

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
OCTOBER 10, 2017**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Tuesday, October 10, 2017 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 was Councilmembers Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Absent: None. A quorum of seven was present. Also present were City Manager Fiegenschuh, Attorney Wagner, and City Clerk McKinney.

PROCLAMATIONS, COMMENDATIONS, ETC:

REPORTS AND COMMUNICATIONS:

Mayor: None.

Council: None.

Good News: RMU Electric Division
Chief Sawlsville
Adriana Milan
Fastenal Donates Equipment

PUBLIC COMMENTARY.

BUSINESS ITEMS:

1) CONSENT AGENDA ITEMS BY OMNIBUS VOTE with Recommendations:

- a) Approve Minutes of City Council Meeting – 9/25/17
- b) Approve Bills – 10/03/17
- c) Approve Exceptions – 09/20/17-10/02/17
- d) Approve Payroll – 09/11/17-09/24/17
- e) Accept and Place on File Minutes of Golf Course Advisory Committee – 8/21/17
- f) Accept and Place on File Minutes of Utility Advisory Board – 7/19/17
- g) Approve Day of the Dead Committee Request – 10/28/17

Motion made by Councilor Barrows and seconded by Councilor Burke, "1 move Consent Agenda Items (a) through (g) be approved by Omnibus Vote as recommended." Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

- 2) **Ordinance Amending Section 6-46 of the Municipal Code to Create One R-3 Liquor License.** The Fuzion 6 Casual Bar and Grill, located at 200 N. Washington Street, has submitted an application for a Class R-3 liquor license. This license allows the retail sale of alcoholic liquor by a restaurant, for consumption on the premises. The Liquor Commissioner, Mayor Olson, has reviewed the application and has no objection to the creation of an additional R-3 liquor license. The addition of this license will result in a total of seven Class R-3 liquor licenses in the City of Rochelle. Motion made by Councilor D. McDermott and seconded by Councilor Burke, "1 move Ordinance 17-4745, an ordinance amending Section 6-46 of the Municipal Code to create one additional R-3 liquor license, be approved." Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

- 3) **Ordinance Amending Ordinance for the Transfer of Property Pursuant to the Illinois Government Property Transfer Act (Old Lincoln School Property) and Resolution Amending Resolution Authorizing the Sale of the Hub Theater and Lincoln School Properties.** On June 13, 2016, the City Council adopted Ordinance 16-4575 authorizing and directing the City Manager to execute an Intergovernmental Agreement with Rochelle Community Consolidated School District #231, providing for the conveyance of School District property known as the old Lincoln School located at 108 South Main Street to the City. In addition, the council approved Resolution R16-09 authorizing the sale of the Hub Theater and Lincoln School Properties. It was discovered that a portion of the old Lincoln School property was not included in the legal description of the property conveyed. Specifically, there are four parcels along Washington Street that the parties intended to include in the conveyance which were inadvertently omitted from Exhibit A of Ordinance 16-4575 and Exhibit B of Resolution R16-09. The School District and the City agree that the four parcels were to be included in the agreements and no dispute exists with the parties to convey the parcels. Motion made by Councilor Hayes and seconded by Councilor T. McDermott, **“I move Ordinance 17-4746, an ordinance amending Ordinance 16-4575 for a transfer of property pursuant to the Illinois Local Government Property Transfer Act for the old Lincoln School property, be approved.”** Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw Dickey and Mayor Olson. Nays: None. Motion passed 7-0. Motion made by Councilor Hayes and seconded by Councilor Burke, **“I move Resolution R17-11, a resolution amending Resolution R16-09 authorizing the sale of the Hub Theater and old Lincoln School property, be approved.”** Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw Dickey and Mayor Olson. Nays: None. Motion passed 7-0.
- 4) **Resolution Rescinding Resolution 17-08 Directing All Street Lighting Costs to be Assumed by Rochelle Municipal Utilities and Removed as an Expense of the General Fund.** At the previous city council meeting, the city council approved a resolution recommended by the City Manager that would have directed the electric utility to no longer bill the city for the power used in street lights. After a resident raised some concerns that this may be in violation of the utility’s bond covenants, I called bond counsel for a final determination. Unfortunately, when the 2005 bonds were refunded in 2015, the following language was approved “the electric utility shall bill all city departments for all reasonable costs.” Since the program was not set to begin until January 2018 we are in good shape, however I do recommend the city council approve the resolution to rescind the previous resolution authorizing the discontinuation of the billing. As I stated previously, there is some very good news. Our estimated property values increased over the previous fiscal year and our current purchase of power contract prices are over \$12 MWH less in the new contract. These two factors may lead to an overall decrease in future power bills and a decrease in the city’s portion of the property tax levy. Motion made by Councilor D. McDermott and seconded by Councilor Hayes, **“I move Resolution R17-12, a resolution rescinding Resolution 17-08 which directed all street lighting costs to be assumed by Rochelle Municipal Utilities, be approved.”** Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw Dickey and Mayor Olson. Nays: None. Motion passed 7-0.
5. **Ordinance Establishing an Administrative Procedure for Assessing and Determining Claims under the Public Safety Employee Benefits Act (PSEBA).** The Public Safety Employee Benefits Act (PSEBA) was enacted in 1997 and serves an important role in protecting the well-being of public safety officers who have suffered extreme injury or death in the line of duty. The intent of the legislation aligns with the goals of all municipalities: to do what is right for severely or fatally injured employees. Unfortunately, determinations on eligibility for PSEBA benefits have been inconsistent due to the lack of a clear definition of a “catastrophic injury” as referenced in the act. This has led to awards that do not actually recognize a “catastrophic injury,” but are none-the-less costly to municipalities. As a result of recent case law, both Home Rule and Non-Home Rule communities have been granted legal authority to establish administrative procedures for assessing PSEBA claims, while simultaneously establishing the definition of “catastrophic injury.” The Rochelle Police Pension Board and Rochelle Fire Pension Board have both been advised of the City’s intent to adopt this ordinance. Motion made by Councilor Shaw-Dickey and seconded by Councilor Hayes, **“I move Ordinance 17-4747, an ordinance establishing an administrative procedure for assessing and determining claims under PSEBA, be approved.”** Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

6. **Resolution Approving a Grant Policy for the City of Rochelle.** The Grant Accountability and Transparency Act (GATA) for the State of Illinois was created this year to eliminate duplicative grant requirements and reduce administrative burdens while increasing accountability and transparency. The purpose of GATA is to provide for the development of a coordinated, non-redundant process for the provision of effective and efficient oversight of the selection and monitoring of grant recipients, ensuring quality programs, limiting fraud, waste and abuse, and defining the purpose, scope, applicability and responsibilities in the life cycle of a grant. Once fully-implemented, uniformity in grant processes across State agencies will result in decreased administrative burden for both grant-making agencies and the provider community. In order to achieve accountability and transparency, the overall goal of uniformity in the pre-award, award, and post award grant periods is centered on the following elements:
- Defining roles and responsibilities
 - Establishing uniform compatible policies and procedures across diverse grant programs
 - Developing and implementing uniform mechanisms to monitor, evaluate, and report the results
 - Reinforcing individual accountability through Budgeting for Results
 - Improving the capacity of smaller nonprofit organizations by addressing weaknesses in finances, administration and human labor resources through training and the use of approved fiscal agents
 - Implementing uniform administrative and reporting requirements to address the considerable resources that providers currently devote to responding to multiple reporting formats
 - Strengthening internal governance of nonprofits by providing training, consulting, and State grant certification programs for all applicants
 - Adopting Federal cost principles to provide data on the adequacy of overhead funding to nonprofit organizations

As per the standard questionnaires of the GATA there are certain policies and/or procedures that the City will need to implement over time. The policies and/or procedures will allow staff to provide supporting information during the application process or during the specific project duration. The City has registered with the State of Illinois and Chris Cardott, as the chief financial officer, is the portal administrator. Each department, regardless of the project application, must request access to the portal registration site. This will insure the necessary oversight and that departments are using the same Internal Controls Questionnaire (ICQ). The ICQ is updated each year by the portal administrator. Furthermore, each project application must be accompanied by a Programmatic Risk Assessment Questionnaire (PRAQ) which allows the reviewing agency to evaluate the programmatic risk of the applicant (City). The PRAQ is ultimately reviewed and signed by the City Manager or his designee before submitting the application package. These grantee pre-award requirements are mandated by Federal Uniform Guidance (2 CFR 200) and GATA. The most recent application for the Dement Road Extension Phase 2, from Creston Rd south to Wiscold Drive, utilized the new GATA requirements. IDOT is currently evaluating that application for EDP and TARP funding. Chris Cardott and Sam Tesreau were present to answer questions. Motion made by Councilor Hayes and seconded by Councilor D. McDermott, **"I move Resolution R17-13, a resolution approving a grant policy for the City of Rochelle, be approved."** Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

- 7) **Ordinance Approving a Revised Fund Balance Policy for the City of Rochelle.** On April 9, 2012, the City Council passed a Fund Balance Policy to establish a minimum level to be maintained to provide financial stability, cash flow for operations, and the assurance the City will be able to respond to emergencies with fiscal strength. The amended policy also sets an additional target cash and investment level of 15% of annual budgeted expenditures. If that target is not met, a three year plan to increase cash and investments will be created. (See III.1.d of the policy) Motion made by Councilor D. McDermott and seconded by Councilor Bearrows, **“I move Ordinance 17-4748, an ordinance approving a revised Fund Balance Policy for the City of Rochelle, be approved.”** Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw Dickey and Mayor Olson. Nays: None. Motion passed 7-0.
- 8) **Ordinance Amending Travel, Meal and Lodging Expenses Policy.** In 2016, Governor Rauner signed the Local Government Travel Expense Control Act into law (Public Act 099-0604). This law requires all non-home rule units of local government, including municipalities, school districts, special districts and community college districts, to regulate travel expenses at the board level. Thus, every covered unit of local government must adopt a resolution or ordinance that, at a minimum, contains the following provisions:
1. Allowed reimbursable activities (e.g., conference attendance, travel for business meetings, etc.);
 2. The maximum amount that the unit of local government will reimburse for travel, meal and lodging expenses, and
 3. A standardized form for documenting travel, meal or lodging expenses, as well as “the nature of the official business” for which reimbursement is sought.
- Travel, meal or lodging expenses may not be approved unless the minimum documentation requirements have been met. The attached policy amends the policy adopted in August 2017 to include pre-approved authorization by the City Manager for exceptions to the policy for reimbursements of meals. Motion made by Councilor Barrows and seconded by Councilor Burke, **“I move Ordinance 17-4749, an ordinance amending the travel, meal, and lodging expenses policy, be approved.”** Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw Dickey and Mayor Olson. Nays: None. Motion passed 7-0.
- 1) **Resolution Approving the Banking Services Proposal from Central Bank of Illinois.** On August 14, 2017, a Banking Services Request for Proposals (RFP) was distributed to the four local banks. The requested proposal was specific to the comingled account used by the City by all funds for payroll and accounts payable. The purpose was to identify the banking institution that can offer the highest quality service at the lowest cost. All four banks returned the RFP by the deadline of September 29, 2017. City staff reviewed the proposals and is recommending continuing banking services with Central Bank of Illinois. The interest rate quoted is .88% higher than the current rate which will increase the annual interest revenue by over \$100,000. Central Bank is also not charging any fees. Motion made by Councilor Hayes and seconded by Councilor Bearrows, **“I move Resolution R17-14, a resolution approving the Banking Services Proposal from Central Bank of Illinois, be approved.”** Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

- 2) **Joint State/Local EDP/TARP Agreement – South Main Street Improvements Phase II.** A request for Economic Development Program support was submitted through the City Manager's office in late 2015 to IDOT Bureau of Statewide Program Planning Chief, Jeff South, for the South Main Street truck route improvements and access as a result of the expansion the Rochelle Foods facility and resulting job creation/retention in Illinois. The Rochelle Foods facility is located along South Main Street immediately north of Steam Plant Road. A letter (encl. 1) was received in late 2015, from IDOT Secretary Randall Blankenhorn's office, approving EDP funds for the project subject to an EDP state/ local agency agreement and other conditions outlined in the letter. This portion of South Main Street, from Veterans Parkway to Steam Plant Road was identified on the City's 10 year Capital Improvement Plan as an infrastructure upgrade in 2008. According to the IDOT letter a state/local joint agreement must be fully executed prior to advertisement of this project for engineering or construction. IDOT District 2 Local Roads Engineers have worked with City staff to prepare the preliminary draft agreement (encl. 2). The agreement has been sent to IDOT's Springfield office for review and will not be finalized and signed until such time the LA approves the necessary resolutions and concurs with the draft agreement. The agreement is the mechanism for releasing funds and beginning the period in which the project must be under a construction contract. The construction project must be awarded and contracted by 3/31/2021. Furthermore, the "Local Agency (LA)", or the City of Rochelle, will need to pass a resolution defining the limits of the proposed 80,000 pound truck route and identifying the truck route class. This resolution (encl. 3) will be attached as exhibit D in the agreement for this particular truck route. The truck route will be established along South Main Street, from the intersection with Veterans Parkway to the intersection with Steam Plant Road, and along . Furthermore, this truck route shall be properly signed in accordance with the Illinois Manual on Uniform Traffic Control Devices. According to paragraph 12 (encl. 2) the initial Employee Reporting Form and the Local Agency/Company Agreement delineating the reporting requirements will be submitted as part of the agreement. The initial Employee Reporting Form has been provided by Rochelle Foods, LLC and Hormel Corporation and the Local Agency/Company Agreement will be executed by Rochelle Foods, before submittal to IDOT, once this agreement is approved. The documents will be attached as exhibit B and C in enclosure (2). The company is required to submit job creation progress reports for a period of 5 years from the execution of the agreement. Lastly, the South Main Street *improvements*, and other related expenses, have not been programmed into the current FY budget but will be programmed into a multi-year budget program, beginning FY19, to meet the City cost participation for the project. Any remaining expenses and balances over and above the maximum not to exceed EDP funding level will be borne by the City's local funds. Upon approval of the documents the EDP state/local agreement will be sent back to IDOT for their final review and final signatures. Please note this agreement is to be signed by the Mayor. If the agreement is to be approved by an appointed official, a resolution authorizing said appointed official to execute the agreement is required. Sam Tesreau was present to answer questions. Motion made by Councilor Hayes and seconded by Councilor D. McDermott, "I move the Council approve the State/Local EDP/TARP Agreement including Exhibits A, B, and C for the South Main Street Phase 2 Project and authorize the mayor to execute said agreement on behalf of the City." Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw Dickey and Mayor Olson. Nays: None. Motion passed 7-0. Motion made by Councilor Hayes and seconded by Councilor Burke, "I move Resolution R17-15, a resolution establishing a Class II Designated Truck Route along S. Main St. from Veterans Parkway to Steam Plant Road and along a portion of Steam Plant Road, be approved." Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

Discussion item.

EXECUTIVE SESSION: at 7:37 PM, Counselor barrels moved and seconded by Counselor Hayes, "I move the Council recess into executive session to discuss purchase or lease of real property for city use. Section(c) (5). Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

At 8:03 PM Counselor Shaw Dickey moved and seconded by Counselor Hayes, "I move the Council return to open session." Motion passed by both without dissent.

ADJOURNMENT: At 8:035 PM, moved by Counselor Bearrows and seconded by Counselor Shaw-Dickey. "I move the Council adjourn." Motion passed by voice vote without dissent.



Chet Olson, Mayor



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