

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
February 24, 2014**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Monday, February 24, 2014 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 McDermott, Rice, Eckhart, Hollenbeck, and Mayor Olson. Absent: Councilmen Berg, and Hayes. Quorum was present. Also present were City Manager Plyman and City Clerk McKinney.

PROCLAMATIONS, COMMENDATIONS, ETC.: None

REPORTS AND COMMUNICATIONS:

- Mayor: Thanked the Street Department for their work in keeping the streets clear during the winter.
- Council Members: None
- Financial Statements – January 2014: In Council Packets

PUBLIC COMMENTARY: The following people spoke in favor of the revitalization of the Hub Theater: Alan Cooper, Aldo Barone, Naomi S. Baldwin, and Connie Sabin. The group submitted a petition with about 400 signatures of people in favor of renovation.

BUSINESS ITEMS:

1) CONSENT AGENDA ITEMS BY OMNIBUS VOTE with Recommendations:

- a) Approve Minutes of City Council Meeting – February 10, 2014
- b) Approve Bills – 013114-020614 = **\$140,319**, 020714-021314 = **\$2,072,980**
- c) Approve Payroll – 012014-020214 = **\$216,727**
- d) Accept and Place on File Annual Fire Department Report

Moved by Councilman Rice and seconded by Councilman McDermott, **“I move Consent Agenda Items (a) through (d) be approved by Omnibus Vote as recommended.”** A roll call vote was taken. Ayes: Councilmembers Eckhardt, Hollonbeck, McDermott, Rice and Mayor Olson. Nays: None. Motion passed 5-0.

2) CDAP Grant 10-242019 Close Out – Lakeview Sanitary Sewer Lining (Public Hearing): In 2010 the City of Rochelle received a grant award of \$350,000 through the Community Development Assistance Program (CDAP), #10-242019, to assist with the lining of 7,500 linear feet of sanitary sewer. These infrastructure improvements were completed along Lakeview Drive and several adjacent streets, and have benefitted approximately 500 residents in the immediate neighborhood. The City is in the process of closing out the identified grant. The public hearing was an opportunity for the public to give input on the City’s performance under the grant. Moved by Councilwoman Hollonbeck and seconded by Councilman Eckhardt, **“I move Council recess into a Public Hearing for CDAP Grant 10-242019 Close Out for Lakeview Sanitary Sewer Lining.”** A roll call vote was taken. Ayes: Councilmembers Eckhardt, Hollonbeck, McDermott, Rice and Mayor Olson. Nays: None. Motion passed 5-0. Kathy Cooper was present to update the Council on purpose of grant project and answer questions. Councilman Eckhardt moved and seconded by Councilwoman Hollonbeck, **“I move Council return to Open Session.”** Motion passed by voice vote without dissent.

- 3) **CDAP Grant 10-241001 Close Out – Water and Sewer Extension (Public Hearing):** In 2010 the City of Rochelle received a grant award of \$1,000,000 through the Community Development Assistance Program (CDAP), #10-241001, to assist with the construction of 1,050 linear feet of sanitary sewer, 6,100 linear feet of water main, and work associated with the Caron Road lift station. These infrastructure improvements were necessary at that time to accommodate the construction of a 465,000 sq. ft. passenger rail car fabrication facility. The Nippon Sharyo facility has since been constructed and equipped at total cost in excess \$30 million. As a result over 280 new jobs were created (substantially more than the 120 positions required under the terms of the grant). The City is in the process of closing out the identified grant. The public hearing was an opportunity for the public to give input on the City's performance under the grant. Moved by Councilwoman Hollonbeck and seconded by Councilman Eckhardt, **"I move Council recess into a Public Hearing for CDAP Grant 10-241001 Close Out for Water and Sewer Extension."** A roll call vote was taken. Ayes: Councilmembers Eckhardt, Hollonbeck, McDermott, Rice and Mayor Olson. Nays: None. Motion passed 5-0. Kathy Cooper was present to update the Council on purpose of grant project and answer questions. Councilman Eckhardt moved and seconded by Councilwoman Hollonbeck, **"I move Council return to Open Session."** Motion passed by voice vote without dissent.
- 4) **CDAP Grant 11-241001 Close Out – Caron Road Lift Station and Force Main Improvements (Public Hearing):** In 2011 the City of Rochelle received a grant award of \$300,000 through the Community Development Assistance Program (CDAP), #11-241001, to assist with the construction of 4,500 linear feet of sanitary sewer, and the Caron Road lift station. These infrastructure improvements were necessary at that time to accommodate the construction of a 130,000 sq. ft. silica processing facility. The Coated Sand Solutions facility has since been constructed and equipped at total cost in excess \$20 million. As a result over 22 new jobs were created. The City is in the process of closing out the identified grant. The public hearing was an opportunity for the public to give input on the City's performance under the grant. Moved by Councilwoman Hollonbeck and seconded by Councilman Eckhardt, **"I move Council recess into a Public Hearing for CDAP Grant 11-241001 Close Out for Caron Road Lift Station and Force Main Improvements."** A roll call vote was taken. Ayes: Councilmembers Eckhardt, Hollonbeck, McDermott, Rice and Mayor Olson. Nays: None. Motion passed 5-0. Kathy Cooper was present to update the Council on purpose of grant project and answer questions. Councilman Eckhardt moved and seconded by Councilwoman Hollonbeck, **"I move Council return to Open Session."** Motion passed by voice vote without dissent.

5) **Intergovernmental Agreement for Outdoor Ice Skating Rink:** Representatives from the City of Rochelle, Flagg-Rochelle Park District and Rochelle Elementary School District #231 have collaborated on the construction of a community ice skating rink. Their mutual goal is to create an outdoor venue that promotes family fun during the winter season. An intergovernmental agreement has been drafted to facilitate this goal. The school district has agreed to allow the use of the "Central School Prairie", located between 5th Avenue and 6th Avenue, for this purpose at no cost. The Park District has agreed to prepare the property for flooding, maintain the ice during the skating season, and restore the property at the end of the season. The City's obligation, per the agreement, is to provide water for flooding, periodic application of water to renew the ice and marketing of the public ice skating opportunity. The City and Park District have also agreed to provide liability insurance coverage for any personal injury claims that arise from the use of the property for ice skating. The contract will terminate on March 31st or whenever the weather is no longer suitable for ice skating. The elementary school district and park district boards have already approved the agreement. Although March 31st is quickly approaching, the hope is to sustain the ice for a short period this season in order to gain experience and prepare for next winter. Michelle Pease and Chris Frye were present to explain changes. Motion made by Councilwoman Hollonbeck and seconded by Councilman McDermott, "**I move Agreement 14-4355, An Intergovernmental Agreement between the City, Flagg-Rochelle Park District and Rochelle Elementary School District 231 related to an outdoor ice skating rink, be approved.**" A roll call vote was taken. Ayes: Councilmembers Eckhardt, Hollonbeck, McDermott, Rice and Mayor Olson. Nays: None. Motion passed 5-0.

6) **Pension Funding Policies – Police and Fire:** In June of 2013 the Governmental Accounting Standards Board (GASB) issued Statement No. 68, Accounting and Financial Reporting for Pensions. At the November 25, 2013 City Council meeting, Finance Manager Chris Frye provided information about the impact of the new pension accounting standards, including the need for the City to establish funding policies for its Police and Fire Pension Funds. The financial objective of a defined benefit pension plan is to fund the long-term cost of benefits provided to the plan participants. The proposed policies have been developed in order to lay out a plan to fund pensions, provide guidance in making annual budget decisions, demonstrate prudent financial management practices, reassure bond rating agencies and show employees and the public how the pensions will be funded. Both policies include the following principles for determining the City's Annual Required Contribution (ARC):

- a) The ARC will be calculated by an enrolled actuary.
- b) The ARC will include the normal cost for current service and amortization to collect or refund any under/or over-funded amount.
- c) The normal cost will be calculated using the entry age normal level of percentage of payroll actuarial cost method.
- d) The difference between the accrued liability and actuarial value of assets will be amortized to achieve 100% funding in 2040.
- e) Actuarial assets will be determined using the asset smoothing method.

Per the policy, the City will subsequently issue through the tax levy each December an amount that, when combined with any other source of City contributions to the pension fund, equals the actuarially determined contribution. Motion made by Councilman Eckhardt and seconded by Councilman McDermott, "**I move Policy 14-4356, A Police Pension Funding Policy, be approved.**" A roll call vote was taken. Ayes: Councilmembers Eckhardt, Hollonbeck, McDermott, Rice and Mayor Olson. Nays: None. Motion passed 5-0. A motion made by Councilman Eckhardt and seconded by Councilman McDermott, "**I move Policy 14-4357, A Fire Pension Funding Policy, be approved.**" A roll call vote was taken. Ayes: Councilmembers Eckhardt, Hollonbeck, McDermott, Rice and Mayor Olson. Nays: None. Motion passed 5-0.

- 7) **Rochelle Municipal Airport Partial Parallel Taxiway:** The Illinois Department of Transportation (IDOT) Airport Improvement Program for fiscal year 2014 includes funds to construct light and mark a partial parallel taxiway at the Rochelle Municipal Airport. Per the Airport Layout Plan, the taxiway will extend to the west of the existing ramp and reconnect to the runway. IDOT opened several bids for the taxiway project on January 17th in Springfield. The State has reviewed the bids and prepared an Agency Agreement consistent with the bid from William Charles Construction Company of \$737,000 for the project. The agreement identifies the local share as 10% of estimated project costs for a total of \$73,700. This amount must be remitted prior to commencement of the project. Sufficient funds will be available in the 2013-14 and 2014-15 City of Rochelle Capital Improvement fund for the local share of the taxiway improvements. Mark Delhotal was present to answer questions. Councilman Rice moved and seconded by Councilwoman Hollonbeck, **"I move Agreement 14-4358, An Agency Agreement Airport Improvement Program for Illinois Project No. RPI-4279, be approved."** A roll call vote was taken. Ayes: Councilmembers Eckhardt, Hollonbeck, McDermott, Rice and Mayor Olson. Nays: None. Motion passed 5-0.
- 8) **Purchase of Mid-Sized Excavator at Auction – Engineering Department:** In 2012 the City Council approved the purchase of an updated asphalt paver. The following year a new asphalt roller/compactor was also approved. This equipment has allowed Street Department staff to be more efficient in maintaining and reconstructing street and roadway infrastructure. The City Engineer and Street Department Superintendent have been discussing the need to purchase additional construction equipment over the next 5 years to use for infrastructure projects that are done in-house. They plan to include the purchase of a used excavator in the Capital Improvement Fund budget for 2014-15. This piece of equipment will allow a greater amount of earth and pavement material to be excavated and transported than with the current backhoe. Staff has discovered that a mid-sized excavator will be available at auction beginning late March. Therefore, they would like an opportunity to inspect and potentially purchase the excavator within the next month. The 2013-14 Capital Improvements fund will be able to absorb the cost of this purchase by delaying the expenditure for the Engineering Building of \$160,000 until fiscal year 2014-15. The Rochelle Municipal Code provides that the City Council may, by a two-thirds vote of council members holding office, authorize a purchase without competitive bidding. Furthermore, the proposed ordinance includes a provision for the City Council to provide a maximum bid amount to the City Manager privately, and to purchase the equipment if the City is the successful bidder. Sam Tesreau and Tim Isley were present to answer questions. Councilwoman Hollonbeck moved and seconded by Councilman Eckhardt, **"I move Ordinance 14-4359, An Ordinance Authorizing Purchase of Mid-Sized Excavators at auction without competitive Bidding, be adopted."** A roll call vote was taken. Ayes: Councilmembers Eckhardt, Hollonbeck, McDermott, Rice and Mayor Olson. Nays: None. Motion passed 5-0.

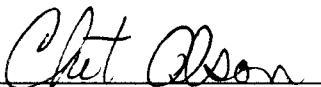
- 9) **Agreement between the City and Fehr Graham Engineering & Environmental-Quiet Zone Improvements:** The 2009 Comprehensive Plan and the City Council's Strategic Planning Summary developed in 2011 identify the need to eliminate or mitigate the train noise in our community. This is a quality of life issue, especially for those living and working near the tracks. In 2012 the City hired Quiet Zone Technologies to conduct an evaluation of the Burlington Northern Santa Fe (BNSF) and Union Pacific (UP) roadway and pedestrian crossings. To supplement that report, Fehr Graham Engineering & Environmental subsequently prepared an analysis of the roadway improvements and estimated costs necessary to meet the Federal Railroad Administration's requirements to establish a full Quiet Zone. In April of 2013, following a discussion of this topic at a regular meeting, the Mayor and Council authorized staff to proceed with the diagnostic review required to pursue a Quiet Zone. The diagnostic review took place last December. Now that the Quiet Zone diagnostic review is complete, it is time to move into the design and formal cost estimate portion of the project. Fehr Graham Engineering & Environmental has provided a proposal for professional services related to the next steps in advancing the Rochelle Quiet Zone. Their scope of services includes: Selection of Crossing Treatments, Filing Notice of Intent, and Design of Crossing Treatments at a cost of \$76,900. The cost of these engineering services was not included in the 2013-14 Budget. However, if approved, they will be divided equally between the Capital Improvement and Railroad Funds. Mark Delhotal was present to answer questions. Councilman Eckhardt moved and seconded by Councilman McDermott, **"I move Agreement 14-4360. An Agreement between the City of Rochelle and Fehr Graham Engineering & Environmental for Additional Professional Services and Design of Quiet Zone Improvements, be approved."** A roll call vote was taken. Ayes: Councilmembers Eckhardt, Hollonbeck, McDermott, Rice and Mayor Olson. Nays: None. Motion passed 5-0.

DISCUSSION ITEMS: None

EXECUTIVE SESSION: At 7:59 p.m. Councilwoman Hollonbeck moved and seconded by Councilman McDermott, **"I move the Council recess into executive session to discuss: The (appointment, Employment, compensation, discipline, performance and/or dismissal) of specific employee(s). Section (c) (1) and Discussion of minutes of meetings lawfully closed under this Act for purposes of approval by the body of the minutes or semi-annual review of the minutes as mandated. Section (c) (21)."** A roll call vote was taken. Ayes: Councilmembers Eckhardt, Hollonbeck, McDermott, Rice and Mayor Olson. Nays: None. Motion passed 5-0.

At 8:14 p.m. Councilwoman Hollonbeck moved and seconded by Councilman McDermott, **"I move the Council return to Open Session."** Motion passed by voice vote without dissent.

ADJOURNMENT: At 8:14 p.m., moved by Councilman Eckhardt and seconded by Councilman McDermott, **"I move the Council adjourn."** Motion passed by voice vote without dissent.



Chet Olson, Mayor
City of Rochelle



Bruce McKinney, CMC
City Clerk, City of Rochelle