

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
May 14, 2018**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Monday, May 14, 2018 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 Messer.

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, City Clerk Messer, Deputy Clerk Huéramo and City Attorney Lanzito.

PROCLAMATIONS, COMMENDATIONS, ETC:

- Public Works Week May 20-26, 2018
- Police Week May 13-19, 2018

REPORTS AND COMMUNICATIONS:

- Mayor
 - Appoint William Seimer as a Voting Member to the Airport Advisory Board Term 05/14/18-07/01/20. Moved by Councilor Hayes and seconded by Councilor Bearrows, "**I move the Council approve the appointment of William Seimer to the Airport Advisory Board as a voting member with a term of May 14, 2018-July 1, 2020.**" Motion passed by voice vote without dissent.
 - Appoint Robert Fordham as a Voting Member to the Railroad Advisory Board Term 05/14/18-07/01/19. Moved by Councilor Hayes and seconded by Councilor D. McDermott, "**I move the Council approve the appointment of Robert Fordham to the Railroad Advisory Board as a voting member with a term of May 14, 2018-July 1, 2019.**" Motion passed by voice vote without dissent.
 - Mayor complimented and thanked the Cinco de Mayo Committee.
- Council Members
 - Councilor Bearrows requested a moment of silence in honor of fallen police officers.
- Retirements - Ernie Goebel
Wayne Pelletier

PUBLIC COMMENTARY: Raegan Carmichael-Business item #4 parking vs plaza/pavilion.

BUSINESS ITEMS:

1) CONSENT AGENDA ITEMS BY OMNIBUS VOTE with Recommendations:

- a) Approve Minutes of City Council Meetings – 04/16/18, 04/23/18
- b) Accept and Place on File Minutes of Golf Course Advisory Committee – March 26, 2018
- c) Accept and Place on File Minutes of Airport Advisory Board – January 22, 2018
- d) Accept and Place on File Minutes of Planning and Zoning Commission – April 2, 2018
- e) Approve Exceptions – 04/18/18-05/07/18
- f) Approve Bills – 05/08/18
- g) Approve Payroll – 04/09/18-04/22/18
- h) Approve Change in Authorized Signature at Financial Institutions
- i) Approve Revised Resolution Authorizing Lincoln Highway Heritage Festival Parade – August 19, 2018
- j) Approve Ale on Lincoln Planning Committee Request – June 9, 2018
- k) Approve VFW Poppy Drive Request – May 26, 2018
- l) Approve Mexican Independence Celebration Request – September 15, 2018

Motion made by Councilor Burke and seconded by Councilor Bearrows, "**I move Consent Agenda Items (a) through (l) 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) **Well 10 Building Replacement Project.** Well 10, located on Southview Drive is a main supply well that is in need of rehabilitation to insure adequate supply for our water system. Design is complete for replacing the existing well house and pump and was done to accommodate a future radium removal plant if the need ever arises. Proposals for a new well house were received and opened on April 12th at 11:00 am at the Rochelle City Council Chambers. A total of 6 proposals were received and all proposals were submitted with the required bid security ranging from \$918,725 to \$1,108,750. Two addenda were issued for Contract 1 prior to the bid opening. The original cost estimate was \$1,000,000 including engineering, but the total project cost came in at \$1,204,830. The current cash balance in the water fund is \$5,000,000 with 1255 days liquidity. Adam Lanning was present to answer any questions. Motion made by Councilor Bearrows and seconded by Councilor Burke, **“I move the council accept the proposal from the lowest bidder and award the Well 10 Building Replacement Project to Larson & Larson Builders with a bid of \$918,725 and reject all other bids.”** 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) **Well 10 Pump Replacement Project.** As part of the Well 10 project, the pump and motor will also need to be replaced and was bid as a separate contract. A total of 4 bids were received ranging from \$150,605 to \$193,700 with 1 addenda issued prior to the bid opening on April 12th. The lowest bid came from Water Well Solutions, which have done work in Rochelle before. Adam Lanning was present to answer any questions. Motion made by Councilor Bearrows and seconded by Councilor Shaw-Dickey, **“I move the council accept the proposal from the lowest bidder and award the Well 10 Pump Replacement Project to Water Well Solutions with a bid of \$150,605 and reject all other bids.”** 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 Authorizing the Execution of a Non-Exclusive Easement, Defeasible Parking Easement With Storybook Gardens LLC.** The City has been working with a local property owner on a potential redevelopment of property located at 429 Lincoln Highway. As part of this development, the developer has concerns about losing valuable parking in the city owned lot directly east of the proposed venue. As a way to mitigate these concerns, staff and the City attorney have been working with the developers and their attorney on a non-exclusive parking easement that works for them and the City. If approved the easement will ensure that the parking area remains a public parking space available for public use. The technical terms of the proposal are as follows:
- The City is granting a non-exclusive, defeasible easement for parking to Storybook Gardens LLC.
 - Storybook will pay 100 dollars for the easement.
 - The City will still be able to host its events and add other events, which utilize the parking lots.
 - The two lots in question are 24-24-340-010 and 24-24-340-012 (east of the venue)
 - The easement is non-exclusive, so the parking lot can still be used by others.
 - The easement is needed in order to assist with the operation of the proposed wedding venue/banquet hall at 429 Lincoln Hwy.
 - Should Storybook fail to redevelop the furniture store as a wedding venue/banquet hall, then the easement is revoked.
 - Should Storybook fail to maintain operations for a time period longer than 90 days, then the easement is revoked.
- This project, coupled with other positive developments in our downtown area, will ensure our revitalization and branding efforts are successful. Jana Gruben was present to answer any questions. Motion made by Councilor T. McDermott and seconded by Councilor Burke, **“I move Resolution 18-15, a Resolution Authorizing the Execution of a Non-Exclusive, Defeasible Parking Easement with Storybook Gardens LLC, 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) **Resolution Approving a Redevelopment Agreement for the Real Estate Located at 413 W. 4th Avenue.** The City of Rochelle is the current property owner of real estate located at 413 W. 4th Avenue, Rochelle, Illinois which is located in the Downtown and Southern Gateway TIF District. A Request for Proposal (RPF) was made public and all eligible interested parties were interviewed. The proposal submitted by Storybook Gardens, LLC was selected to redevelop the property. Storybook Gardens, LLC intends to redevelop the property by modifying the building and potentially developing a boutique hotel and/or other authorized uses, including a restaurant, retail sales outlet, and commercial offices. The redevelopment of the property will require or involve: 1) the repair of the roof, 2) any reasonably required repair or replacement of the major mechanicals of the building, including electric, plumbing, HVAC and gas systems, 3) installation of a fire suppression system consistent with the intended use of the building as a boutique hotel or the other authorized uses, and 4) the modification of interior and exterior rooms, restrooms, surfaces, and methods of ingress and egress, to comply with all federal, state and local building codes and laws for the intended use as a boutique hotel or other authorized uses. Should Storybook Gardens, LLC fail to complete the redevelopment within three years or fail to meet the obligations under the Redevelopment Agreement, then the City may take all necessary actions to enforce this agreement or condemn the property. The purchase price of the property established in the Redevelopment Agreement is \$10,000. Michelle Pease and Jana Gruben were both present to answer any questions. Motion made by Councilor Burke and seconded by Councilor D. McDermott, **"I move Resolution 18-16, a Resolution Approving a Redevelopment Agreement with Storybook Gardens LLC for the Real Estate Located at 413 W. 4th Avenue, 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) **Updated Northern Gateway Tax Increment Financing (TIF) District Feasibility Study and Redevelopment Plan.** At the April 23rd City Council Meeting, the City passed the required ordinance under the TIF Statute which established the Interested Parties Registry, the Inducement Resolution and the Feasibility Resolution. Additionally, Moran Economic Development presented the eligibility/feasibility study and Northern Gateway Redevelopment Plan with the City Council based upon a proposed Redevelopment Area. The Mayor and Council agreed that parcels should be added to the Redevelopment Area, which ultimately would change the eligibility/feasibility study and Plan. Under direction from the Rochelle City Council, Moran Economic Development, LLC has amended the boundary area to include parcels recommended for inclusion by the Council. The amended eligibility/feasibility study and plan were altered to incorporate these changes. The area that is proposed for tax increment financing still encompasses parcels along IL Route-38, IL Route-251 and Flagg Rd. The area continues to qualify for tax increment financing. Michelle Pease was present to answer any questions. Motion made by Councilor Hayes and seconded by Councilor Burke, **"I move to place the TIF Redevelopment Plan & Feasibility Study on file (10 days)."** 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 to approve sending the TIF Redevelopment Plan & Feasibility Study to all affected taxing districts."** 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 Variance of the Rear Yard Setback and to Exceed Lot Coverage for Well 10 - 200 Southview Drive.** Well #10 was constructed in 1965 and is located at 200 Southview Drive. Well #10 is a major water supply well and is in need of replacement. The building and all equipment is beyond repair and design is complete with a bid opening held on April 12th for complete replacement of the building and all the equipment. The design was done to accommodate a future radium removal plant with the new building set within a footprint to allow an expansion without closing the existing well. The original well was constructed in the middle of the lot and the new plant and equipment is designed to be attached to the old equipment. To allow this type of construction RMU is asking for a variance to encroach 10 feet on the rear setback requirement of 20 feet to allow for a future addition of a radium treatment facility. (See sheet C-4). The proposed building was designed to match the surrounding architecture and will be a great improvement to the neighborhood. (See sheet A-3). In addition to the new building and equipment, the new facility will require daily monitoring and delivery of various materials along with maintenance of the facility. To allow this type of use the design requires additional paving on the East side of the building to accommodate deliveries and off street parking of equipment. This additional paving exceeds the one third allowable hard surfacing and structures on a residential lot (See sheet C-2) by 636 square feet. Willet Hoffman has provided detention areas within the lot to accommodate the increased volume of storm water runoff. The property is surrounded by Light Industry on the North and Residential R-2 on the South, East and West. The petitioner is requesting a variance to encroach on the building setback 10 feet and exceed the allowable lot coverage by 636 square feet. Under Section 110-101 a variance may be granted where practical difficulties or unusual hardships are determined to exist, but only after a public hearing has been duly advertised and held by the board of zoning appeals which may recommend such restrictions and conditions upon the premises benefitted by the variance as it considers necessary, so that the public health, safety and general welfare may be secured and substantial justice done. The Planning and Zoning Commission held a public hearing on May 7th to review the petition from Rochelle Municipal Utilities. After review of the facts, the Planning and Zoning Commission voted 4-0 to recommend to City Council approval of the variance of building setbacks and to exceed the allowable lot coverage by 636 square feet. Michelle Pease was present to answer any questions. Motion made by Councilor Hayes and seconded by Councilor Burke, **"I move Ordinance 18-4844, an Ordinance Approving a Variance of the Rear Yard Setback and to Exceed Lot Coverage for Well 10 at 200 Southview Drive, 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 Authorizing the Purchase Order and Financing Agreement for the Purchase of One Cardiac Monitor Capable of Defibrillation and the Disposal of One Malfunction Cardiac Monitor for Trade-In Value.** The Fire Department is requesting permission to purchase a Zoll 12-Lead Cardiac Monitor. This purchase will replace a Physio-Control Lifepak 12 12-Lead cardiac monitor that was damaged during a call and is now non-functional. Due to the age of the device, we have been unable to have the cardiac monitor serviced by any certified technician, including Physio-Control. We have been using a 3-lead cardiac monitor in place of the broken device; however, many important cardiac conditions and treatments rely on the conduct and assessment of a 12-Lead Cardiac Rhythm, as dictated by our IDPH Region 1 Standard Medical Orders. Our Zoll sales representative is willing to extend us terms that will allow us to make a moderate payment in this budget year, with the remaining portion of the purchase price in the 2019 budget year. They are also willing to take our non-functional cardiac monitor as a trade-in. Fire Chief David Sawlsville was present to answer any questions. Motion made by Councilor Burke and Councilor D. McDermott, **"I move Ordinance 18-4845, an Ordinance Authorizing the Purchase Order and Financing Agreement for the Purchase of One Cardiac Monitor Capable of Defibrillation and the Disposal of Once Malfunctioning Cardiac Monitor for Trade-In Value, 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.

- 9) **Proposal for Classification and Compensation Study from AJ Gallagher.** On February 21st an RFP for Classification and Compensation Study was submitted to five (5) companies. We received three (3) proposals back by the deadline of March 30th. Two (2) of the three (3) had fees over, but within range of, our budgeted amount of \$30,000. Reference interviews were conducted on those two (2) companies by our intern Jake Peters. Followed by phone interviews with representatives from each company conducted by the City Manager and Nancy Bingham. After further discussion certain work would be performed by city staff/intern to bring the fees within budget. The staff would verify questions identified by the consultants in the position description questionnaires; provide contact information of survey participants and conduct the survey follow-up. The Classification and Compensation Study project for non-union positions will take approximately 16 weeks to complete. This will include positions held by approximately 50 individuals. There will be meetings with both management and staff to complete the project. Questionnaires will be completed, interviews conducted and data will be reviewed and analyzed to recommend the classification structure (including FSLA status) using the application of the "Decision Band Method". Surveys will be conducted, benchmarking identified and competitive analysis performed to recommend the pay structure. The job descriptions will be reviewed and updated to include soft skills. This will all be included in a final report and presentation. Training will also be provided to staff for necessary tools to maintain the system. During this process the organizational chart will be updated and include a detailed org chart by department. The recommendation to accept proposal from AJ Gallagher is based on reputation, references and the project approach and methodology. Nancy Bingham was present to answer any questions. Motion made by Councilor Bearrows and seconded by Shaw-Dickey, **"I move council to accept the proposal from AJ Gallagher for a Classification and Compensation Study at cost of \$30,000."** Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.
- 10) **Ordinance Approving Land Lease Agreement between the City of Rochelle and LAMAR Companies.** On May 9, 2011, the City Council approved the assignment of two land lease agreements between Prologis and CBS Outdoor Signs to the City of Rochelle. One sign is located on the City Industrial Rail right of way along the edge of I-88; the other sign is located east of Caron Road inside the City's 50 ft. right of way. These signs were purchased by LAMAR Companies in the fall of 2017. Both agreements have expired as of May 1, 2018 therefore, a new lease agreement is necessary. The term of the two agreements is for five years for a combined total lease amount of \$8,082.00 per year. The amount received from the land lease goes to the Economic Development department marketing fund. Adriana Milan was present to answer any questions. Motion was made by Councilor Burke and seconded by Councilor D. McDermott, **"I move Ordinance 18-4846, an Ordinance Approving Sign Location Lease Agreements between the City of Rochelle and LAMAR Companies for Locations #34059-01 and #34058-01 for a combined annual lease amount of \$8,082, 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.

11) **Ordinance Amending Article IV, Section 2-264 of the Municipal Code Entitled “An Early Separation Incentive Program for Certain Employees of the City of Rochelle.”** When the last early separation incentive was offered the minimum age approved was sixty (60) and the years of accumulated service were fifteen (15). At the time, staff had discussed the idea of lowering the eligibility age to 55. However, it was decided that the best course of action at the time was limiting the program to the previously approved parameters. Since the last plan was approved, the City/RMU has had 6 out of the nine eligible employees participate. The 6 positions will not be replaced for a total savings of approximately \$900,000 over the next two years. I have been approached by numerous employees who would like us to consider another early separation plan. These particular employees would have opted into the last plan, but could not due to the minimum age requirements. Under the new plan, the City would offer the same two years of insurance, but the age requirement would be dropped to 55 and the years of accumulated service would be dropped to 12. There are 16 employees who are eligible to participate. Of those who are eligible, 3 are public safety and would need to be replaced, but with an employee at a lower rate of compensation. Although the public safety employees would need to be replaced there is still some nominal savings associated with these respective departments. For the fire department, the savings would be between \$16,000 and \$25,000 for the first year depending upon which insurance coverages the new employee opted into. It is also important to note that the new employee will be a Tier 2 pension employee. These cost savings will be realized long-term for the City. The savings associated within the police department would be between \$10,000-\$20,000 annually depending upon which insurance option the new employee chooses to take. Another important note is any new employee hired would fall under the new (higher) health insurance contributions negotiated in the FOP contract. Again these assumptions are based the idea that those who are eligible to participate will. The breakdown of qualified employees in the other departments are as follows:

- City Hall-2
- Streets-2
- Community Development/Chamber-2
- Water/Water Reclamation –2
- Electric Distribution/Generation-4
- Utility Billing-1

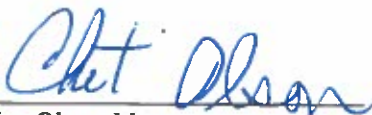
Within these respective departments, those qualifying positions will be consolidated into other positions, replaced with part-time personnel or replaced in full after the two-year insurance plan has ended. The savings vary by department and I can provide specific numbers if you let me know prior to the council meeting. If approved the plan will go into effect immediately with an enrollment period effective upon passage of this ordinance through December 31, 2018. The date of any employee’s separation under this program shall be no later than April 1, 2019. Enrolled employees must agree to utilize and exhaust any accrued and unused vacation time such that no employee may receive payment for any vacation time. Motion made by Councilor D. McDermott and seconded by Councilor Burke, **“I move Ordinance 18-4847, an Ordinance Amending Article IV, Section 2-264 of the Municipal Code Entitled, “An Early Separation Incentive Program for Certain Employees of 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.

DISCUSSION ITEMS: None

EXECUTIVE SESSION: at 8:14 PM, Councilor Shaw-Dickey moved and seconded by Councilor D. McDermott, “I move the Council recess into executive session to discuss setting of a price for sale or lease of property owned by the City, Section (c) (6), and to discuss the minutes of executive session lawfully closed under this act for approval of minutes or semi-annual review of the minutes as mandates, Section (6) (21).” 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 8:55 PM, moved by Councilor D. McDermott and seconded by Bearrows, **“I move the Council return to open session.”** Motion passes by voice vote without dissent.

ADJOURNMENT: At 8:56 PM, moved by Councilor D. McDermott and seconded by Councilor T. McDermott. **“I move the Council adjourn.”** Motion passed by voice vote without dissent.



Chet Olson, Mayor



Susan L. Messer
City Clerk, City of Rochelle