

STATE OF THE CITY ADDRESS

JANUARY 2, 2015

WILLIAM J. AIELLO, MAYOR

Welcome Rev. Dr. Derek Cheek, my wife Patty, my family and friends, Judge Palumbo, Boy Scout Troop #617, members of the media, members of the Common Council, our Department Heads, Nick DiCerbo, Jr. and City Employees. Most of all, welcome to you in the audience here in the Council Chambers and those of you who are watching at home.

We also have a few honored guests here tonight, Mayor Bill Quinlan, _____

WOW, this first year flew by. I would like to thank the Department Heads and all City Employees for making my first year as Mayor a smooth transition.

Last year during my first State of the City address, I stated "If we're doing something you think is right, I'd like to know. If we're doing something you think is wrong, I'd like to know." My open door policy has brought many Olean residents into the Mayor's office; you have responded with both praise and criticism and I must say, I really appreciate your help.

Early on, I received a suggestion to place a Drop Box on Times Square which would enable citizens to make payments for City matters without having to park and come into the building. That drop box is ready and will be installed soon.

Lila Ervay and Casey Jones have continued their litter control program with the City of Olean Neighborhood Preservation Committee and I want to personally thank Lila, Casey and all the volunteers for their dedication to our community.

Tom Freitag wanted squirrel houses in Lincoln Park and he made it happen by organizing a group of volunteers.

The efforts of Jim Bardenette and the Louis Zamperini Committee brought another beautiful monument into War Vet's Park.

Rick Weber suggested 3M manhole covers and we are trying them out.

These are just a few of the many ideas and suggestions from you--the citizens of Olean.

Olean has just ended its 210th year—and I've just finished up my first year—and I'm pleased to be able to report, pretty confidently, that we've both done pretty well.

There are many exciting things happening all around the City and I'll be talking about them in some detail tonight. In my first year in the Mayor's Office I've met and visited, worked with and talked to many local organizations, clergy, school officials, business leaders, entrepreneurs, health and hospital personnel and many individuals with many different issues, concerns or ideas. One of the most surprising things is that twenty-two couples came to the mayor's office to get married. None of them, I'm pleased to report, have called to complain.

I've had the opportunity to have substantive talks and meaningful conversations with local, state and national officials, including Assemblyman Joe Giglio, State Senator Cathy Young, Congressman Tom Reed, U. S. Senators Kirsten Gillibrand and Chuck Schumer, and Governor Andrew Cuomo.

These are the people who want input from Olean when they're making far-reaching decisions that affect us all. I make sure that the City of Olean is front and center on their radar.

The Mayor's Forum has become a quarterly event that is very well attended by local business and political leaders, as well as officials from our educational and health care institutions. The forum provides a venue for the exchange of ideas and support.

Olean is in the early stages of a renaissance and I have to thank my predecessors, Mayor Witte and Mayor Carucci for getting it started. Both of them had their eyes on Bradner Stadium, they both realized that it was a jewel in the heart of Olean that had fallen in disrepair. It was the two of them who got the ball rolling on the stadium's reconstruction. And it was the City's DPW staff that pushed it forward during the coldest months of the year; their hard work allowed the stadium to re-open this summer to baseball, football, fireworks and Rally in Valley. Volunteers built the permanent stage and Cattaraugus County is helping the City fund a new field house.

There are so many other exciting projects that are about to happen in Olean, but I will get to that later. Let's start with a wrap-up of 2014.

Audit

The General Fund ended the 2014 fiscal year with a fund balance of approximately \$3.2 million. The Water and Sewer Fund ended the year with a fund balance of over \$839,000 and \$ 784,000 respectively. These fund balances exceed the levels suggested by the NYS Comptroller's Office.

Our expenditures in the General fund were approximately 5.3% above the original 2013-2014 budget, due mainly to over \$ 1.3 million in transfers to the Capital Projects Fund for improvements to our infrastructure and equipment.

I believe that the investments that were made over the past three years have improved the quality of life and safety of our residents.

In the Financial Statements for the year ended May 31, 2014 prepared by Buffamante Whipple Buttafaro, P.C., the City's long term debt and liabilities in all accounts was reduced by \$1.9 million. It now stands at \$26.5 million. But keep in mind that we will be adding \$19 million to our debt with the renovation of the Sewage Treatment Plant, and an additional \$ 4.7 million which includes the completion of Prospect Avenue and York Street, as well as the purchase of a new ladder truck for the Fire Department and a new Zamboni for the Recreation Center.

Youth and Recreation

It was a banner year for our summer youth recreation program. The per child fee structure was eliminated, and a total of 462 children registered in the program which offered 154 activities. A wide range of activities were offered including a baseball clinic with the Olean Oilers, bowling and miniature golf at Good Times of Olean, a golf clinic at the Bartlett Country Club, as well as swimming, dancing, martial arts, basketball and much more. At the end of the summer season the Youth and Recreation Department held the annual Kid's Day Charity Carnival; over the past 25 years this event has raised over \$35,000 for local memorial scholarship funds.

With the cooperation of the Common Council a new friendlier fee structure was created for the use of City Facilities.

Lincoln Park was the venue for a 10 week summer concert series that was very well attended. Marcus Park hosted Olean's 39th annual City Cup Softball tournament. Thirty-three teams comprised of about 400 men and women participated in the event.

It was the 19th year for the youth center operating at St. John's. This after school program continues to attract many children with a wide array of activities including boys and girls youth basketball leagues.

Through the help of volunteers and with materials donated by local businesses, the grounds and gardens at the Bartlett House were enhanced. In addition a "Perpetual Veteran's Memorial" was established at the museum during a ceremony on Veteran's Day.

The Cattaraugus County Senior Wellness and Nutrition Program returned to the John Ash Community Building in June. The Senior Center operates in the building during the week and continues to offer many programs for our senior citizens including a walking program, entertainment and square dancing, computer instruction, cards and afternoon movies.

The William O Smith Recreation Center received some upgrades during the year including new roof top heaters, an upgrade to the ice rink compressors and installation of two outside basketball courts. In addition the City purchased a new zamboni. Participation in events at the facility is excellent. Public ice skating and hockey at all levels are well attended and a curling tournament was added during the year. Another exciting sport, Roller Derby, has completed its 3rd season at the Recreation Center. The summer's weather was not conducive to swimming; but none-the-less 65 children participated in our beginner swim program.

DPW

Olean's Department of Public Works has been very busy over the past year helping to rebuild Olean. The engineering department worked on the fencing and the layout of the fields at Bradner Stadium. They worked on the survey design, mapping and inspection for the York Street, Prospect Avenue and East State Street projects.

The Electrical Division in conjunction with National Grid replaced 80 light poles along West State Street, Oak Hill Park and Boardman Park. They installed new LED lighting along the Rec Center Walkway as well as the Bradner Stadium walkway and tunnel. In addition they installed four new sluice gates and a fiber optic network at the Wastewater Treatment Plant. The

department also installed VFD for the Well Pumps at M18 and M37/38 which improved control and reduced electric usage.

STREETS

We had a harsh winter and the streets department knew that better than anyone else. During the year they used 3,853 tons of salt on our roads. For comparison purposes they used 3,471 tons in 2012-13 and 1,360 tons in 2011-12.

When the snow finally stopped and it warmed up they were on the roads fixing the resulting potholes, which was an enormous task. In addition, with the help of Cattaraugus County they were able to blacktop 26 unimproved streets; many of these streets have not been touched in years.

WATER

Over the past year Olean's water distribution department had to repair 24 water mains and thaw 43 service lines. The department lowered the water main on Prospect Avenue in the reconstruction project on that street. In addition the department aided the Western New York Pennsylvania Railroad in the first phase of the Streetscape project on North Union Street. They also assisted other communities with frozen services, and did the routine maintenance of service boxes, hydrants and valves as well as the seasonal flushing of the hydrants in the spring and the fall.

There is an interesting number that was generated by the water department this year. Over the year they did 1,148 underground locates. This number caught my attention because that is the number of times they were called to the scene prior to digging. Digging generally means new construction, and new construction whether it be a fence, an addition or new structure, means investment, investment in our hometown.

On the administration side the water department attended to the occupant changes, disconnects and connects, meter readings and billings, meter and transmitter repairs. They attended to 54 frozen meters due to the weather and monitored daily leak detection in order to notify customers in a timely manner of a possible leak.

In addition the water department is working with the Common Council to develop a new monthly billing, which will make the water bills more manageable for many of our citizens.

WATER FILTRATION DIVISION

For the first time since 2003 the water filtration department produced 1 billion gallons of water during 2014. This is largely due to the water used by Indeck to generate energy. The department collected and analyzed over 500 samples for bacterial quality; they analyzed over 1,000 samples for other parameters such as chlorine residual, turbidity and fluoride and sent out another 100 samples to outside labs for additional testing.

Variable speed drives were installed on the well pump motors at the well sites. A flow meter on the effluent line was installed at Well 18M, this will allow for more accurate production numbers. And Well 38M was purged and cleaned, which will increase the well yield. In addition the water plant personnel finished the back wall at the water plant and backfilled and graded the yard. They also repaired the water system at the Olean Airport and installed a new treatment system which included filters and UV treatments.

The Annual Water Report lists millions of gallons of water as “unaccounted for” and we are in the process of accounting for that lost water. Water meters have been installed on most of the City owned buildings and they are tracking the water used by the city’s facilities. We can identify the City’s use at approximately 3.5 million gallons per month. This number does not include the flushing of 819 hydrants, a process that takes place twice a year; or the gallons used in fighting fires and water main breaks, etc. Just as a FYI, we have 125 miles of water lines throughout the City.

AIRPORT

The finishing touches are being completed on the new T-Hangar at the Cattaraugus County Olean Municipal Airport. It should begin housing planes at the end of the month. It will hold ten planes and will provide additional income for the City. The Airport received a new utility tractor which was funded by Cattaraugus County that is being used for mowing, moving heavier aircraft and snow removal around the buildings.

The Airport has filed applications through C&S Engineers for the following:

- A new Snow Plow Truck to replace the current 1996 truck;

- An Obstruction Project that will remove all obstacles that may interfere with Instrument Landing Procedures at the airport; and

- Perimeter Fencing to surround the entire airport.

WASTE WATER TREATMENT PLANT

Olean’s waste water treatment plant processes 368 dry tons of solids per year with an average flow of 3.5 million gallons per year. It is a huge operation. The staff maintains and operates 10 pump stations and one flood station and they monitor 8 participants in the Industrial Pretreatment Program.

In addition the department monitors and collects weather data for submittal to the National Weather Service in Buffalo, NY

During the year personnel at the wastewater treatment plant performed necessary chemical hygiene inspections and review; as well as performed the safety meetings as required by OSHA

and DPW. The department modified their various manuals to reflect changes in the Certification Manual and NELAC requirements.

In addition the department participated in ELAP wet chemistry, microbiology proficiency tests and necessary compliance inspections. And it successfully completed both the analytical and administrative components of the EPA DMR-QA proficiency tests.

There were numerous projects at the main pump station, the primary pump station, the effluent pump station, the digester building, the service building and the administration building.

The sewer maintenance crew repaired storm lines on South Fourth Street and Third Avenue, as well as installed and repaired various drainage lines in Bradner Stadium and on Reed and Buffalo Streets.

SHARED SERVICES

Since 2008, Olean has assisted and/or has been assisted by the following communities and jurisdictions:

- Cattaraugus County Highway Dept
- Cattaraugus County Nursing Home
- Olean City School District
- Town of Olean
- Village of Allegany
- Town of Allegany
- Village of Portville
- Town of Portville
- Town of Hinsdale
- Town of Franklinville

ASSESSOR

The Assessor's office continued to maintain 100 percent equalization rate in 2014. From January 1st until the end of November 366 deeds were processed. All the tax certiorari cases were settled and no new cases were filed.

CLERK

The Clerk's office continued to try to make it as convenient as possible to pay water/sewer bills. Residents can pay in person, by mail, by phone, online, automatic withdrawal out of your bank account and the drop mail slot on the East State Street side of the building. The clerk's office accepts Master Card, Visa, Discover and American Express. If the last day the bill is due falls on a weekend or a holiday the Clerk's office accepts payment without penalty the next business day.

FIRE DEPARTMENT

Pre Hospital Care Reports were 3,532 to date for the year. This is the number of citizens that the ambulance crew cared for but not necessarily transported to the hospital. This number includes dry runs where no patient was found. The ambulance crew transported 2,395 citizens to the emergency room.

The number of responses for the engines was 1,790, that number includes service calls for smoke detectors, structure fires, and hazardous materials response to rescue response.

The Code Enforcement Office issued 340 building permits during 2014 for a total of \$4.5 million dollars in building and demolition projects. This figure is a 24% increase over the 2013 figure. In addition the office took in a total of 1,111 complaints. Forty percent of those complaints were grass and snow complaints. The balance of the complaints were general in nature. Ninety-five percent of the complaints received by the Code Enforcement office have been resolved. The Code Enforcement Office has become more pro-active in dealing with codes issues.

POLICE DEPARTMENT

With the retirement of Chief Schnell and Captain Ireland our police department has re-organized. Jeff Rowley was appointed to the position of Olean's Chief of Police. We have two new captains and two new sergeants which includes a new juvenile officer. There is a new Resource Officer assigned to the Olean City School District and we have hired two new Patrolmen.

During 2014 the Police Department made 696 arrests, 145 or 21 percent of which were felonies. There were 1,503 cases of which 328 or 22 percent were felonies. The police department issued 2,185 citations. There were 63 juvenile arrests. There were 69 traffic accidents in the City of Olean with no fatalities. In addition the police department made 28 DWI arrests, performed 419 school walks, had 12 search warrants and executed 100 arrest warrants.

COMMUNITY DEVELOPMENT

This is where things get interesting: Olean's future looks bright and the renaissance continues...

In a section of town where property has long been written-off as useless, phase one of a comprehensive redevelopment plan has begun. Sixty brownfield acres, including a portion of the former ExxonMobil property will be developed to include a hotel and a retail complex. Krog Corporation, on behalf of Olean Gateway LLC, purchased these parcels in December 2013. The City of Olean is excited to be working with Krog officials on this important, long awaited redevelopment of the vacant, abandoned properties located within the City's Brownfield Opportunity Area.

The North Union Street project has started. Crews worked for about six weeks in the fall on the railroad tracks. They also installed the first median between Sullivan Street and the Mall.

There were some delays in traffic, but that gave us a dry run; allowed us to see where problems might exist when the project begins again in the spring.

Just as a reminder, in 2013 under Mayor Witte's administration, Olean received and the Common Council voted to accept a federal TIGER grant to fund The North Union Street Walkable Olean Restoration Project. The grant allows us the opportunity to rebuild our deteriorating infrastructure—our waterlines, our sewer lines, our streetlights. It's an opportunity for us to rebuild our railroad crossing. And it is an opportunity for us to improve the traffic flow and bring a new ambiance to our business district.

In the meantime and during construction, we hope to establish a new bus route that may help get customers in and out of the work zone and around the City. We hope to have it in operation by late spring.

Green Infrastructure Grant Program CFA award:

A few weeks ago, New York State's Regional Economic Development awarded Olean an \$854 thousand Green Innovation Grant that will be added on to our North Union Street project. The grant will enable the installation of additional trees and gardens and will allow them to grow by retaining, storing and reusing rainwater through innovative techniques in landscaping the project.

Local Waterfront Revitalization Program:

At the same time, the City of Olean was awarded a \$38,000 matching grant under the Department of State's Local Waterfront Revitalization Program. Government officials from the City of Olean, Portville, Allegany, Salamanca, Seneca Nation of Indians, along with community-based organizations, and interested residents will collaborate to develop a Plan and a vision to develop opportunities for recreational activities along the Allegheny River.

In addition the City of Olean was awarded a \$535,516 grant to assist in the construction of a bicycle and pedestrian crossing over Olean Creek. This project will improve access between the eastside of Olean and the downtown. The project will utilize the southern inactive railroad tracks and retrofit that portion of the existing railroad bridge and repurpose it as a bicycle/pedestrian crossing. Total project cost is estimated at \$669,395; eighty percent of the project is funded via the Federal Department of Transportation.

And now, others are taking a new look at our downtown and making a commitment to its future:

- Jamestown Community College is planning an expansion. A new technology building is on the horizon for the old Knights of Columbus Lodge. This project will come before the Planning Board in January of 2015.
- The Greater Olean Area Chamber of Commerce will relocate and establish an incubator at the former OBI building.

- Beth Powers and others in the community are working to fund a rescue of Olean's North Union Street hub, the Manufacture's Hanover Bank Building.
- Jeff Belt of SolEpoxy has purchased the properties from 110 to 116 West State Street to redevelop them.
- The old Palmquist Jewelry Store has been brightly renovated and houses a new retail store.
- A number of buildings along North Union Street have been purchased, and there is renewed interest in other buildings along the street.

On the Manufacturing front, Olean's Dresser Rand was purchased by Siemens in the fall. Siemens is a 165 year old multi-national company. All indications are that Dresser Rand will be staying in Olean and we may even see a growth in the company.

The former Dal-Tile property has been purchased by Zoladz and Devin Development. They will be actively marketing the property.

When I campaigned, I made a promise regarding our neighborhoods and housing. I formed a Housing Committee which has worked over the past year on the issues that affect neighborhoods throughout Olean. Because of work that this committee has done, we will introduce legislation for review and hopefully adoption by the Common Council. This legislation will be a "Housing and Neighborhood Preservation Law".

I will work closely with the Common Council to update and strengthen our existing Codes dealing with housing issues. As part of this change there will be the establishment of a Blight Abatement Task Force. The Task Force will consist of our Department Heads, City Attorney and Council President working together to enhance neighborhood vitality. This Task Force will also suggest new legislation to the Common Council to foster stabilization of and reverse decline in the various residential neighborhoods in the City.

The Cattaraugus County Legislature has recognized the blight of many communities throughout the County and will be talking about ways that the County can help Olean eliminate the blight.

In closing I'm looking forward to the next year. One of my ambitions for Olean's 211th year and my second, is to make sure that the transformation of downtown Olean is carried on with a minimum of disruption and a maximum of optimism, patience and goodwill. To that end I ask for the hearty co-operation of everyone—residents, merchants, city departments, construction workers—to ensure that we come throughout our inevitable trials and tribulations with the cheerful and good natured spirit that has always been the hallmark of the fine people in this centuries old town on the river.