

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
FEBRUARY 22, 2016**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Monday, February 22, 2016 in the Council Chambers of City Hall; 420 N. 6th Street; Rochelle, IL 61068.

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

ROLL CALL: Present on Roll Call were Councilmembers Burke, Eckhart, Hayes, T. McDermott, and Mayor Olson. Absent: Hollenbeck and D. McDermott. A quorum of five present. Also present were City Manager Plyman and City Clerk McKinney.

PROCLAMATIONS, COMMENDATIONS, ETC.: Irish-American heritage month-March, 2016.

REPORTS AND COMMUNICATIONS:

Mayor: None

Council Members: None

Swearing in ceremony for firefighter Kenneth Dougherty.

financial statement for January 2016

PUBLIC COMMENTARY:

BUSINESS ITEMS:

1) CONSENT AGENDA ITEMS BY OMNIBUS VOTE with Recommendations:

- a) Approve Minutes of City Council Meeting – February 8 2016
- b) Approve Bills – 01/28/16-02/04/16, 02/05/16-02/21/16
- c) Approve Payroll – 01/18/16-01/31/16
- d) Approve Cinco de Mayo planning committee request - May 7, 2016.

Moved by Councilor Eckhardt and seconded by Councilor Hays, **"I move Consent Agenda Items (a) through (d) be approved by Omnibus Vote as recommended."**

Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, T. McDermott and Mayor Olson.
Nays: None. Motion passed 5-0.

2) Ordinance amending the municipal code to create one restaurant liquor license.

The City has received a request for a restaurant liquor license for El Tapatio. This business plans to locate at 1310 North Seventh Street in Rochelle, the former Pizza Hut restaurant. The Liquor Commissioner, Mayor Olson, has reviewed the request and has no objection to the creation of an additional restaurant license to accommodate El Tapatio's request. The addition of this license will result in a total of two restaurant licenses in the City of Rochelle.

Moved by Councilor T. McDermott and seconded by Councilor Burke, **"I move ordinance 16-4532, an ordinance amending section 6-46 of the municipal code of the city of Rochelle to create one restaurant liquor license, be approved"** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, T. McDermott and Mayor Olson. Nays: None. Motion passed 5-0.

- 3) **Contractor quote – 5Kv phase 1 project.** In June of 2014 the Mayor and Council approved a bid for the conduit and installation required for Phase I of the 5Kv project. Phase I of this project converts our 4160kV distribution circuit to a 13.8Kv feeder in the northwest section of the community. The 2015-16 Electric Operations Capital Outlay Budget includes \$165,000 for engineering the 5Kv Phase II project. Electric Operation Superintendent Jason Bird believes that these funds would be better used on Phase I. He has obtained two quotes for time and equipment costs necessary to have contractors assist RMU crews. Mr. Bird's recommendation is to hire Big D Electric, based on the hourly rates schedule provided, since they are less than the other quote. Upon council approval, Big D will arrive in Rochelle on March 7th and continue to work until they are released from the project. Moved by Councilor Eckhardt and seconded by Councilor T. McDermott, **"I move the Council approve the hiring of Big D Electric, based on the hourly rate schedule provided to assist RMU crews with the 5Kv phase 1 project up to a total of \$165,000 for the current fiscal year"**. Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, T. McDermott and Mayor Olson. Nays: None. Motion passed 5-0.
- 4) **Golf course loan repayment.** In March of 2013 the Mayor and Council, in cooperation with the Flagg Rochelle Community Park District, approved an Intergovernmental Agreement and Contract to Purchase the local golf course and banquet facility at a purchase price not to exceed \$800,000. The following month the two entities closed on the property at a cost to each of \$388,666.95. In order to fund the purchase of the golf course property, the City Manager recommended a transfer from the Electric Fund to the Solid Waste Fund. The transfer was authorized through a council resolution which provided for \$388,666.95 to be advanced from the Electric Fund to the Solid Waste Fund and for the full balance, including principal and interest of .20% per year, to be repaid to the Electric Fund no later than April 4, 2018. Per Finance Director Chris Cardott, the outstanding principal balance of the bonds is \$388,666.95 plus accrued interest of \$2,199.85 which equals a total payoff of \$390,866.80. City Manager David Plyman recommends transferring \$370,925.92 from the Health Fund and \$19,940.88 from the Hotel/Motel Fund to the Solid Waste Fund in order to pay the debt to the Electric Fund in full. If approved, the Health Fund will be depleted. Moved by Councilor Eckhardt and seconded by Councilor Burke, **"I move the Council approve the transfer of \$370,925.92 from the Health Fund and \$19,940.88 from the Hotel/Motel fund to the Solid Waste fund in order to pay the debt to the Electric Fund."** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, T. McDermott and Mayor Olson. Nays: None. Motion passed 5-0.

- 5) **Bad debt write off policy- Rochelle Municipal Utilities.** Section 98-6 of the Municipal Code of the City of Rochelle provides for the collection of utility bills by RMU, subject to the provisions of that Code and other applicable legislation. It is recognized, however, that circumstances may arise which could make the recovery of certain debts impossible, impractical or financially unfeasible, and that it may be in the best interest of the City to write off those debts. Currently, many uncollectable utility accounts are listed as "collections" and remain as part of the receivables balance. The final bill dates range from January 1991 to September 2015. Therefore, RMU Customer Service Supervisor Barbara Bell recommends that the City of Rochelle adopt a write off policy for uncollectible accounts. The proposed policy outlines the steps to be taken prior to writing off debt including reporting the debt to a collection agency and tracing the debtor. The policy also lists the conditions under which a debt will be written off and gives the Customer Service Supervisor the authority to write off the debt once all of the legal avenues, procedures and steps in the policy have been exhausted. The write off policy does not constitute forgiveness of the debt and the debt is still owed by the debtor. Barbara Bell was present to answer questions. Moved by Councilor T. McDermott and seconded by Councilor Hayes, **"I move the City Council approve Write-off policy for Rochelle municipal utilities."** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, T. McDermott and Mayor Olson. Nays: None. Motion passed 5-0.
- 6) **Purchase of Replacement Pump – First Avenue Lift Station.** The City of Rochelle currently operates and maintains a wastewater lift station located along First Avenue near the street department shop. This lift station serves Creston, the landfill and most of the north east side of Rochelle pumping approximately 800,000 gallons per day. Recently, one of the two pumps at the First Avenue lift station experienced a catastrophic failure. At this point the cause is unknown. Since this pump is a proprietary item, RMU only requested a quote through the original supplier, Flow Technics, Inc. The resulting proposal is for a new replacement ABS 2800 gallon per minute pump at a cost of \$28,475 (plus freight). Using a different brand would require modifications to the mounting hardware thus driving up the cost. Superintendent Adam Lanning recommends approving the purchase of a new ABS submersible pump to replace the damaged equipment since this is a critical piece of equipment. Installation of the pump will be done in-house. Adam Lanning was present to answer questions. Moved by Councilor Eckhardt and seconded by Councilor Burke, **"I move the Council approve the purchase of a Sulzer/ABS pump from flow-techniques, inc. in the amount of \$28,475 without competitive bidding."** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, T. McDermott and Mayor Olson. Nays: None. Motion passed 5-0.

- 7) **Land Purchase Agreement Patterson Properties.** The Rochelle Street Department, Airport and Police Department currently rent a 6,000 square foot building from Windstar Van Lines on south Illinois Route 251. This building is rented for \$5,850 per year with a lease expiring on May 1, 2016. Despite this storage facility, the Street Department currently has several pieces of equipment and materials being stored outside in the elements. Due to the Street Department's main facility being located in the floodway, expansion is not an option. The six former Patterson properties located on west Second Avenue and North Washington are available for purchase. The properties include two vacant lots, a gravel parking lot, a 2,120 square foot Quonset structure, a 15,386 square foot building, and the remains of a fire damaged structure. The larger building would allow for the inside storage of all Street Department equipment and materials at a location that is convenient to the department's main facility. In addition purchasing these properties would serve the long term goal of cleaning up the area between the railroad tracks. City staff members have negotiated a Land Purchase Agreement for the six properties which includes a purchase price of \$50,000 and a closing to be held on or before March 18th. Contingencies in the agreement include the demolition/removal of the fire-damaged structure located on one of the properties, including the floors and foundation, removal of all fencing, grading the property to a level grade and planting of grass seed. An \$80,000.00 check which is held by the City as a guarantee for the completion of the demolition of the fire-damaged structure located on the Property will also be released. This property has been approved by the EPA as a Brownfields property and a Phase I ESA has been completed by an independent environmental consultant. A Letter of Reliance for the Phase I ESA was released by CDBNA LLC (American Midwest Bank). Community Development capital funds for Brownfields properties are available to cover the purchase price. Moved by Councilor Eckhardt and seconded by Councilor Hayes, **"I move ordinance 16 -4533, an ordinance authorizing the purchase of six properties owned by CDBBNA, LLC per the land purchase agreement, be approved."** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, T. McDermott and Mayor Olson. Nays: None. Motion passed 5-0.


DISCUSSION ITEMS: none.

EXECUTIVE SESSION: At 7:30 PM, Counselor Eckhardt moved and seconded by Counselor T. McDermott, **"I move the Council recess into executive session to discuss's setting of a price for sale or lease of property owned by the city. Section (c) ((6))."** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, T. McDermott and Mayor Olson. Nays: None. Motion passed 5-0.

At 8:01 PM Counselor Hayes moved and seconded by Counselor Burke, **"I move the Council return to open session."** Motion passed by voice vote without dissent.

ADJOURNMENT: At the 8:01 p.m., moved by Counselor Eckhart's and seconded by Counselor Hayes, **"I move the Council adjourn."** Motion passed by voice vote without dissent.


Chet Olson, Mayor


Bruce W. McKinney, CMC
City Clerk, City of Rochelle