

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
APRIL 11, 2016**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Monday, April 11, 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, Hollonbeck, D. McDermott, T. McDermott, and Mayor Olson. Absent: None. A quorum of seven was present. Also present were City Manager Plyman and City Clerk McKinney.

PROCLAMATIONS, COMMENDATIONS, ETC:

Week of the Young Child – April 10-16, 2016
National Telecommunicators Week – April 10-16, 2016
Arbor Day Foundation names Rochelle Tree City USA

REPORTS AND COMMUNICATIONS:

Mayor: None.
Council Members: None.
Employee Introduction – Mike Hudetz

PUBLIC COMMENTARY:

Bud Norcraft – Dog Ordinance
Bonnie Boehle, Miriah Ranken spoke on Great Lakes Basin proposed Rail.

BUSINESS ITEMS:

1) CONSENT AGENDA ITEMS BY OMNIBUS VOTE with Recommendations:

- a) Approve Minutes of City Council Meeting – March 28, 2016
- b) Accept and Place on File Minutes of Rochelle Police and Fire Commissioners – December 15, 2015
- c) Accept and Place on File Minutes of Rochelle Planning and Zoning Commission – March 7, 2016
- d) Approve Bills – 031816-032416, 032516-033116
- e) Approve Payroll – 031416-032716
- f) Authorize Rochelle Elementary Schools Fun Run Event - May 18, 2016

Moved by Councilor Eckhardt and seconded by Councilor Hollenbeck, **"I move consent agenda items (a) through (f) be approved by Omnibus vote as recommended."** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 7-0.

- 2) Special Use Permit for Outdoor Storage – 1310 N 7th Street.** Keith Scott withdrew the petition.

- 3) **Special Use Permit for Outdoor Storage – 194 N 15th Street.** Jack Pease has petitioned the City for a Special Use Permit to allow outdoor storage at 194 N 15th Street and a variance of setbacks. This property is approximately 5.8 acres in size and fronts North 15th Street on the west, BNSF Railroad on the north, UP Railroad on the east and Illinois Route 38 on the south. By court order, the petitioner demolished the eastern portion of the building, leaving the north wall and foundation. Mr. Pease plans to improve the existing building in order to use it for vehicle maintenance, utilizing the existing foundation on the east side for outside storage and leaving the north wall standing for screening. If approved a perimeter fence will be installed on the south side. The property is currently zoned I-2, General Industry, and "Storage Outdoor" is a permitted use in this zoning district if a special use permit is issued. The Planning and Zoning Commission held a public hearing to review the petition at its meeting on March 7th. Following some discussion, the Planning and Zoning Commission prepared a report of findings which includes:
- The proposed use is allowed in the proposed zoning district with a special use permit
 - The proposed use is not detrimental or dangerous to public health based on an inspection of the free standing wall by a structural engineer
 - The proposed use will not impair property values in the neighborhood
 - The proposed use is not likely to be an impediment to normal development of the surrounding property

Based on these findings, the Planning and Zoning Commission, by a vote of 7-0, recommended that the City Council approve the issuance of a special use permit for outdoor storage and the variance of setbacks with the following conditions:

1. Perimeter screening for the outdoor storage area that meets the requirements found in Section 110-347 of the Rochelle Municipal Code. Such storage shall be effectively screened from adjacent public streets by a solid fence, compact hedge or similar opaque landscaped element.
2. The Special Use of Outdoor Storage shall be limited to a use that is accessory to the primary use of the property, maintenance of vehicles, and specifically not include storage of anything that is not accessory to that use, including the storage of used vehicle parts.
3. Site development plan approved by the City.
4. Building permit approved by the City.

Moved by Councilor Eckhart and seconded by Councilor Burke, **"I move Ordinance 16-4549, Approving a special use permit for outdoor storage at 194 N. 15th St., be approved."** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 7-0.

- 4) **Resolution in Support of a TIGER Grant Application for the Lee-Ogle Freight Rail Expansion Project.** Earlier this year the United States Department of Transportation announced that approximately \$500 million will be made available for transportation projects across the country under the eighth round of the Transportation Investment Generating Economic Recovery (TIGER) grant program. The TIGER Discretionary Grant program provides an opportunity for the Department of Transportation to invest in surface transportation infrastructure projects. Since 2009, Congress has dedicated more than \$4.6 billion to innovative projects that have a significant impact on the nation, a metropolitan area or a region. The City of Rochelle (CIR) Railroad currently facilitates rail switching services for a number of industrial users. Over the past decade, the volume of railcars has increased from an average of 3,500 per year to over 10,000 railcars this past year. Gross annual Railroad revenue has also increased from an average of \$275,000-\$300,000 over the past decade to an estimated gross of \$1,700,000 in the current fiscal year. The dramatic increase in rail car volume has consumed most of the CIR's capacity. In order to continue to attract rail served companies, and to continue to increase rail revenue, the CIR needs to expand. Therefore, the City is putting together a TIGER grant application for funding to advance the Northern Illinois Freight Safety and Expansion Project. This project would include the addition of 18,000 feet of rail, switches for increased switching/storage of railcars and the installation of crossing gates to improve safety at all of the CIR rail crossings. Furthermore, with this expansion of switching capacity City staff believes there is a business case for both the UP and BNSF to install new automated mainline switches to serve the CIR. These new switches would facilitate additional rail car volumes and reduce the number of crossings both railroads utilize in Rochelle which would greatly improve public safety. The total cost of this CIR expansion project is \$12,000,000. The proposed resolution supports an application to the TIGER grant program for up to 60% of the project cost, \$7,200,000 and commits local matching funds of 40%, \$4,800,000. Final applications for the TIGER Grant must be submitted by April 29th. Jason Anderson was present to answer questions. Moved by Councilor Hollenbeck and seconded by Councilor D. McDermott, **"I move resolution R16-03, a resolution in support of a TIGER grant application for the Northern Illinois freight safety and expansion project, be adopted."** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 7-0.

- 5) **Resolution Establishing City of Rochelle Water Reclamation Rates Effective May 1, 2016.** Over the last two years the RMU water reclamation division has seen a 3% annual increase in labor costs and a 5% increase in electric rates last year and is expecting a 2% increase next year. The total proposed budget for electricity and labor alone next fiscal year is \$1,096,131 and accounts for approximately 40% of non-debt revenue. The proposed budget for these two line items reflects a \$74,239 increase over the last two years. The projected revenue for 2015/16 is \$2,491,212, which does not include industrial surcharges or miscellaneous revenues of approximately \$300,000 annually. The increase in labor and electricity expenses account for 2.98% of the projected revenues this year. Therefore Water/Water Reclamation Superintendent Adam Lanning proposes a onetime annual rate increase of 3% to account for the increases over the last two years and also for the next fiscal year. This rate increase does not take into account increased costs for materials or supplies. There are a total of 3,173 residential water reclamation accounts. The 3% increase would translate to an average monthly increase in a residential water reclamation bill of \$1.15. Superintendent Lanning recommends that the City Council adopt an ordinance authorizing a rate increase of 3% effective May 1, 2016. The UAB formally recommended approval of the 3% increase in water reclamation rates at its meeting March 30th. Moved by Councilor Eckhardt and seconded by Councilor D. McDermott, **"I move resolution R16-04, a resolution establishing city of Rochelle water reclamation rates effective May 1, 2016, be adopted."** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 7-0.
- 6) **Resolution Adopting New Logo for Rochelle Municipal Utilities.** In 2014 the City of Rochelle, along with several community partners, hired the Roger Brooks International firm to develop a unique brand for our community. After seeking public input in a variety of forums, Brooks unveiled the new brand in May of 2015. In association with the rebranding, the Brooks firm also created a Brand Style Guide which sets the parameters and guidelines for creating a cohesive visual identity for our community. On January 25th the Mayor and Council approved a Resolution adopting the wall Branding Style Guide for the City of Rochelle which includes a new logo, color scheme, fonts and book me up design elements that reflect the industrial nature of our community. Following the City's logo change, a new logo was created for Rochelle Municipal Utilities by local graphic designer, Kyle Elliott. The logo features a distressed, cursive font that coordinates with the City logo and utilizes the color "sky" from the secondary color palette contained in the style guide. The logo includes two variations – one that spells out Rochelle Municipal Utilities and one with the letters RMU. Pending Council's approval, the newly designed RMU logo will be implemented slowly by replacing items internally or as supplies of disposable items are depleted. Moved by Councilor Hollenbeck and seconded by Councilor Burke, **"I move resolution R16-05, a resolution adopting new logo for Rochelle municipal utilities, be adopted."** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 7-0.
- 7) **Contractor Quote - 5Kv Phase One 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 which converts our 4160kV distribution circuit to a 13.8Kv feeder in the northwest section of the community. On February 22nd the City Council approved the hiring of Big D Electric to assist RMU crews on site with the 5Kv conversion in an amount not to exceed of \$165,000. Pending budget approval, the 2016-17 Electric Operations Capital Outlay Budget includes \$900,000 to convert the 5Kv system. Electric Operation Superintendent Jason Bird recommends extending the contract with Big D Electric for time and equipment costs necessary to have contractors assist RMU crews in an amount not to exceed \$450,000. Jason Burke was present to answer questions. Moved by Councilor T. McDermott and seconded by Councilor Hollenbeck, **"I move the city 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 in the amount not to exceed \$450,000 without competitive bidding."** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 7-0.

8) **Skid Load 6 MW Generator Project Phase II – Additional Project Components.** Council approved the overall project for 6 MW of additional peak shaving generation at the October 27, 2015 meeting. These items are components of the previously presented project total. RMU staff, Altorfer and BHMG has created a project for these generators which includes a highly efficient integration into RMU's distribution network with a large amount of reuse of the initial skid load project. This recommendation is for executing the purchase of the following for the gen sets so they can be readied for implementation into the overall project in the spring of 2016:

- Fuel system installation \$ 45,067
- Electrical underground installation: \$ 23,295
- Site preparation: not to exceed \$ 150,000

RMU has received have received competitive quotes on all components and the low bid has been chosen on the Fuel and Electrical components. The quotes for the site preparation will be received from Fehr Graham on April 8th. Funds for the units are in the budget as part of the transmission line upgrade which is now moved out of FY16 and the rest coming from the Depreciation, Improvement and Extension account. Moved by Councilor Eckhart and seconded by Councilor Hollenbeck, **"I move the city Council accept the quote from Independent Mechanical Industries for fuel system installation at a cost of \$45,067 without competitive bidding."** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 7-0. Moved by Councilor Hollenbeck and seconded by Councilor D. McDermott, **"I move the Council accept the quote from Wilson electric company for electrical conduit installation at a cost of \$23,295 without competitive bidding."** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 7-0. Moved by Councilor Hollenbeck and seconded by Councilor Eckhart, **"I move the Council authorize the city manager to accept a quote from Martin & Co in the amount pf \$84,714 for site preparation in connection with the Skid Load generator project."** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 7-0.

9. **Amending Chapter 6 (Alcoholic Beverages) of the Municipal Code to Allow the Issuance of a Liquor License to the City.** On March 20, 2013 the Mayor and Council approved an Intergovernmental Agreement with the Flagg-Rochelle Community Park District relating to the acquisition and leasing of 74.285 acres improved with a golf course and restaurant. The City and Park District subsequently entered into lease agreements for the operation of the golf course and restaurant, all of which have since expired or been terminated. The City and Park District have agreed to cooperatively operate the golf course for the 2016 golf season, excluding the restaurant. The parties are currently working to finalize the terms of the joint operation in an Amendment to the Intergovernmental Agreement that will be sent to both government bodies for approval. In order for the Illinois Liquor Control Commission to issue a license to the City for liquor to be sold and delivered at the Fairways Golf Course, the City must amend the Municipal Code to authorize the City to issue a liquor license to itself. The proposed ordinance also allows the City Manager or his designee to sign City and State liquor licenses and ancillary documents. Moved by Councilor D. McDermott and seconded by Councilor Eckhardt, **"I move Ordinance 16-4550, An ordinance amending Chapter 6 (alcoholic beverages) of the Rochelle municipal code to allow the issuance of a liquor license to the city, be approved."** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 7-0.

DISCUSSION ITEMS:

1. **Budget fiscal year 2016- 17.** City manager Plyman reviewed the budget for Council. Council asked city manager to get the budget more in line.

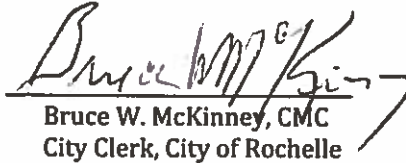
EXECUTIVE SESSION: At 9:50 p.m., Counselor D. McDermott and seconded by counselor Eckhart, **I move Council recess into executive session to discuss 1) the (appointment, employment, compensation, discipline, performance and/or dismissal) of specific employee(s). Section(c) (1). And, setting of a price for sale or lease of property owned by the city. Section(c) (5).** Roll call vote was taken. Ayes: Burke, Eckhart, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 7-0.

At 10:20 PM, counselor Hollenbeck moved and seconded by counselor T. McDermott, **I move the Council return to open session.** Motion passed by voice vote without dissent.

ADJOURNMENT: At 10:20 PM, moved by Counselor Eckhart's and seconded by Counselor D. McDermott, "**I move the Council adjourn.**" Motion passed by voice vote without dissent.



Chet Olson, Mayor



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