propose that the additional \$103,000 raised by going to 2% be added to the Contingency fund to which you as a Council will have complete control. The Comptroller's Office has repeatedly suggested that our Contingency fund have at least \$400,000 to \$500,000 and that we quit using contingency funds to pay for expenses that should be budgeted.

As one Alderman said last week, the City did not raise Water and Sewer rates for over a 10 year period and we have had to contend with the results of that action. Please, for the sake of our community, let's not hamstring future Councils and do the right thing by increasing the 2019 - 2020 budget by 2%. Please let's not continue to kick the can down the road."

There was discussion regarding contractual increases to Personnel Services occurring over the next two budgets, and Alderman Crawford determined that he would meet with Mayor Aiello and Mr. Saradin tomorrow to sort out numbers.

Mayor Aiello explained that the point that he is trying to make is that there are obligations coming up that need to be considered. Alderman Gonzalez explained that he would rather err on the side of caution with how much is budgeted, He explained that if that means there is a 2% tax increase, he is okay with that.

Alderman Andreano explained that she feels that more time is needed, and asked if another meeting could be scheduled.

Alderman Crawford explained that he is projecting a large increase to sales tax, so he is more likely to support a 1% property tax increase. He explained that as concerned as he is about all of this, he is more concerned regarding the nonstop burden placed on taxpayers. He feels that the City needs to find ways to do more with less, and before any decisions are made, he feels that numbers need to be straightened up.

Alderman Gonzalez explained that he agrees that the City needs to do more with less, but that he is afraid that the City will end up having to do less with less. Alderman Crawford responded that joint ventures, shared services and additional revenue streams could aid the City in the future. Alderman Gonzalez explained that none of those things are mutually exclusive, and the City needs to remain solvent.

Alderman Crawford noted that the City is set, barring any unforeseen emergencies, to add around \$250,000 to the General Fund Balance at the end of this fiscal year.

Alderman Andreano explained that she feels that the sudden need for a 2% property tax increase came out of nowhere. She feels that we are now at the eleventh hour and the Council has to go

back to the drawing board. She also questioned where the sudden need for repairs at one of the Municipal Building entrances came from.

Alderman Gonzalez explained that what is forcing this issue is that whether the Council wants a 0% tax increase, or 2% increase, or somewhere in between.

Alderman Witte explained that she can see both sides. Her constituents are tired of taxes. She explained that the City always gets by the year spending Contingency on things that should have been budgeted for. She feels that staffing needs to be looked at. She also feels that the letter from the Mayor should have come sooner, not right before the meeting. She is still holding at 1%, and she feels that a lot of things can be cut back on. More oversight on spending is needed, and projects should not be done if the City doesn't have the money for them.

Alderman Crawford explained that every budget year, it seems like the sky is falling, but that in the three years he has been on the Council he has always held firm on budget cuts and things always work out. He feels that the City should change the way that it spends. He feels that he needs to run through the numbers to ensure that they are correct. He does not feel that a 1% increase this year will put the City in a devastating place for next year.

Mayor Aiello explained that the memo to the Council was not to make it seem as though the sky is falling. He explained that the memo is the result of listening to everyone's discussions and recommendations, as well as what is going on in the City. He explained that he has been asking for \$50,000 each year for the ramp in the budget since he has been here, and it has always been cut from the budget. Now it is an emergency situation and there is no choice but to fix it, or close that entrance to the building. He explained that this is not a scare tactic, and these are all things we have known. He is trying to shed light on what is going to happen in the future. He explained that he is okay with a 1% increase, but that he felt obligated to point out what is coming up in the future. The City has neglected things, and they are coming back to haunt us now.

Alderman Gonzalez agreed that the Council has been cutting funding for the ADA ramp for years.

A motion to postpone PL #29-19 to a Special Meeting to be held Wednesday, April 10, 2019 at 4:30 p.m. in the Council Chambers of the Olean Municipal Building was made by Alderman Crawford, seconded by Alderman Witte. Voice vote, ayes all. Motion carried.

4. PL #31-19: (Aiello) To authorize the removal of four (4) existing lighting fixtures by National Grid along South Street.

Mr. Ring explained that this is part of the Lincoln Park / Farmers Market Project, and that they are being moved to the other side of South Street. He explained that the poles have already been moved, and that this is just a formality for National Grid. Alderman Witte asked if there is a cost for this, and Mr. Ring replied that there is not.

A motion to approve PL #31-19 was made by Alderman George, seconded by Alderman Gonzalez. Voice vote, ayes all. Motion carried. Referred to Regular Meeting for Resolution.

5. PL #32-19: (Crawford) To authorize the transfer of \$17,500 from A-01-4068.455, Insect Control, to Capital Fund #150, Sidewalk Replacement.

Alderman Crawford explained that this was previously discussed in Committee, and this transfer will help replenish the Sidewalk Replacement Capital Fund. Alderman George asked if this will bring the balance to \$50,000, and Alderman Crawford replied that it brings it pretty close to around \$46,000.

A motion to approve PL #32-19 was made by Alderman Crawford, seconded by Alderman Witte. Voice vote, ayes all. Motion carried. Referred to Regular Meeting for Resolution.

6. Adjournment

A motion to adjourn was made by Alderman Crawford, seconded by Alderman Gonzalez. Voice vote, ayes all. Motion carried. Meeting adjourned at approximately 7:30 p.m.