

**ROCHELLE CITY COUNCIL  
REGULAR COUNCIL MEETING MINUTES  
July 13, 2020**

The Rochelle City Council met in Regular Session at 6:30 p.m. on Monday, July 13, 2020 in the Council Chambers of City Hall; 420 N. 6<sup>th</sup> Street; Rochelle, IL 61068.

**PLEDGE TO THE FLAG & PRAYER:** The pledge and prayer was led by Deputy Clerk Rose Huéramo.

**ROLL CALL:** Mayor - Mayor - On March 16th, due to the COVID-19 pandemic, Governor Pritzker suspended the in-person attendance requirement for public meetings allowing public bodies to conduct meetings electronically without having to comply with the physical quorum requirements or the conditions for participating electronically in a meeting. On March 31st Governor Pritzker extended the order until April 30th. On May 29th Governor Pritzker extended the order until June 27th. On June 26th Governor Pritzker extended the order through July 25th. As a result, Councilwoman Kate Shaw-Dickey and Councilman Bil Hayes have notified the City Clerk of their desire to participate remotely. Unless there is a motion objecting to their attendance, the request of the council members will be deemed approved. Present on Roll Call were Councilmembers Burke, Gruben, T. McDermott, D. McDermott, and Mayor Bearrows and Councilmembers Shaw-Dickey, and Hayes attended remotely. Absent: None. A quorum of seven were present. Also present were City Manager Jeff Fiegenschuh, City Attorney Dominick Lanzito and Deputy Clerk Rose Huéramo.

**PROCLAMATIONS, COMMENDATIONS, ETC:** None

**REPORTS AND COMMUNICATIONS:**

- Mayor – Reminds the community on COVID precautions.
  - Appoint Dale Myers to the Airport Advisory Board as a non-voting member at large with a term of July 13, 2020-July 1, 2023. Motion made by Councilor T. McDermott and seconded Councilor D. McDermott, **“I move the council approve the Mayor’s appointment of Dale Myers to the Airport Advisory Board as a non-voting member at large with a term of July 13, 2020 – July 1, 2023.”** Roll call vote was taken. Ayes: Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Bearrows. Nays: None. Motion passed 7-0
- Council Member
- Remarkable Resident – Pal Colwill
- Good News - Water Department, Well 12 is on line
- City Manager – Jeff read thank you notes from two business, VFW Post 3878 & HOPE for the grant approvals of Restart Rochelle Program.

**PUBLIC COMMENTARY:** None.

**BUSINESS ITEMS:**

1) **CONSENT AGENDA ITEMS BY OMNIBUS VOTE with Recommendations:**

- a) Approve Minutes of City Council Meeting – June 22, 2020
  - b) Approve Exceptions – 06/10/20-07/07/20
  - c) Approve Payroll – 06/15/20-06/28/20
  - d) Accept and Place on File Minutes from Planning and Zoning Commission – 05/04/20
  - e) Approve Restart Rochelle Grants: Da Place Bar, TJ’s Lounge Inc., Premium Phone Stores, Hair Express, Tecalitlan Restaurant, Rock Sky Market, Inc., Beauty Villa, El Sol Mexican Restaurant, Cheri Picked Vintage
- Motion made by Councilor Burke and seconded by Councilor Gruben, **“I move Consent Agenda Items (a) through (e) be approved by Omnibus Vote as recommended.”** Roll call vote was taken. Ayes: Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Bearrows. Nays: None. Motion passed 7-0.

- 2) **Prologis Park Substation Transformer Purchases.** BHMG is currently providing engineering and construction management services for the proposed 138 kV Prologis Park Substation to provide 34.5 kV and 13.8 kV to the proposed loads. The project requires energization of systems by fall 2021 with long equipment lead times, therefore, it is important to keep this project moving. On June 25th the City received and opened bids for three transformer purchases, as part of the substation. Three separate bid proposals were received from 3 different bidders, with proposal 3 as the recommended purchase for the City by BHMG. The bids ranged from \$2,876,275 to \$3,727,794 with WEG as the apparent low bidder. This bid was under the engineer's original cost estimate of \$3,600,000 and has a lead time of 40 weeks, also under the engineer's original estimate of 48 to 72 weeks. The proposed purchase would provide 2 transformers supplying 34.5 kV and one transformer supplying 13.8 kV power to the southern industrial corridor. Adam Lanning, Water/Water Reclamation Superintendent was available to answer questions. Motion made by Councilor Burke and seconded by Councilor T. McDermott, **"I move the Council approve the purchase of 3 transformers from WEG Transformers, USA in the amount of \$2,876,275 and reject all other bids."** Roll call vote was taken. Ayes: Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.
- 3) **Change Order for the South Main Street Improvement Project – Boring Electric Line.** With some recent developments with the South Main Street project we need to have approximately 740 LF of directional boring of the electric line. In order for the project currently in progress to continue to move forward, we would like to have Utility Dynamics Corporations perform the scope of work needed. Jeff Fiegenschuh was available to answer questions. Motion made by Councilor T. McDermott and seconded by Councilor D. McDermott, **"I move the Council authorize the change order for the South Main Street improvements project and approve a bid from Utility Dynamics Corporation in the amount of \$26,860."** Roll call vote was taken. Ayes: Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.
- 4) **Ordinance Waiving the Competitive Bidding Requirements and Awarding Wesco Distribution the Purchase Order for the Purchase and Installation of LED Streetlights.** As part of the 6th Street and Municipal Parking Lot #4 projects we will replace 15 streetlights to match the current style for the downtown area. In order to continue with this style, we propose bypassing the bid process and approve a bid from WESCO Distribution. The project will be funded by the engineering department and will be reimbursed by the Electric Department in FY2021. Adam Lanning was present to answer. Motion made by Councilor Gruben and seconded by Councilor Burke, **"I move Ordinance 20-5137, an Ordinance Waiving the Competitive Bidding Requirements and Awarding Wesco Distribution the Purchase Order for the Purchase and Installation of LED Streetlights in the amount of \$34,500, be approved."** Roll call vote was taken. Ayes: Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.

- 5) **Ordinance Granting a Special Use to Allow the Burton Foundation to Construct a Residential/Retail Multi-Use Development Located at Coronado Drive and North Point Drive and an Ordinance Granting Variation to Permit First-Floor Residential on a Development Located Within the PUD-C Zoning District for the Property located at Coronado Drive and North Point Drive.** The Burton Foundation is seeking a special use permit to construct affordable residential and retail multi use in a Planned Unit Development – Commercial Zoning District (PUD-C). In addition to the special use, the petitioner is also requesting a variance for residential units to be allowed on the first floor within a PUD-C. The proposed construction is as follows:
- One 2-story residential wing
  - One 3-story residential wing
  - One 2-story building with 1st floor retail space (approx. 8,500 sq. ft.) with the 2nd floor residential. The retail space will not take the entire first floor of the development.
- Staff has requested that all first floors consist of retail space, but that request is not satisfied by the current proposal. Additionally, staff has requested a commitment that the retail space would serve the community as a whole, and not just the residents of this property. Within a PUD-C, Planned Unit Development – Commercial, such residential or mixed-use (residential and commercial) developments require a special use. Also, the proposed development does not have an entire first floor commercial use, as required by the City Code, therefore, the developer will need a variance allowing residential on the first floor for the development as proposed. The proposed development is not consistent with the City’s Comprehensive Plan, nor is it consistent with the commercial properties surrounding the parcel designated for this project. Section 110-435(a)(2) of the City Code entitled “Types of PUDs” notes that a PUD-C is only for developments “involving commercial uses”. However, Sub-part (b)(1) of this Section does allow for developments that are allowed as a special use in the B-1 or B-2 business districts. The City’s Code related to B-1 or B-2 business districts, B-1 Central Commercial District only allow mixed use buildings with residential units, when the residential units are located above the first floor. See Section 110-211. In addition to the PUD-C location, the proposed development is located within the Rochelle Lighthouse Pointe TIF District. Within the Rochelle Lighthouse Pointe TIF District Intergovernmental Agreement between the City of Rochelle, Rochelle Township School District No. 212 and Rochelle Community Consolidated School District No. 231, Ordinance 10-3491, Section G, Residential Development, “The City shall not permit residential development within the TIF District without first obtaining the written consent of the School Districts.” Therefore, discussions with both school districts will need to take place before this project can move forward. A public hearing was held on Monday, July 6, 2020. The Planning and Zoning Commission voted to disapprove the Special Use and Variance by a vote of 6-1. Michelle Pease, Community Development Director, was available to answer questions. Motion made by Councilor T. McDermott and seconded by Councilor Burke, **“I move Ordinance 20-5138, an Ordinance Granting a Special Use to Allow the Burton Foundation to Construct a Residential/Retail Multi-Use Development Located at Coronado Drive and North Point Drive, be approved.”** Roll call vote was taken. Ayes: Hayes. Nays: Burke, Gruben, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Bearrows. Motion denied 1-6. Motion made by Councilor T. McDermott and seconded by Councilor D. McDermott, **“I move Ordinance 20-5139, an Ordinance Granting Variation to Permit First-Floor Residential on a Development Located Within the PUD-C Zoning District for the Property located at Coronado Drive and North Point Drive, be approved.”** Roll call vote was taken. Ayes: None. Nays: Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Bearrows. Motion denied 0-7.
- 6) **Ordinance Granting Variation of Lot Coverage and Setbacks for Portable Garden Shed at 201 School Avenue.** Residents John and Dina Bearrows are seeking a variance of setbacks and lot coverage in order to place a proposed 12’ x 14’ portable garden shed behind the existing single car garage for storage located at 201 School Ave, which is zoned R1. There is approximately 18’ between the existing garage and the lot line. Due to the size of the proposed shed and the setback requirements, a variance is required. Currently, the lot is at maximum coverage. Therefore, a variance for an additional 168 square feet for the proposed shed. A public hearing was held on Monday, July 6, 2020. The Planning and Zoning Commission approved the Variance of setbacks/lot coverage by a vote of 7-0. Michelle Pease was available to answer questions. Motion made by Councilor Hayes and seconded by Councilor Shaw-Dickey, **“I move Ordinance 20-5140, an Ordinance Granting Variation of Lot Coverage and Setbacks for Portable Garden Shed at 201 School Avenue, be approved.”** Roll call vote was taken. Ayes: Burke, Gruben, Hayes, D. McDermott, T. McDermott, and Shaw-Dickey. Nays: None. Abstain: Mayor Bearrows. Motion passed 6-0 with 1 abstain.

- 7) **Consideration and action on an ordinance providing for the payment of the City's outstanding Electric System Revenue Bonds, Series 2014, and Electric System Revenue Bonds, Series 2015, in advance of their respective maturities, authorizing the execution and delivery of an escrow agreement in connection therewith and related matters.** In August 2014, City Council authorized the issuance of \$6 million of Electric Revenue bonds for the purchase/installation of Cat diesel generators. The bond has an eligible call date of 2024 and a maturity date of 2034. In early 2015, City Council approved the refunding of the 2005 Electric Revenue bonds to take advantage of lower interest rates. The refunded bond totaled \$9.11 million. It has an eligible call date of 2025 and maturity date of 2035. This ordinance would create an escrow account for future bond payments until the call dates. The amount required for the escrow account is \$14,716,925.89. At the time of the call dates, the bonds would be paid off and save approximately \$2.9 million in interest. By defeasing the bonds, the debt would be removed from the City's financial statements and there would be no bond covenants to follow. Funding for the escrow account would come from the \$9.5 million in restricted accounts and the remaining portion from proceeds from the sale of the transmission assets. The remaining unrestricted cash balance after establishing the escrow account will be \$19.4 million which equates to 249 days cash on hand. The Electric expense budget will be reduced by \$1.7 mil each year in the future because there will be no debt service payments. Jeff Fiegenschuh was available to answer questions. Motion made by Councilor T. McDermott and Councilor Burke, **"I move Ordinance 20-5141, an ordinance providing for the payment of the City's outstanding Electric System Revenue Bonds, Series 2014 and Electric System Revenue Bonds, Series 2015, in advance of their respective maturities, authorizing the execution and delivery of an escrow agreement in connection therewith and related matters, be approved."** Roll call vote was taken. Ayes: Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.
- 8) **Resolution Authorizing the City Manager to Execute an Intergovernmental Grant Agreement with the Illinois Department of Transportation – CARES Act.** Illinois Department of Transportation – Aeronautics Division is administering a grant program to disperse federal funds, compensating Illinois airports for lost revenues and other expenses during the Covid-19 pandemic. It has been determined that \$30,000 will be granted to Rochelle Municipal Airport of losses incurred during this period. Airport manager, Mike Hudetz was available to answer questions. Motion made by Councilor T. McDermott and seconded by Councilor Shaw-Dickey, **"I move Resolution R20-26, a Resolution Authorizing the City Manager to Execute an Intergovernmental Grant Agreement with the Illinois Department of Transportation – CARES Act, be approved."** Roll call vote was taken. Ayes: Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.
- 9) **Amendment Two to Switching Services Agreement between Burlington Junction Railway and City of Rochelle.** The switching services contract between the Burlington Junction Railway (BJRY) and the City of Rochelle Railroad was extended through July 14, 2020. Seven months ago, the City engaged Strategic Rail Finance (SRF) to conduct a study which was designed to outline for the City, a comparison of the current switching contract with current market conditions which would guide the City in formulating a new contract. Additional time is needed to review the recommendations of SRF which will be released on July 15th, 2020 and to determine the methodology for formulating a new contract. In order to guarantee switching operations continue beyond the July 14th expiration date of the current contract, an Amendment to the switching services agreement is being proposed to extend the current contract through December 31, 2020. Jason Anderson, Economic Development Director, was available for questions. Motion made by Councilor Gruben and seconded by Councilor Hayes, **"I move the Council approve the Amendment Two to Switching Services Agreement between Burlington Junction Railway and City of Rochelle."** Roll call vote was taken. Ayes: Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.
- 10) **Ordinance Approving a Purchase and Sale Agreement for the purchase of property located at 1315 West 2nd Avenue.** As part of the City's broader efforts to alleviate drainage issues in the West 2nd Avenue area, staff is proposing that the City purchase the house located at 1315 West 2nd Avenue for \$12,500 plus closing costs. If approved, the house will be demolished, and a small storm drainage basin will be installed in the location. In the past, this location has been cited for various code violations and the house is a detriment to the neighboring property values. As part of the current work going on in the area, our team feels this component will solve localized flooding concerns, while simultaneously helping to improve the aesthetics and property values of the neighborhood. Jeff Fiegenschuh and Sam Tesreau, City Engineer, were available to answer questions. Motion made by Councilor T. McDermott and Councilor Burke, **"I move Ordinance 20-5143, an Ordinance Approving a Purchase and Sale Agreement with Kathleen M. Hollonbeck for the purchase of property located at 1315 West 2nd Avenue, be approved."** Roll call vote was taken. Ayes: Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: Burke. Motion passed 6-1.

11) **Ordinance Continuing the Temporary Suspension of Late Fees as Identified in Chapter 98 Article I of the Rochelle Municipal Code.** Due to the Covid-19 Pandemic and the effects it is having on our local economy, I am requesting that you approve an ordinance extending the waiver of late fees for RMU customers through August 31st, 2020. The ordinance also allows the City Manager to approve the waiver of all late fees for an additional 30 days through September 30, 2020 if it is warranted. Jeff Fiegenschuh was available to answer questions. Motion made by Councilor Burke and Councilor D. McDermott, **“I move Ordinance 20-5144, an Ordinance Continuing the Temporary Suspension of Late Fees as Identified in Chapter 98 Article I of the Rochelle Municipal Code through August 31st with the option of one 30-day extension, be approved.”** Roll call vote was taken. Ayes: Burke, Gruben, Hayes, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 7-0.

**DISCUSSION ITEMS:** None.

**EXECUTIVE SESSION:** at 7:25 PM, Councilor T. McDermott moved and seconded by Councilor Burke, **“I move the Council recess into executive session to discuss the purchase or lease of real property for City’s use. Section (c) (5) and the setting of a price for sale or lease of property owned by the City. Section (c) (6) and pending litigation.”** Roll call vote was taken. Ayes: Councilor Burke, Gruben, Hayes, D. McDermott, T. McDermott, and Shaw-Dickey and Mayor Bearrows. Nays: None. Motion passed 7-0.

At 7:51 PM, moved by Councilor D. McDermott and seconded by Councilor Burke, **“I move the Council return to open session.”** Roll call vote was taken. Ayes: Councilor Burke, Gruben, D. McDermott, T. McDermott, and Shaw-Dickey and Mayor Bearrows. Nays: None. Motion passed 6-0. Councilor Hayes was absent for Executive Session.

**ADJOURNMENT:** At 7:52 PM, moved by Councilor T. McDermott and seconded by Councilor Burke, **“I move the Council adjourn.”** Roll call vote was taken. Ayes: Burke, Gruben, D. McDermott, T. McDermott, Shaw-Dickey, and Mayor Bearrows. Nays: None. Motion passed 6-0.

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John Bearrows, Mayor

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RoseMary Huéramo  
Deputy Clerk, City of Rochelle