

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
March 11, 2019**

The Rochelle City Council met in Regular Session at 6:30 p.m. on Monday, March 11, 2019 in the Council Chambers of City Hall; 420 N. 6th Street; Rochelle, IL 61068.

PLEDGE TO THE FLAG & PRAYER: Prayer was said by City Clerk Sue Messer.

ROLL CALL: Present on Roll Call was Councilmembers Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Olson. A quorum of seven were present. Also present were City Manager Fiegenschuh, City Clerk Messer and City Attorney Lanzito.

PROCLAMATIONS, COMMENDATIONS, ETC: Proclamation National Vietnam War Veterans Day-Lydia Roberts spoke about an upcoming event recognizing Vietnam War Veterans Day.

REPORTS AND COMMUNICATIONS:

- Mayor
 - Appointment of Dale Meyers as a Voting Member to the Railroad Advisory Board with a Term 03/11/19-07/01/19. Motion made by Councilor D. McDermott and seconded by Councilor Bearrows, **I move the council approve the Mayor's appointment of Dale Meyers as a Voting Member to the Railroad Advisory Board with a term of March 11, 2019- July 1, 2019.** Roll call vote was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.
- Council Members – Councilman Bearrows- Applauded the great job on the Hooley and commended the parade.
- Remarkable Resident Presentation-Sandy Sullivan
- Good News Award
 - Administrative Services
 - RMU Customer Service
- Employee Introduction - Pat Brust
- Employee Retirement - Olie Warning

PUBLIC COMMENTARY: None.

BUSINESS ITEMS:

1) CONSENT AGENDA ITEMS BY OMNIBUS VOTE with Recommendations:

- a) Approve Minutes of City Council Meeting – February 25, 2019
- b) Accept and Place on File Minutes of Railroad Advisory Board – October 25, 2018
- c) Accept and Place on File Minutes of Golf Course Advisory Committee – December 3, 2018
- d) Accept and Place on File Minutes of Planning & Zoning Commission – January 7, 2019
- e) Approve Exceptions – 2/20/19-3/4/19
- f) Approve Bills – 3/5/19
- g) Approve Payroll – 2/11/19-2/24/19
- h) Accept and Place on File Annual Police Department Report
- i) Accept and Place on File Annual Community Development Department Report

Motion made by Councilor Burke and seconded by Councilor Shaw-Dickey **“I move consent agenda items (a) through (i) be approved by Omnibus vote as recommended.”** Roll call vote was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

- 2) **Ordinance Adopting a Tax Increment Financing (TIF) Policy Pertaining to the Use of TIF Funds to Promote the Development of the City of Rochelle.** Recently, a third Tax Increment Financing (TIF) District was created in Rochelle to promote economic development and redevelopment goals within defined areas of the city. In following best practices and sound financial management, staff recommended a procedure establishing criteria to measure future requests for TIF assistance. To outline and complement the parameters set by Finance and Community Development for the administration of the City's TIF Districts, a Tax Increment Financing (TIF) Assistance Policy, Tax Increment Financing (TIF) Assistance Application, and Tax Increment Financing (TIF) Assistance Checklist were developed. Providing an application for developers to follow allows staff and Council to review requests for TIF assistance in an organized, fair, and transparent manner. A TIF Review Committee will evaluate all applications for TIF assistance. The group will solicit input from other staff, legal counsel, and consultants during the review process, as necessary. Members of the TIF Review Committee: Jeff Fiegenschuh (City Manager), Chet Olson (Mayor), (1) City Council, Chris Cardott (Finance Director), Michelle Pease (Community Development Director), and Peggy Friday (City Manager Designee). Peggy Friday was available to answer questions. Motion made by Councilor Hayes and seconded by Councilor Shaw-Dickey, **"I move Ordinance 19-4979, an Ordinance Adopting a Tax Increment Financing (TIF) Policy Pertaining to the Use of TIF Funds to Promote the Development of the City of Rochelle, be approved."** Roll call was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.
- 3) **Ordinance Approving a Variance of Signage Allowed for Hub City Development Lot 2 – 300 Steward Road.** Hub City Development has entered into a purchase agreement with Johnson Tractor as part of the subdivision approval back in October 2018. Johnson tractor is asking for a variance of the sign ordinance to allow 3 ground pylon signs. One pylon sign located on the northeast edge of the property at a height of 12 feet visible on I-88, one pylon sign located at the entrance off of Steward Road at a height of 28 feet, and an additional pylon sign at the second entrance off of Steward Road at a height of 29 feet. 2 of the signs will display Case Johnson tractor with the other sign displaying Kubota Johnson tractor. The property is surrounded by B-2 Commercial Highway on the East and West, I-88 on the North, and Agriculture on the south. The City of Rochelle sign ordinance allows for one ground pylon sign at a maximum height of 26 feet. City council in the past after a recommendation from the PZC has allowed additional ground pylon signs with a height variance over the allowed 26 feet for property fronting a highway. For example, Love's travel stops at a height of 50 feet with an additional pylon sign of 25 feet. The allowable signage is 300 sq. feet for property having more than 400 feet of street frontage. This property should be considered to have two frontages on Steward Road and I-88 allowing 600 square feet of signage. The proposed signage is 24 square feet over the allowable signage for the frontages of the property without considering additional building or canopy signage on the property. Staff asked that the petitioner apply to the Federal Aviation Association (FAA) for permission to allow these signs in the City Aviation Easement. The FAA has approved the application. Under Section 110-677 a variance may be recommended by the zoning board and granted by city council where a literal application of this article would create a hardship for the applicant. In such case, the following criteria shall be followed:
- The granting of the requested variance would not be materially detrimental to the property owners in the vicinity.
 - The hardship caused the applicant under a literal interpretation of this article is due to conditions unique to that property and does not apply generally to the city.
 - The granting of the variance would not be contrary to the general objective of this article.
 - Special conditions may be added to carry out the spirit and purpose of this article in the public interest.
- The City of Rochelle Planning and Zoning Commission held a public hearing on March 4, 2019 to review the petition from Hub City Development. After review of the facts, the Planning and Zoning Commission recommends to City Council, by a vote of 4 to 1, that the City approve the variance of signs and consider the property to have 2 frontages for the increase in allowable signage square footage of 600 square feet with an additional variance of 200 square feet to cover the building signage for a total of 800 square feet of allowable signage. Michelle Pease was available to answer questions. Motion made by Councilor Hayes and seconded by Councilor Burke, **"I move Ordinance 19-4980, an Ordinance Approving a Variance of Signage Allowed for Hub City Development Lot 2 – 300 Steward Road, be approved."** Roll call was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

- 4) **Resolution Authorizing the Reimbursement of Certain Monies to Bright Farms, Inc., towards the Purchase of a Water Filter System.** During routine maintenance of the water system or during emergencies situations within the system, well 8 has been used as a backup for water supply. Unfortunately, this well has issues with high iron. Over the course of the past year, the City has worked with Bright Farms to alleviate issues that the high iron in the water is causing with their ultraviolet system. For the past several months, the City has paid a rental fee for a new filtration system that Bright Farms is using that filters out the iron from the water. Currently Bright Farms is looking to expand, but their corporate team has concerns about future issues with this well. Two weeks ago, they approached Mayor Olson and staff about reimbursing the company for the costs of purchasing and permanently installing the filtration system. Bright Farms claims that the system has worked, and they have not had any issues when well 8 runs. As you know, Bright Farms is a great corporate partner and valuable member of the Rochelle community. Although well 8 is now out of operation and will not be used again until it is rehabilitated, staff feels this agreement constitutes a good faith effort on behalf of the City to assist Bright Farms with some of their ongoing concerns. If approved the agreement is for an amount not to exceed \$65,000 and will be on a reimbursement basis. The agreement stipulates that this is the only assistance the City will participate in. Once the agreement is approved, the City will reimburse the company when verification is received that the filter is paid for and permanently installed. City Manager, Jeff Fiegenschuh was available to answer questions. Motion made by Councilor Shaw-Dickey and second by Councilor D. McDermott, **“I move Resolution 19-17, a Resolution Authorizing the Reimbursement of Certain Monies to Bright Farms, Inc., towards the Purchase of a Water Filter System in an amount not to exceed \$65,000, be approved.”** Roll call was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.
- 5) **Preliminary and Construction Engineering Services Agreement Phase 2 for Improvements along Steward Rd relating to the Loves Travel Stop Development and Lots 1 and 2 of the Steward Road Commercial Development and Final Plat.** As part of the Love’s Development agreement it was agreed that Steward Road would be widened to accommodate a three-lane pavement section with shoulder and/or curb as required. Furthermore, the agreement provides for reimbursement to the City for costs and expenses associated with construction and engineering services in the design, construction and widening of Steward Road along the Love’s I-88 Subdivision frontage. Construction began on Steward Road in October of 2018 and will continue in the Spring of 2019 until completion. In November of 2018 an amended annexation agreement, with Hub City Development LLC, for a proposed subdivision along Steward Road and immediately east of the Love’s I-88 Subdivision, was approved by City Council. Shortly thereafter final plats of the Steward Road Commercial Subdivision were approved by the Planning and Zoning Commission and City Council subject to conditions. Per section 5 of the amended agreement, Hub City will reimburse the City for all costs and expenses associated with the improvements and widening of Steward Road at Lot 1 by December 31, 2019. However, the agreement stipulates the City will incur the cost associated with improvement and widening of Steward Road at Lot 2 of the Steward Road Commercial Subdivision. The City’s costs associated with the improvement and widening of Steward Road, along the frontage of Lot 2, is estimated at \$340,000. The improvement and widening of Steward Road does not include any pedestrian paths or other utility construction such as sanitary sewer or watermain installations. Those improvements will be at the expense of the Hub City developer at a later date. Willett Hofmann and Associates, who has developed the original plans for Steward Road, has submitted a proposal for a Preliminary Engineering and Construction Engineering Services Agreement Phase 2 for all of Steward Rd improvements from IL Rte 251 to approximately 2800’ east of IL Rte 251 near Alpha Road. Approval of these engineering services agreement will allow the phase 2 plans to be developed and added to the original construction contract with William Charles Construction Company. Furthermore, with City Council approval, the improvements along the frontage of Lots 1 and 2 will be negotiated and added to the existing contract with William Charles Construction for the Steward Road improvements. This contract was awarded to William Charles Construction in September 2018 through a competitive bid process. Performing the construction work now will provide a significant cost savings as opposed to delaying the additional construction along Lot 1 and 2 to a later date when Lot 2 develops. Sam Tesreau was available to answer questions. Motion made by Councilor D. McDermott and second by Councilor Burke, **“I move Council approve a Preliminary and Construction Engineering Services Agreement with Willett Hofmann for Phase 2 improvements along Steward Rd relating to the Loves Travel Stop Development and Lots 1 and 2 of the Steward Road Commercial Development and Final Plat at an estimated cost not to exceed \$93,900.”** Roll call was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

- 6) **Resolutions Approving the Award of the Low Bidder, Authorizing the Execution of an Inter-Governmental Agreement with the Illinois Department of Transportation and Authorizing the Payment of the City of Rochelle's Local Share for the Taxiway Reconstruction Project No. RPJ-4617.** The Illinois Department of Transportation (IDOT) has determined, through pavement hardness evaluations studies that the taxiway used to access Hanger Rows A, B, C, D (TH/1 and TH/ 1/1) required rehabilitation (Federal Project No. 3-17-SBGP-133/139, IL Project No. RPJ-4617). The Federal and State will fund 95% of this \$253,620 project. The City's 5% share for this project will be \$12,531 and has been included and approved in the 2019 Budget. To expedite the construction process there are two agreements that need to be signed, awarding of the contract to the low bidder and a participation agreement between IDOT and Rochelle. In addition, a check for the local share of \$12,531 must accompany these agreements. Mike Hudetz was available to answer questions. Motion made by Councilor D. McDermott and second by Councilor Burke, **"I move Resolution 19-18, a Resolution Authorizing the City Manager to Execute and Deliver Notice to the Illinois Division of Aeronautics Approving the Award of the Low Bidder to Martin & Company Excavating in the amount of \$166,064.18, be approved."** Roll call was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0. Motion made by Councilor D. McDermott and second by Councilor Bearrows, **"I move Resolution 19-19, a Resolution Authorizing the City Manager to Execute an Inter-Governmental Agreement for Illinois Project No. RPF-4617, the taxiway reconstruction project, be approved."** Roll call was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0. Motion made by Councilor D. McDermott and second by Councilor Shaw-Dickey, **"I move Resolution 19-20, a Resolution Authorizing the Payment of the City of Rochelle's Local Share for Illinois Project No. RPJ-4617 in the amount of \$12,531 to the State of Illinois, be approved."** Roll call was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.
- 7) **Agreement with Strategic Rail Finance to Provide Advisory Services and Prepare a Capital Access Strategy for Future Rail Expansion.** Over the past 32 years the City of Rochelle Railroad (CIR) has undergone many expansions to meet the need of a growing industrial base. Today fifteen industries, over an area consisting of ~500 acres, are served by the CIR system. The next rail expansion will open nearly 1,000 acres to rail service. GREDCO and the City have successfully secured the land for the rail right of way and RMU has invested millions of dollars to extend water, sewer, power and fiber into the center of this development. Now the City needs to identify how to fund the expansion of the CIR, so rail service can be extended to these 1,000 acres. This is going to require identifying grants and/or loans through public and/or private resources. City Manager, Jeff Fiegenschuh was available to answer questions. Motion made by Councilor D. McDermott and seconded by Councilor Hayes, **"I move Council approve an Agreement with Strategic Rail Finance to provide advisory services and prepare a capital access strategy for future rail expansion in an amount not to exceed \$37,000."** Roll call was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

DISCUSSION ITEM: Rochelle Energy LLC would like to invest \$500,000 or more in its facility. In order to justify the expenditure, Rochelle Energy LLC would like to extend its current contract with the City. The City Manager has reviewed the past 6 months of bills from Rochelle Energy Center LLC and the associated Kw costs. Based on our overall power consumption, and dependent upon the month, Rochelle Energy LLC constitutes less than 5% of our power purchase costs in 2018. Representatives Wes Lawrence and David Wentworth from Rochelle Energy LLC attended the meeting to discuss the extension of the contract. A proposal will be brought to Council March 25, 2019.

ADJOURNMENT: At 7:47 PM, moved by Councilor Bearrows and seconded by Councilor D. McDermott. **"I move the Council adjourn."** Motion passed by voice vote without dissent.

Chet Olson, Mayor

Susan L. Messer
City Clerk of Rochelle