

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
August 22, 2011**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Monday, August 22, 2011 in the Council Chambers of City Hall; 420 N. 6th Street; Rochelle, IL 61068.

PLEDGE TO THE FLAG & PRAYER: The Prayer was said by City Clerk McKinney.

ROLL CALL: Present on Roll Call were Councilmembers Hayes, Hollonbeck, Rice, McDermott, and Mayor Olson. Absent: Councilmembers Berg, and Eckhardt. Also present were City Manager Plyman and City Clerk McKinney.

PROCLAMATIONS, COMMENDATIONS, ETC.: None

REPORTS AND COMMUNICATIONS:

- **Mayor:** Approved Dr. Joe Theile as Chairman of Planning & Zoning Commission. Councilman McDermott moved and seconded by Councilwoman Hollonbeck, **"I move the Council confirm the appointment of Dr. Joe Thiele as Chairman of the Planning and Zoning Commission.":** Ayes: Hayes, Hollonbeck, Rice, McDermott, and Mayor Olson. Nays: None. Motion passed 5-0.
- **Council Members:** None
- **Financial Statements – July 2011:** Included in Council Agenda Packets.

PUBLIC COMMENTARY:

- Diane McNeilly spoke on Pedestrian/Bike shared Use paths.
- Craig Williams, spoke against allowing the new Wal-Mart store to get a Liquor License.

BUSINESS ITEMS:

1) CONSENT AGENDA ITEMS BY OMNIBUS VOTE with Recommendations:

- a) Approve Minutes of City Council Meeting – August 8, 2011;
- b) Approve Bills 07/29/11-08/04/11: **\$707,294.52;**
- c) Approve Payroll 07/25/11-08/07/11: **\$202,926.01;**
- d) Establish Annual Tick-r-Treat Schedule October 31, 2011 from 5:00 pm – 8:00 pm;
Councilman Rice moved and seconded by Councilwoman Hollonbeck, **"I move Consent Agenda Items (a) through (d) be approved by Omnibus Vote as recommended."** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, Rice, McDermott, Hayes and Mayor Olson. Nays: None. Absent: two. Motion passed 5-0.

- 2) Third Amendment to Annexation Agreement Creekside Subdivision Unit 1 f/k/a Kings Crossing (Public Hearing and Continuance):** The Mayor and Council approved the Kings Crossing Annexation Agreement with Wyndham Foxford, LLC on April 10, 2006 for a 492.9- acre development located north of Flagg Road. On August 8, 2011 a Public Hearing was held to discuss a proposed amendment to the annexation agreement. The amendment between the City and Creekside Land Holdings LLC, successor to the Kings Crossing Annexation Agreement, is being proposed to facilitate a 31-lot residential subdivision. The Public Hearing was opened but then continued because the modifications to the agreement were not finalized. Once an amendment is finalized and approved, the developer plans to establish Creekside Subdivision on 19.4 acres of land north of Flagg Road and west of 20th Street. Spencer and Tim Hayden, representing Creekside Land Holdings LLC, have had several meetings with City staff over the past few months to discuss modifications to the existing annexation agreement. The amendment includes provisions which the developers believe are necessary to make the residential subdivision viable at this time. These provisions increase the City's obligation and are beyond the incentives that have been provided in prior agreements. The provisions, which deviate from past policy and practice, are detailed in a memo given to the Council in their agenda packets and were discussed with the Mayor and Council at the City Council meeting. In order to spur residential development in the

current economic climate, it may be necessary for the City to consider additional incentives. The Third Amendment to Annexation Agreement for Creekside Subdivision is anticipated to be on the September 12, 2011 City Council agenda providing the City and developer reach an agreement on the amendment.

Moved by Councilman Hayes and seconded by Councilman McDermott, **“I move the Council recess into a reconvened Public Hearing for the Third Amendment to Annexation Agreement Creekside Subdivision Unit 1 f/k/a Kings Crossing Subdivision.”** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, Rice, McDermott, Hayes and Mayor Olson. Nays: None. Absent: two. Motion passed 5-0. Chris Limas and Sam Tesreau were present to answer questions. Councilwoman Hollonbeck moved and seconded Councilman McDermott, **“I move the Council continue the Public Hearing for the Third Amendment to Annexation Agreement of Creekside Subdivision Unit 1 f/k/a Kings Crossing Subdivision to September 12, 2011 at 7 p.m.”** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, Rice, McDermott, Hayes and Mayor Olson. Nays: None.

3) Annexation Agreement – True Grit (Public Hearing and Continuance):

A Public Hearing to discuss the annexation agreement for Project True Grit was opened and continued on August 8, 2011. Project True Grit plans to construct a large manufacturing/processing plant on 28 acres of property adjacent to Steward Road and east of Illinois River Energy. City staff, Attorney Cooper, and True Grit representatives are still finalizing the terms of the annexation agreement. Staff recommends that the public hearing be continued until September 12, 2011 when the final agreement is anticipated to be complete and ready for the Mayor and City Council to take action. Councilwoman Hollonbeck moved and seconded by Councilman McDermott, **“I move the Council recess into a Reconvened Public Hearing for the Annexation Agreement for True Grit.”** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, Rice, McDermott, Hayes and Mayor Olson. Nays: None. Motion passed 5-0. Moved by Councilman McDermott and seconded by Councilman Eckhardt, **“I move the Council continue the Public Hearing for the Annexation Agreement for True Grit to September 12, 2011 at 7:00 p.m.”** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, Rice, McDermott, Hayes and Mayor Olson. Nays: None. Motion passed 5-0.

4) License Agreement between the City and Prologis Land – Extension of City Railroad: The City of Rochelle will be extending the City Industrial Rail to the east, south of Interstate 88, in order to serve the Nippon Sharyo facility. To facilitate the rail construction the City has requested a license from Prologis Land for specific rights on the Prologis property. The proposed license agreement grants the City temporary construction access on Prologis property, the ability to permanently extend the northern Prologis detention pond and the right to use material from the pond in the construction of the rail extension over Prologis property. Prologis has agreed to grant the license for the sum \$10.00. The license will expire upon written notification of completion of the project or 1 year following the date of the agreement. Councilwoman Hollonbeck moved and seconded by Councilman McDermott, **“I move Roll call vote was taken. Ayes: Councilmembers Hollonbeck, Rice, McDermott, Hayes and Mayor Olson. Nays: None. Agreement #11-4082, A License between the City of Rochelle and Prologis Land, LLC granting temporary construction access, be approved.”** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, Rice, McDermott, Hayes and Mayor Olson. Nays: None. Motion passed 5-0.

5) Ordinance Authorizing Purchase of Real Property for Public Use – 921 First Avenue: Several months ago Robert Paulson contacted the City and expressed his desire to sell two vacant lots located at 921 First Avenue. These lots are located directly west and south of property which was previously purchased by the City to expand the Rochelle Railroad Park. Ross Freier, Director of Rochelle Tourism and Visitors Association, supports the purchase of the two lots for the expansion of the Rochelle Railroad Park. On August 16, 2011 the City Manager and Robert Paulson executed a Memorandum of Real Estate Sale Agreement. The agreement includes a purchase price of \$20,000 for the two lots with the City bearing all closing costs. Upon approval of the purchase by the Mayor and City Council, a closing will take place within 30 days. The 2011-12 Hotel-Motel Fund includes \$100,000 for the purchase of property to expand the Rochelle Railroad Park which can be used to fund this purchase. The Council felt the price was too high for the land and asked the Manager to negotiate a lower price. No motion was presented.

- 6) **Ordinance Amending Municipal Code to Create One Package Beer & Wine Liquor License:**
Wal-Mart has submitted a request for a package beer & wine liquor license. This liquor license request applies to their new store located at 311 East Route 38 in Rochelle. The Liquor Commissioner, Mayor Chet Olson, has reviewed the request and has no objection to the creation of an additional package beer & wine liquor license. The City of Rochelle Municipal Code currently allows for three package beer & wine licenses; considering the addition of this license for Wal-Mart, the total number would be four. Harlan Powell, Attorney representing Wal-Mart was present to answer questions. Councilman McDermott moved and seconded by Councilwoman Hollonbeck, **"I move Ordinance 11-4084, An Ordinance Amending Section 6-46 of the Municipal Code of the City of Rochelle to Create One Package Beer & Wine Liquor License, be adopted."** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, McDermott, and Mayor Olson. Nays: Councilmen Rice and Hayes. Motion passed 3-2.
- 7) **Resolution Authorizing Illinois Department of Transportation Utility Permit Application for Public Improvement – Sanitary Sewer Extension to the Airport:** On March 21, 2011 the Mayor and City Council approved a Land Lease Agreement with Sky Team Incorporated to facilitate operation of the Chicagoland Skydiving Center at the Rochelle Municipal Airport. The lease included provisions that the City, at its sole expense, would provide sanitary sewer and water to the boundary of the leased premises. Approximately 1800 linear feet of the required sanitary sewer extension will be located on the Route 251 right-of-way. The City will need to obtain a utility permit from the Illinois Department of Transportation (IDOT) in order to do the work in the IDOT right-of-way. IDOT requires all government agencies to pass a resolution authorizing the utility permit, guaranteeing that all work will be performed within the conditions of the permit and holding IDOT harmless for damages that may occur as a result of the project. Bids to extend sanitary sewer to the Rochelle Municipal Airport will be opened on August 25, 2011. It is anticipated that the September 12, 2011 City Council agenda will include a business item to approve the recommended bid so construction can begin this fall. Councilwoman Hollonbeck moved and seconded by Councilman McDermott, **"I move Resolution R-11=15, A Resolution Authorizing Illinois Department of Transportation Utility Permit Application for Public Improvement-Sanitary Sewer Extension to the Airport, be adopted."** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, Rice, McDermott, Hayes and Mayor Olson. Nays: None. Motion passed 5-0.
- 8) **Ordinance Authorizing Assignment of City's Option Rights (Remaining Tech Park Property):**
History and Fact: In 2007 the City of Rochelle purchased 20.33 acres for the construction of the RMU Technology Center. In addition, the City acquired a three-year real estate option on approximately 140 acres east of Dement Road and north of Route 38 from the Greater Rochelle Economic Development Corporation (GREDCO). These actions were taken to initiate the development of the Rochelle Business and Technology Park. Additional property has since been purchased through the option agreement and subsequently sold to Allstate, Northern Trust and Ogle County. The original option period has been extended and the City currently holds an option on 94.50 acres of property which will expire on December 31, 2011. Over the past couple of years the City has done some limited marketing through the development of brochures, targeted mailings and magazine ads. The latest mailing in spring of 2011 did not result in any inquiries from interested prospects. GREDCO has agreed to accept assignment of the City's rights, negotiate a new option agreement with the property owners and actively market the property through a real estate broker. Councilman McDermott moved and seconded by Councilwoman Hollonbeck, **"I move Ordinance 11-4085, An Ordinance Authorizing Assignment of City's Option Rights of Remaining Tech Park Property, be adopted."** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, Rice, McDermott, Hayes and Mayor Olson. Nays: None. Motion passed 5-0.

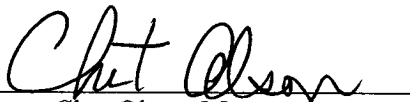
9) **Creston Road Rail Crossing Improvement Project:** The City Industrial Rail crossing over Creston Road has deteriorated to a condition which requires complete replacement. This section of rail was constructed in the mid 1980's and has become a critical delivery route to our industries on Caron Road, Wiscold Drive and Steward Road. Earlier this year the engineering firm of Fehr-Graham & Associates was hired to develop plans for the Creston Road crossing replacement. During field inspections it was determined that unstable soil and base course as well as the age of the existing rail track, ties and accessories contributed to the failure of the crossing. Subsequent to the required public notice, bids for the crossing replacement project were opened on August 9, 2011 with two contractors submitting bids. Staff and our consultant, John Vendel of Fehr-Graham, have reviewed the bids and determined that Brandt Construction Company is the low bidder with their bid of \$161,337.50. The 2011-12 Railroad Fund Capital Outlay Budget includes \$99,000 for the Creston Road crossing replacement. Sam Tesreau, City Engineer, recommended proceeding with the crossing replacement project due to the available balance in the City Railroad fund and the possibility of grants that may fund other rail crossings included in the budget. Councilman Hayes moved and seconded by Councilman Rice, **"I move the Council accept Bid C11-17 from Brandt Construction Company in the total amount of \$161,337.50 for Creston Road Rail Crossing Improvement Project, and reject all other bids."** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, Rice, McDermott, Hayes and Mayor Olson. Nays: None. Motion passed 5-0.

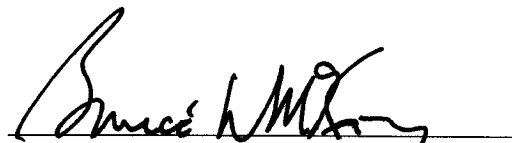
DISCUSSION ITEMS: None

EXECUTIVE SESSION: At 8⁴⁶ p.m. Councilwoman Hollonbeck moved and seconded by Councilman McDermott, **"I move the Council recess into executive Session to discuss Purchase of real property for City's use. Section (c) (5) and Discussion of minutes of meetings lawfully closed under this Act for purposes of approval by the body of minutes and semi-annual review. Section (c) (21)."** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, Rice, McDermott, Hayes and Mayor Olson. Nays: None. Motion passed 5-0.

At 9:21 p.m. Councilman Hayes moved and seconded by Councilman Rice, **"I move the Council return to Open Session."** Motion passed by voice vote without dissent.

ADJOURNMENT: At 9:12 p.m., moved by Councilman Eckhardt and seconded by Councilman Hayes, **"I move the Council adjourn."** Motion passed by voice vote without dissent.


Chet Olson, Mayor


Bruce McKinney, CMC
City Clerk