

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
March 25, 2019**

The Rochelle City Council met in Regular Session at 6:30 p.m. on Monday, March 25, 2019 in the Council Chambers of City Hall; 420 N. 6th Street; Rochelle, IL 61068.

PLEDGE TO THE FLAG & PRAYER: Prayer was said by Deputy City Clerk Rose Huéramo.

ROLL CALL: Present on Roll Call was Councilmembers Bearrows, Burke, Hayes, D. McDermott, T. McDermott and Mayor Olson. A quorum of six were present. Also present were City Manager Fiegenschuh and Deputy City Clerk Huéramo.

PROCLAMATIONS, COMMENDATIONS, ETC:

REPORTS AND COMMUNICATIONS:

- Mayor – Congratulated Lori Hammelman, Rochelle News-Leader Editor for her next adventures, thanked her for the many years of assistance to the City of Rochelle.
- Council Members

PUBLIC COMMENTARY: None.

BUSINESS ITEMS:

1) CONSENT AGENDA ITEMS BY OMNIBUS VOTE with Recommendations:

- a) Approve Minutes of City Council Meeting – March 11, 2019
- b) Accept and Place on File Golf Course Advisory Committee Minutes – 02/25/19
- c) Approve Exceptions – 03/06/19-03/18/19
- d) Approve Bills – 03/19/19
- e) Approve Payroll – 02/25/19-03/10/19
- f) Accept and Place on File Budget Summary Month Ending 02/28/19

Motion made by Councilor Bearrows and seconded by Councilor Hayes **“I move consent agenda items (a) through (f) be approved by Omnibus vote as recommended.”** Roll call vote was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 6-0.

- 2) **Ordinance Amending Section 6-46 of the Municipal Code of the City of Rochelle to Delete One R-3 Liquor License - Guodraw Entertainment Team, Inc. d/b/a The Flight Deck Bar and Grill.** Guodraw Entertainment Team, Inc., d/b/a The Flight Deck Bar and Grill at 1207 West Gurler Road in Rochelle has notified the City that they plan to surrender their liquor license effective March 26, 2019. AKICK, LLC d/b/a Flight Deck Bar and Grill has submitted an application for a Class R-3 liquor license at the same location. The Class R-3 liquor license allows for the retail sale of alcoholic liquor by restaurants, with a bar, for consumption on the premises. The Liquor Commissioner, Mayor Olson, has reviewed the application and has no objection to the deletion of a Class R-3 liquor license for Guodraw Entertainment Team, Inc. and the creation of a Class R-3 liquor license for AKICK, LLC d/b/a Flight Deck Bar and Grill. These actions will result in a total of eight Class R-3 liquor licenses in the City of Rochelle. City Manager, Jeff Fiegenschuh was available to answer questions. Motion made by Councilor Hayes and seconded by Councilor Burke, **“I move Ordinance 19-4986, an Ordinance Amending Section 6-46 of the Municipal Code of the City of Rochelle to Delete One R-3 Liquor License – Guodraw Entertainment Team, Inc. d/b/a The Flight Deck Bar and Grill, be approved.”** Roll call vote was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 6-0.
- 3) **Ordinance Amending Section 6-46 of the Municipal Code of the City of Rochelle to Create One R-3 Liquor License – AKICK, LLC d/b/a Flight Deck Bar and Grill.** City Manager, Jeff Fiegenschuh was available to answer questions. Motion made by Councilor T. McDermott and seconded by Councilor Bearrows, **“I move Ordinance 19-4987, an Ordinance Amending Section 6-46 of the Municipal Code of the City of Rochelle to Create One R-3 Liquor License – AKICK, LLC d/b/a Flight Deck Bar and Grill, be approved.”** Roll call vote was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 6-0.

- 4) **Resolution Approving the First Amendment to a Power Purchase Agreement between the City of Rochelle and Rochelle Energy, LLC.** The City of Rochelle entered into a Power Purchase Agreement with Rochelle Energy LLC on August 10, 2010. As a result, the City agreed to purchase electric power and environmental attributes (such as renewable energy credits) generated at the plant. The current agreement will expire on August 10, 2022. Rochelle Energy LLC has requested the current purchase power agreement be extended through August 10, 2027 in order to fund additional capital investments at the facility. Rochelle Energy LLC has also agreed to use reasonable commercial efforts to increase the Energy Center's output up to 4.9 MWh. The energy they produce increases our renewable portfolio and goes directly onto our distribution system, thus lowering our transmission costs. They also produce power during our peak demand days, again lowering our transmission costs. I included a copy of the power point presentation from the previous city council meeting. City Manager, Jeff Fiegenschuh was available to answer questions. Motion made by Councilor Bearrows and second by Councilor Hayes, "**I move Resolution 19-21, a Resolution Approving the First Amendment to a Power Purchase Agreement between the City of Rochelle and Rochelle Energy, LLC, be approved.**" Roll call vote was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 6-0.

- 5) **Collective Bargaining Agreement between the City of Rochelle and the IBEW (International Brotherhood of Electrical Workers) Divisions of Street and Cemetery May 1, 2019 through April 30, 2022.** The current collective bargaining agreement with the IBEW-Streets Division is set to expire on May 1, 2019. Our team met with the IBEW in February to negotiate a new agreement. Our teams reached a tentative agreement for the entire package that has been ratified by the members of the collective bargaining group and is now ready for council approval. The proposal represents a good compromise, where both sides gave and received concessions. Attached to this staff report is the redlined tentative agreement with the new provisions. Most of the provisions from the current agreement carried over into the new one. Below is a brief summary of the major changes to the current agreement that expires on May 1. City Manager, Jeff Fiegenschuh and Human Resource, Nancy Bingham were available to answer questions. Motion made by Councilor Hayes and second by Councilor Burke, "**I move Council approve a Collective Bargaining Agreement between the City of Rochelle and the IBEW (International Brotherhood of Electrical Workers) Divisions of Street and Cemetery May 1, 2019 through April 30, 2022.**" Roll call vote was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 6-0.

- 6) **Resolution Authorizing the City Manager to Execute an Amendment to the December 13, 2016 Development Agreement with Prescott Brothers Ford.** On December 13, 2016, the City entered into a Development Agreement with Prescott Properties, LLC for the development of the commercial property located at 620 S 7th Street, Rochelle, Illinois for use as an automobile dealership. Prescott Properties, LLC intends to develop an additional parking lot area to expand the operations. To offer economic incentives to Prescott Properties, LLC, financial incentives in the form of an Extended Sales Tax Rebate set forth in the December 13, 2016 Development Agreement shall be extended for an additional one (1) year to make the development financially feasible. A revision of the December 13, 2016 Development Agreement is required. Michelle Pease was available to answer questions. Motion made by Councilor D. McDermott and second by Councilor T. McDermott, "**I move Resolution 19-22, a Resolution Authorizing the City Manager to Execute an Amendment to the December 13, 2016 Development Agreement with Prescott Brothers Ford, be approved.**" Roll call vote was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 6-0.

- 7) **Ordinance Amending Certain Sections of the City of Rochelle's Administrative Procedure for Assessing and Determining Claims Under 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. In 2017 both Home Rule and Non-Home Rule communities were granted legal authority to establish administrative procedures for assessing PSEBA claims, while simultaneously establishing the definition of "catastrophic injury." As a result, the Illinois Municipal League (IML) provided communities with a model ordinance to adopt. On October 10, 2017 the Mayor and City Council approved an Ordinance Establishing an Administrative Procedure for Assessing and Determining Claims under the Public Safety Employee Benefits Act (PSEBA). In February we received information from the IML regarding a proposed amendment to the PSEBA ordinance. This amendment addresses challenges to the model ordinance filed in other jurisdictions. The proposed amendment includes provisions that clarify the health plan benefit and ongoing eligibility issues to further limit exposure to expenses that are not mandated by PSEBA. The Rochelle Police Pension Board and Rochelle Fire Pension Board have both been advised of the City's intent to adopt this ordinance. Jeff Fiegenschuh was available to answer questions. Motion made by Councilor Hayes and seconded by Councilor Burke, "**I move Ordinance 19-4989, an Ordinance Amending Certain Sections of the City of Rochelle's Administrative Procedure for Assessing and Determining Claims Under PSEBA, be approved.**" Roll call vote was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 6-0.
- 8) **Resolution Regarding Gaming Revenue Funds from the Video Gaming Act to be dedicated toward City of Rochelle's Police Officers' Pension and Firefighters' Pension Funds.** Pension fund revenues are made up of three sources: employer contributions, employee contributions, and investment income. The employer contributions, calculated by an independent actuary, is based upon benefit levels, demographics, and investment returns. The fund remits monthly benefit payments to the City's retired or disabled police officers and firefighters, or their surviving beneficiaries. According to the independent actuary, the Police Pension Fund is 63.95% funded in total and the Fire Pension Fund is 63.56%. These funding ratios measure the funds' ability today (given current assets, investment assumptions and contribution rates) to meet the current and future pension obligations. P.A. 96-1495, which went into effect January 1, 2011, changed the funding methodology for police and fire pension funds and added a penalty for delinquent municipal pension contributions. Downstate Police and Fire funds are now required to be 90% funded by the end of FY 2040. The City of Rochelle passed its own pension funding policy in 2012 to be 100% funded by the end of FY 2040. Since 2009, the total pension levy has risen 504% from \$178,194 to \$898,447. To slow the rising cost of the pensions to the taxpayers, staff recommends pledging Video Gaming Revenues beginning in 2020 allocated 50% to Police Pension and 50% to Fire Pension. Video Gaming Revenues are included in the General Fund and are approximately \$145,000. This is in addition to the property tax levy used to fund the City's employer contribution to the funds on an annual basis. The savings on interest for the unfunded liability is estimated to be \$2.3 million for each fund. City Manager, Jeff Fiegenschuh was available to answer questions. Motion made by Councilor Hayes and seconded by Councilor Burke, "**I move Resolution 19-23, a Resolution Regarding Gaming Revenue Funds from the Video Gaming Act to be dedicated toward City of Rochelle's Police Officers' Pension and Firefighters' Pension Funds, be approved.**" Roll call vote was taken. Ayes: Councilor Bearrows, Burke, Hayes, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 6-0.

DISCUSSION ITEM: Drew Kellogg from Enterprise Fleet Management gave a presentation to discuss a replacement plan option. Over the past several months City staff have been evaluating options to reduce rising costs to the City's fleet of light duty vehicles. Currently there are just over 30 non-emergency vehicles and approximately 15 emergency vehicles within the City, including all RMU light duty vehicles. Nearly 60% of the City's non-emergency fleet is over 10 years old. Fleets of this age are associated with significantly higher maintenance cost, higher fuel costs, increased down time, and over all higher costs of ownership. It is the City's goal to reduce the total cost of ownership with its light duty vehicle fleet by purchasing vehicles at the best possible price, reducing maintenance costs and down time, improving fuel mileage, and maximizing the equity of each vehicle at the time of resale.

ADJOURNMENT: At 7:35 PM, moved by Councilor D. McDermott and seconded by Councilor Burke. "**I move the Council adjourn.**" Motion passed by voice vote without dissent.