

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
August 27, 2012**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Monday, August 27, 2012 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 was Councilmembers Hayes, Berg, McDermott, Hollonbeck, Eckhardt, and Mayor Olson. Absent: Councilman Rice. There is a quorum. Also present were City Manager, David Plyman and City Clerk McKinney.

PROCLAMATIONS, COMMENDATIONS, ETC.: None

REPORTS AND COMMUNICATIONS:

- Mayor: None
- Council Members: None
- Financial Statements - July 2012: Included in Council Agenda Packets.
- Bruce McKinney: Petitions for the Primary Election can be circulated beginning August 28th. Petitions and supporting documents can be picked up at the City Clerk's Office in City Hall.

PUBLIC COMMENTARY:

- **Dale Jackson – Representing Stakeholders Trucking Committee – regarding Overweight Fee and Ordinance:** Not against fees but against the amount.
- **Patricia Burch – Roy's Transfer – Regarding permit ordinance:** Turned in two handouts regarding information on trucking, including costs and the effect the increased fees will have on present and future Rochelle businesses; questioned the amount of damage to the roads suggested; effect on the City as a whole.
- **Diane McNeilly – Resident – Truck Fees:** Feels that the over-weight trucks should pay for the damage they do to the roads rather than the tax payers.
- **Matt Wells – Midwest Truckers out of Springfield – Overweight truck ordinance:** Raising fees will affect companies all over the country. This fee has not been justified at this time. The industry is willing to pay their fair share but does not believe this ordinance is ready. There should be a true needs analysis for road repairs to show fee amount.
- **Neal Jakel – Traffic Ordinance: Traffic Ordinance – Chapter 94:**
- **Joel Thompson – Trucking Coalition Representative:** Have chosen the wrong fee amount. Requested the council implement the lower fee structure first and see how things develop in the future; the higher fee could mean that we are driving away industry and present business.

BUSINESS ITEMS:

1) CONSENT AGENDA ITEMS BY OMNIBUS VOTE with Recommendations:

- a) Approve Minutes of City Council Meeting – August 13, 2012;
- b) Approve Bills – 07/27/12-08/02/12=\$261,818.25; 08/03/12-08/09/12=\$386,490.15; 08/10/12-08/16/12: \$2,465,907.94.
- c) Approve Payroll – 07/23/12-08/05/12=\$214,409.44;

Moved by Councilman Berg and seconded by Councilman McDermott, "**I move Consent Agenda Items (a) through (c) be approved by Omnibus Vote as recommended.**" Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, McDermott, and Mayor Olson. Nays: None. Motion passed 6-0.

- 2) **Treatment Plant Roof Replacement Project:** In 1992 the City installed a roofing system on all seven of the buildings at the Treatment Plant campus with a twenty-year life expectancy. In June of 2011, a leak in the Blower Building roof resulted in damage to some equipment. As a result, the City hired the engineering firm of Willett-Hofmann to inspect the roofs and provide a recommendation for repair or replacement. The subsequent report included a recommendation to replace all of the roofs. The Mayor and Council approved a project in August of 2011 to replace the roofs on the Blower, Chlorine and Laboratory/Office Buildings. Earlier this year at the request of the City, Willett Hofmann also inspected the condition of the pre-cast concrete wall panel joints on all of the buildings. Their conclusion is that the existing joint sealant material has deteriorated to the point of failure and should be removed and replaced. The base bid included in the 2012 Treatment Plant Roof Replacement Project is to replace the roofs on the Preliminary Treatment and Anaerobic Lagoon Pumping Buildings. In addition, the alternate bid includes the replacement of the caulking on the seven precast concrete buildings. Subsequent to the required public notice, the City opened bids on August 10, 2012 with four contractors submitting bids. Staff and our consultant, Alan Hulstedt of Willett-Hofmann, have reviewed the bids and determined that Sterling Commercial Roofing, Inc. is the low bidder for both the base bid and the base bid including the alternate. The 2012-13 Capital Outlay Budget for Water/Water Reclamation includes \$35,000 for the roofing project. In addition, Kathy Cooper recommended proceeding with the alternate bid to prevent further damage to the buildings with funds available in the IEPA Replacement Fund. She was present to answer questions. Moved by Councilman Eckhardt and seconded by Councilwoman Hollonbeck, **"I move the Council accept Bid C12-13 for the Treatment Plant Roof Replacement Project from Sterling Commercial Roofing, Inc., including the alternate bid, for a total of \$50,340 and reject all other bids."** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, McDermott, and Mayor Olson. Nays: None. Motion passed 6-0.
- 3) **Ordinance Amending Chapter 94 (Traffic and Vehicles) to Provide for Permitting of Overweight Trucks and to Establish Permit Fees:** A number of local industries, grain elevators and the intermodal facility consider overweight transports to be important for their businesses' continued success. However, the Rochelle Municipal Code currently prohibits trucks weighing more than 80,000 pounds from using city streets, including designated truck routes. With the City's May 1st acceptance from Ogle County of a portion of Steward Road, staff learned that the overweight trucks using Steward Rd. (primarily between the Illinois River Energy facility and the Global Crossing III intermodal facility) would be illegal on Steward Rd. and have always been illegal on other city truck routes. To allow time for staff and the trucking community to discuss changes to Code that would allow the overweight transports, the City issued a moratorium beginning on May 1 on the enforcement of the Code's weight restrictions under certain conditions. Since last spring, city staff has solicited advice from truckers and other stakeholders on proposed changes to City Code. At the truckers' suggestion, the City also commissioned a study by Willett-Hofmann Engineers to determine the cost impact of overweight transports on Steward Road and Intermodal Drive and which could provide guidance on setting an appropriate fee for overweight permits. The truckers provided valuable information regarding the costs associated with trucking, the volume and nature of overweight trucks using Steward Road, Intermodal Drive and other city truck routes and the need for a solution that is not harmful to their businesses. City staff suggested that the optimum ordinance would facilitate a balance between the needs of the trucking industry while creating a source of new funds to support future road maintenance projects. Since that time, city staff and representatives of local industries and trucking companies have met on a number of occasions in a cooperative effort to work out a solution. City staff has incorporated many of the truckers' suggestions into the proposed ordinance. Unfortunately, the truckers and staff could not reach a full agreement over the proposed ordinance, particularly the permit fee amounts. The Willett-Hofmann report determined that each overweight trip involving a shipping container reduces the life of pavement at a cost to the City of approximately \$5.08. The draft ordinance provides for the City issuing daily overweight permits at \$10.00 per day – the same that Ogle County currently charges. Since most truckers make multiple trips

per day, the proposed fee will only cover the damages for the first two trips and the City will need to use other sources of funding to cover the cost of damages not covered by the fee and to administer the permit program (such as motor fuel tax or surplus railroad fund revenues). In addition to the daily permit, the draft ordinance also provides the option for truckers to get permits for periods of one month, three months or annually at effective daily fees of less than \$10.00. The trucking industry supports the continuation of the \$10 daily fee, but desires the fees be significantly reduced for the other periods. For example, the draft ordinance sets the annual fee at \$1,300, which equates to a daily fee of \$5.00. The truckers are seeking an annual fee of \$250, which equates to a fee of about 96 cents per day. Since most truckers are making multiple trips per day and each trip creates roadway damage at \$5.08, the truckers' suggested fee would only cover a small fraction of the cost of the street damages they are causing. Finally, it is important to note that the proposed ordinance will continue the moratorium until the City accepts the remaining section of Steward Road next May 1st. Accordingly, the truckers driving this route will not incur a higher cost by the adoption of this ordinance and could, if they decide to purchase longer-term permits, pay less under this ordinance. Sam Tesreau was present and spoke in lieu of a representative from Willett-Hofmann not in attendance. The council had mixed opinions on the subject. They questioned the benefit for trucks being overweight to which the answer is for competition, especially with river transporting. Mayor Olson suggested that trucks using Steward Road as it is now a city road and since it is no longer a county road, they could save money with not having to buy permits from the county. Councilman Eckhardt said that after attracting businesses here it's wrong to turn around and charge these fees. It will end up, not being a fee, but a tax with everyone paying for this, including the public, as the costs of goods will go up. According to Chief Higby, if the truckers have a State or County permit, they are not being fined at this point. City Manager Plyman suggested they decide on a moratorium as soon as possible. It was decided to send this to the Public Works Committee; therefore item was postponed for now.

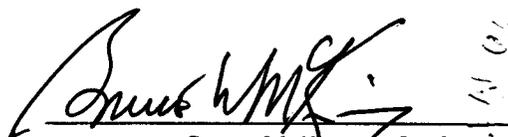
- 4) **Agreements between the City of Rochelle, Illinois Lincoln Highway Coalition and TransWorld Plastic Films – Mural Project:** In an effort to further enhance tourism across the state, the Illinois Lincoln Highway Coalition (ILHC) once again has grant dollars available to create Lincoln Highway Interpretive Murals in select cities. Approximately five years ago, this same grant program funded the creation and placement of the Emily Post mural on the north wall of Hub City Furniture at 429 Lincoln Highway. The Rochelle Tourism & Visitor's Association and the Illinois Lincoln Highway Coalition would like to promote their mutual goal of attracting visitors to the Lincoln Highway through the construction of a second mural on the east wall of the TransWorld Plastic Films building at 150 North 15th Street. If approved, ILHC will select an artist to create the 200 square feet mural which will depict an event or place historically related to the City and Lincoln Highway at their cost. The concept of the mural, which has been approved by the ILHC, will focus on the history of transportation in Rochelle and will include an image of Rochelle's Partin-Palmer under the canopy of the 1918 Standard Oil Filling Station with a steam engine coming out of the side of the mural in a 3D effect. Through the agreements the City will be responsible for preparing the wall for the mural attachment, equipment required to install the mural (if needed) and the maintenance of the mural. Director of Rochelle Tourism & Visitor's Association, Ross Freier, was in attendance to respond to questions. Moved by Councilwoman Hollonbeck and seconded by Councilman McDermott, **"I move Agreement 12-4220, An Interpretive Mural Project Community Guidelines Agreement with Illinois Lincoln Highway Coalition, be approved."** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, McDermott, and Mayor Olson. Nays: None. Motion passed 6-0. Moved by Councilwoman Hollonbeck and seconded by Councilman McDermott, **"I move Agreement 12-4221, A Public Act Agreement between the City of Rochelle and TransWorld Plastic Films, Inc., be approved."** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, McDermott, and Mayor Olson. Nays: None. Motion passed 6-0.

- 5) **Simplified Municipal Telecommunications Tax Rate:** The maximum Simplified Municipal Telecommunications tax rate that can be assessed by municipalities with populations less than 500,000, as established by the State of Illinois, is 6%. The City's current tax rate of 5% was approved by the Mayor and Council in September of 2007. The Administrative Committee discussed the possibility of increasing the telecommunications tax rate at its meeting on August 2, 2012 and recommended forwarding the topic to the full council. The August 13, 2012 City Council agenda included a discussion on the topic. Following additional comments by City Clerk Bruce McKinney and input by Finance Manager Chris Frye on the overall state of the General Fund, the Mayor and Council requested that information on area telecommunication rates, revenue projections and the General Fund be provided for action at the next council meeting. The rate comparison information collected for communities in Ogle County and larger municipalities in our area show 21 out of 25 communities at the maximum tax rate of 13% (including the State's 7%). Based on telecommunications tax revenues received during the first four months of this fiscal year, an additional 1% would have equated to nearly \$35,000 in additional revenue. Finance Manager Chris Frye reported the following on the state of the General Fund: at the end of FY 2012 the Insurance, IMRF and Social Security Funds had negative fund balances, the draft FY 2012 audit report shows the use of \$28,000 in General Fund reserves, transfers equated to 25.5% of the General Fund budgeted revenues for FY 2013, sales tax has averaged \$7,000 less per month than budgeted in the first four months of this year, all four union contracts include wage increases of 3% in FY 2014, and health insurance costs continue to rise. In order for a new tax rate to be effective January 1, 2013 the City would need to file the appropriate documentation with the Illinois Department of Revenue no later than September 20, 2012. Although the increased telecommunications tax would be assessed beginning January 1st, the City would not begin receiving the increased proceeds until April of 2013. The Council felt that the public is being taxed enough and this is not the time to tax them more. Item died for lack of a motion.
- 6) **Supplemental Resolution for Maintenance of Street and Highways – 2010/11:** In 2010, the Mayor and City Council approved two resolutions appropriating a total of \$325,000 in Motor Fuel Tax funds for seal coat resurfacing of several streets and rehabilitation of a number of municipal parking lots. These projects have since been completed. The Illinois Department of Transportation (IDOT) recently completed an audit covering the receipt and disbursement of Motor Fuel Tax Funds from January 1, 2010 through December 31, 2011. An item identified in the audit, which requires attention, is that quantities exceeded the original estimated quantities for these two projects, resulting in an additional expenditure of \$7,944.22. Approval of the supplemental resolution will allow IDOT to officially authorize all disbursements associated with the projects. No additional funds will be requested or disbursed as a result of this resolution. Moved by Councilman Berg and seconded by Councilwoman Hollonbeck, **"I move Resolution R12-20, A Resolution for Maintenance of Streets and Highways by Municipality Under the Illinois Highway Code for 2010/11 Seal Coating, be adopted."** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, McDermott, and Mayor Olson. Nays: None. Motion passed 6-0.

DISCUSSION ITEMS: None

ADJOURNMENT: At 8:39 p.m., moved by Councilman Berg and seconded by Councilman McDermott, **"I move the Council adjourn."** Motion passed by voice vote without dissent.


Chet Olson, Mayor


Bruce McKinney, CMC,
City Clerk, City of Rochelle

