

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING
MONDAY, FEBRUARY 13, 2006**

The Rochelle City Council met in Regular Session at 7:00 p.m. on February 13, 2006 in the Council Chambers of City Hall; 420 N. 6th Street; Rochelle, IL 61068.

Present on Roll Call were Mayor Olson, Councilmembers Berg, Colwill, Hayden, Hayes, Eckhardt and Hollonbeck. Absent: None. Also present were City Attorney Cooper and City Clerk McKinney.

APPROVAL OF MINUTES: Councilman Eckhardt moved and seconded by Councilman Hayes, "**I move the minutes of the Regular Council meeting of January 23, 2006 be approved.**" Motion passed by voice vote without dissent.

Councilman Hayden moved and seconded by Councilwoman Hollonbeck, "**I move the Council accept and place on file the reports of the Airport Advisory meeting November 28, 2005.**" Motion passed by voice vote without dissent.

BILLS & PAYROLL: Councilman Colwill moved and seconded by Councilwoman Hollonbeck, "**I move the bills and payroll for the first half of February 2006 be allowed and paid when checked over and found correct.**" Roll call vote was taken. Ayes: Councilmembers Berg, Colwill, Eckhardt, Hayden, Hayes, Hollonbeck, and Mayor Olson. Nays: None. Motion passed 7-0.

REPORTS & COMMUNICATIONS:

- *Mayor:* Mayor Olson appointed Bob Burke to fill the un-expired term on the Planning Commission with the expiration date of July 1, 2008. Councilman Eckhardt moved and seconded by Councilman Hayes, "**I move the Council approve the Mayor's appointment of Bob Burke to the Rochelle Planning Commission.**" Roll call vote was taken. Ayes: Councilmembers Berg, Colwill, Eckhardt, Hayden, Hayes, Hollonbeck, and Mayor Olson. Nays: None. Motion passed 7-0.

- *Council:* None.

PUBLIC COMMENTARY: Ross Freier presented the Tourism Report.

BUSINESS ITEMS:

Councilman Berg moved and seconded by Councilman Hollonbeck, "**I move the Council move agenda item #10, Annexation Agreement-Ryland Homes, to Discussion Item #2.**" Motion passed by voice vote without dissent.

1. *Public Hearing-Establishment of Special Service Area No. 2 – No. 7.* Councilman Colwill moved and seconded by Councilman Hayden, "**I move the Council recess into a Public Hearing for the Establishment of Special Service Areas No. 2 through No.7.**" Roll call vote was taken. Ayes: Councilmembers Berg, Colwill, Eckhardt, Hayden, Hayes, Hollonbeck, and Mayor Olson. Nays: None. Motion passed 7-0. There are provisions in the agreements for several subdivisions (Squires East and West, Route 38 North and South, Twin Lakes, Whispering Waters) for the establishment of inactive maintenance SSA's to be activated only if the developer and homeowners' association default in their obligation to maintain common areas. The proposing ordinances for the establishment of maintenance special service areas No. 2 – No. 7 were considered and approved at the 1/23/06 City Council Meeting. The proposed Special Services Areas No. 2 – No. 7 will remain inactive unless the developer/landowners' association fails to maintain the common areas. Should that happen, and the City chooses to do the maintenance, the establishment of these SSA's will allow the City to levy taxes on the landowners for reimbursement of the maintenance cost. Councilman Eckhardt moved and seconded by Councilman Hayes, "**I move the Council continue Public Hearing to the February 23, 2006 meeting.**" Roll call vote was taken. Ayes: Councilmembers Berg, Colwill, Eckhardt, Hayden, Hayes, Hollonbeck, and Mayor Olson. Nays: None. Motion passed 7-0. Councilman Hayes moved and seconded by Councilman Berg, "**I move the Council return to Open Session.**" Roll call vote was taken. Ayes: Councilmembers Berg, Colwill, Eckhardt, Hayden, Hayes, Hollonbeck, and Mayor Olson. Nays: None. Motion passed 7-0.

2. Bids-Northeast Interceptor Sanitary Sewer Installation. The City of Rochelle is contractually obligated to complete the installation of a sanitary sewer main from the existing lift station on IL Route 38, north and west to the intersection of Flagg Road and Caron Road, no later than June 30, 2006. The 2005-06 RMU Capital Budget included \$700,000 (including engineering fees of \$74,000) for that project referred to Phase One of the Northeast Interceptor Project. This installation would serve the proposed WalMart site and the adjacent Caron Ponds housing project. The developer of Whispering Waters will be responsible for a total of \$423,145.17, which includes engineering fees, and the remainder of \$428,318.42 will be paid by North Route 38 LLC. The guarantee payment process is outlined within the North Route 38 LLC agreement. At this time Whispering Waters/Twin Lakes is a recapture upon development of the subdivision. Subsequent to the required public notice, bids were opened on February 3, 2006. Six vendors submitted bids and a tabulation of the bids is as follows:

Contractor	Bid	Alternate	Total
D.R. Gilbert, Rochelle, IL	\$591,782.42	\$185,681.17	\$777,463.59
Martin & Company, Oregon, IL	621,532.92	193,747.17	815,280.09
Anderson Underground, Inc., Belvidere, IL	866,608.42	297,034.27	1,163,642.69
Stenstrom Excavation & Blacktop, Rockford, IL	930,576.02	340,328.47	1,270,904.49
Civil Constructors, Inc., Freeport, IL	990,693.66	351,053.37	1,341,747.03
Fischer Excavating, Freeport, IL	1,034,583.98	366,818.94	1,401,402.92

The bid proposals were evaluated by RMU's engineering consultant, Willett, Hofmann & Associates, Inc. and their evaluation is attached. The evaluation by Willett, Hofmann & Associates indicates a recommendation to award the bid contract for the Base Bid plus the Additive Alternate bid to the low bidder which is D.R. Gilbert & Sons, Inc. Moved by Councilman Colwill and seconded by Councilwoman Hollonbeck, **"I move the Council award the bid for the Northeast Interceptor Sanitary Sewer Installation to D.R. Gilbert of Rochelle, IL for both the base bid in the amount of \$591,782.42 and the alternate additional segment in the amount of \$185,681.17, totaling \$777,463.59 contingent upon receipt of developers' payment pursuant to their respective agreements and subject to easement."** Roll call vote was taken. Ayes: Councilmembers Berg, Colwill, Eckhardt, Hayes, Hollonbeck, and Mayor Olson. Nays: None. Abstain: Hayden. Motion passed 6-0, 1 Present.

3. Ordinance-Road Improvement Project Bond Authorization. As outlined in the bond timetable which was presented at the City Council Meeting on 1/9/06 the next step was the approval of the authorizing ordinance and publication. The engineering and specifications are to be ready by June with the first phase of construction to begin midsummer. At this time, we are looking at using road and bridge tax, motor fuel tax, and landfill proceeds for the debt service. The bond proceeds are identified as a revenue item in FY 05/06 Budget in the amount of \$4,600,000, however with the increased cost for the additional streets, as requested by City Council, the bond proceeds being requested are \$8,750,000. Further discussion will be needed to identify additional revenue to cover the increased costs of the project of \$4,150,000 before the actual bond sale is requested and conducted. Legally we have the right to reduce the amount after publication and the financial analysis will determine the final amount and scope of the project. The area for further discussion would be to explore increasing the utility tax from 1 ½% to 2 1/2% as one option and/or a sales tax referendum up to 1%. The increased scope of the project, cost and financing, will be a discussion item on the 2/27/06 City Council Agenda so the Council can provide direction for the bond sale. The final amount of the bond sale will need to be determined by 3/22/06. If needed, a Special Council Meeting to finalize the project and cost will be held on 3/20/06. Councilman Hayden and Hayes asked where the money will come from and the exact amount the project cost. Councilman Berg stated that the Council should pass this Ordinance to get the process started. Moved by Councilman Hayden and seconded by Councilman Colwill, **"I move the Ordinance authorizing the issuance of General Obligation Bonds (Alternate Revenue Source) Series 2006 of the City of Rochelle, Ogle County, Illinois, in an aggregate principal amount not to exceed \$8,750,000 for the purpose of financing certain road improvements within the City, be deferred to the February 27, 2006 meeting."** Roll call vote was taken. Ayes: Councilmembers Colwill, Eckhardt, Hayden, Hayes, and Hollonbeck. Nays: Councilman Berg and Mayor Olson. Motion passed 5-2.

4. Authorize Engineering Agreement Southeast Quadrant Project. As discussed at the 1/9/06 City Council Meeting the City continues to move forward on the Southeast Quadrant Road Improvement Project. In preparation for the Southeast Quadrant Road Improvement Project it is necessary to initiate preliminary engineering services. The purpose of this agreement is to contract for preliminary engineering services with Fehr-Graham & Associates. The cost of these engineering services is on a time and materials basis not to exceed 8.5% of the awarded contract cost of the project, estimated to be 5.2 million dollars. The FY 05/06 budget included \$450,000 in the Capital Improvement Fund for Southeast Quadrant Improvements, listed on page 69. Moved by Councilman Eckhardt and seconded by Councilman Hayden, **I move the Engineering Agreement for the Southeast Quadrant Project be Deferred to the February 27, 2006 Council meeting.** Roll call vote was taken. Ayes: Councilmembers Berg, Colwill, Eckhardt, Hayden, Hayes, Hollonbeck, and Mayor Olson. Nays: None. Motion passed 7-0.

5. Memorandum of Understanding-Prairie Shield Regional Alliance. The events of September 11, 2001 and Hurricane Katrina have re-enforced the responsibility of local governments to protect the life and property of its citizens. First responders must be prepared to react to possible terror incidents as well as natural disasters. Critical to this mission is the technology used by first responders and related agencies to communicate, share information, and function together. Recent advances in technology will enable first responders to speak, exchange data, and even use video all on one platform both at a scene and at remote command/dispatch centers. With this long-term goal in mind, Prairie Shield was created. The representatives of the Prairie Shield Regional Alliance have established the attached Memorandum of Understanding to be signed by all participating agencies. This MOU includes the Mission of the Prairie Shield Regional Alliance, Commitments of the Entities, Governance Structure, and Coordination with Other Agencies. Moved by Councilman Hayes and seconded by Councilman Berg, **I move Agreement #06-3387, Prairie SHIELD Regional Alliance MEMORANDUM OF UNDERSTANDING, be approved.** Roll call vote was taken. Ayes: Councilmembers Berg, Colwill, Eckhardt, Hayden, Hayes, Hollonbeck, and Mayor Olson. Nays: None. Motion passed 7-0.

6. Ordinance Amendment-Create B-3 Neighborhood Commercial District and Allow Mixed Uses in the B-1, B-3 Districts in the Rochelle Municipal Code. The Plan Commission has reviewed and discussed the creation of a B-3, Neighborhood Commercial District over several months. The creation of this new zoning district would allow less intensive commercial establishments to locate in close proximity to neighborhoods they intend to serve. The Plan Commission has reviewed and discussed changes as they pertain to the B-1, Central Commercial District over the last several meetings. The change of allowing mixed use and allowing for residential above the first floor was determined to be positive for the downtown area. The discussions led to also include changing the joint residential and non-residential section of Title 17 to clarify that the Residential Office District, Central Commercial District and Neighborhood Commercial District should allow for joint residential and non-residential uses. At the January 16, 2006 meeting of the City of Rochelle Plan Commission a public hearing was held with regard to amendments to Title 17 of the Rochelle Municipal Code. The Plan Commission, after study and deliberation, and following a properly and timely advertised public hearing, has recommended to the City Council that Title 17 of the Rochelle Municipal Code, and in particular Chapter 17.24 and Section 17.60.060 be amended to create a B-3 Neighborhood Commercial District, and to allow mixed uses in the B-1 and B-3 commercial districts, including in particular the use of mixed residential and non-residential uses when the residential use is located above the ground floor. Moved by Councilwoman Hollonbeck and seconded by Councilman Eckhardt, **I move Ordinance #06-3388, An Ordinance Amending Chapter 17.24 and Section 17.60.060 of the Municipal Code of the City of Rochelle to Create a B-3 Neighborhood Commercial District and to Allow Mixed Uses in the B-1 (Central Commercial) B-3 (Neighborhood Commercial) Districts, be approved.** Roll call vote was taken. Ayes: Councilmembers Berg, Colwill, Eckhardt, Hayden, Hayes, Hollonbeck, and Mayor Olson. Nays: None. Motion passed 7-0.

7. Ordinance Amendment-Political Signs. City Clerk McKinney asked the Council to defer this Ordinance to the Plan Commission to hold a Public Hearing on Political Signs. Moved by Councilman Colwill and seconded by Councilwoman Hollonbeck, **I defer this Ordinance Amendment for Political Signs to the Planning Commission.** Roll call vote was taken. Ayes: Councilmembers Berg, Colwill, Eckhardt, Hayden, Hayes, Hollonbeck, and Mayor Olson. Nays: None. Motion passed 7-0.

8. Audit Service Contract-Virchow Krause & Company, LLP. The current professional audit services contract was awarded to Virchow, Krause and Company for a two-year period which ended as of April 30, 2005. In that contract was the stipulation that the contract could be renewed on a year-to-year basis if circumstances warranted it and an acceptable fee could be agreed upon. Staff recommends that the City renew the contract with Virchow, Krause & Company, LLP for an additional two-year period, due to the additional reporting requirements of GASB 34 that must be implemented by April 30, 2008. The staff has a great deal of confidence in Virchow Krause and do not feel that changing auditors at this time would be in the best interest of the City. The audit fee proposed by Virchow Krause for the next two years is \$40,870 and \$42,500 respectively. This is a slight increase over the previous year's fee of \$39,300. Bob Withrow has contacted four other cities that are comparable to Rochelle and found that the fees charged by Virchow Krause for auditing all funds, excluding the electric utility fund, are comparable to these other entities. Moved by Councilman Eckhardt and seconded by Councilman Hayden, **"I move the Council approve Agreement #06-3390, and authorize the City Manager to sign the Renewal of Audit Contract with Virchow, Krause & Company, LLP for the years ending April 30, 2006 and 2007."** Roll call vote was taken. Ayes: Councilmembers Berg, Colwill, Eckhardt, Hayden, Hayes, Hollonbeck, and Mayor Olson. Nays: None. Motion passed 7-0.

9. Request for Reduction in Letter of Credit-Golfview Townhome Apartments. An irrevocable letter of credit, No. 05-370 for \$30,985.50, was submitted to the City of Rochelle by Bruce Seldal to secure his obligations related to land improvements for the Golfview Townhome Apartments located at 555 S Main Street in Rochelle. Due to completion of the majority of the required improvements, Mr. Seldal has contacted the City of Rochelle to request a release or reduction in the letter of credit. City Engineer, Sam Tesreau, has reviewed the request for release or reduction in the letter of credit. A letter outlining remaining conditions necessary for release of the letter of credit has been sent to Mr. Seldal. These conditions include; additional grading work to be completed along the detention facility, grading and restoration throughout the site need to be completed, and submission of complete "as built" plan copies and digital file. The submission of a new letter of credit or other surety, as approved by council, for no less than ten percent of the cost of the land improvements is required by the City to be held for a period of 24 months as a guarantee of satisfactory performance of land improvements. Given that there are additional items to be completed, as stated, the surety shall be 10% of \$30,981.50 plus an additional \$1,100.00 for the outstanding grading, restoration and "as built" items. Therefore, the new deposit of a letter of credit or other surety recommended is \$4,198.15. Moved by Councilman Colwill and seconded by Councilwoman Hollonbeck, **"I move the Council approve the reduction in Letter of Credit for the Golfview Townhome Apartments to \$4,198.15 pending verification by the City Engineer that identified conditions have been met."** Roll call vote was taken. Ayes: Councilmembers Berg, Colwill, Eckhardt, Hayden, Hayes, Hollonbeck, and Mayor Olson. Nays: None. Motion passed 7-0.

10. Annexation Agreement-Ryland Homes. This item was moved to a Discussion Item.

11. Ogle County Rezoning 10524 East Titus Road. A petition for a map amendment has been filed with the Ogle County Planning and Zoning Department by James A. Mulholland. The petition requests rezoning approximately 3.3 acres from R-2 Single Family Residence District to I-1 Industrial District located at 10524 East Titus Road to allow for a parking lot and maintenance building for a trucking company or contractor. The property in question is located within one and one half mile of the City of Rochelle's corporate limits. The request is not consistent with the 2003 Comprehensive Plan Update future land use which calls for this area to be an agricultural preservation use. Staff recommends the City Council object to the petition as submitted. If this development does occur all development should be in accordance with all applicable Rochelle Municipal Codes. If Council decides to object to the petition a written protest must be served upon the applicant by certified mail and proof of service must be submitted to the County Clerk and the Zoning Administrator not less than 24 hours prior to the scheduled meeting. In this case the scheduled meeting is Thursday, March 2, 2006. Councilman Berg stated that he visited the site and said that the site is appropriate for this rezoning. Petitioner James Mulholland was present to answer questions. Moved by Councilman Colwill and seconded by Councilman Hayes, **"I move the Council recommends to the Ogle County Board to approve the Petition of James A. Mulholland to rezone approximately 4.6 acres from R-2 to I-1 at 10524 East Titus Road to allow for a parking lot and maintenance building."** Roll call vote was taken. Ayes: Councilmembers Berg, Colwill, Eckhardt, Hayden, Hayes, Hollonbeck, and Mayor Olson. Nays: None. Motion passed 7-0.

12. City Manager Report.

Illinois Criminal Justice Commission Grant The Rochelle Police Department submitted a grant application to the Illinois Criminal Justice Commission in December of 2005 for two mobile computers. The grant was approved and the Department has received funding in the amount of \$12,633, which is a 75% grant requiring a match of \$4211 by the City.

Uncontrolled Intersections There are currently 32 uncontrolled intersections in the city limits of Rochelle. These intersections require an evaluation before a proposal can be made on improvements. The firm of Gewalt Hamilton Associates has been hired to provide a Traffic Control Analysis of the uncontrolled intersections. This analysis will include traffic counts and field work and will be prepared as a written report including recommendations for each intersection.

Humanitarian Service Medal On Tuesday, January 24, 2006, the Illinois Fire Chiefs Association and the Mutual Aid Box Alarm System presented a Humanitarian Service Medal to Tim Leahey and Tom McDermott of the Rochelle Fire Department. This award was given in honor of their response to Hurricane Katrina.

Human Resources Policies The attached Human Resources Policies have been created through discussions with staff and have been reviewed by legal counsel. These policies include: Hiring Policy and Procedure, New Employee Orientation, External Reference Check Disclosures, and Guidelines for Sending Flowers at time of Bereavement or Hospitalization. Barring any Council objections the attached policies will be established for all departments in the City. Council had no objections.

2005 Annual Reports for Human Resources and Safety The 2005 Annual Report for Human Resources was provided by Lisa Cowley, Human Resources Coordinator. Highlights of the report include the hiring of 12 new full time employees along with 5 internal promotions or transfers. In 2005 employees had the opportunity to attend several benefit meetings, receive flu shots and participate in wellness screenings. The 2005 Summary Report for the Safety Program includes information on safety programs and meetings held throughout the City. Departments were asked to identify individuals who would be an emergency responder in a supervisory role during a disaster. These individuals were required to complete the NIMS IS700 course during 2005. A total of 47 employees completed the course and are certified. Councilman Eckhardt moved and seconded by Councilwoman Hollonbeck, **“I move the Council accept and place on file the 2005 Annual Reports for Human Resources and Safety (#06-3391).”** Motion passed by voice vote without dissent.

Rochelle Police Department 2005 Annual Report The Rochelle Police Department 2005 Annual Report is attached. Areas that are highlighted include personnel, training, community relations, investigations, patrol, communications and administration. Included in the administration highlights is information regarding equipment purchased with grant funds totaling nearly \$80,000. Also included in the report are statistics and graphs comparing calls, accidents, case dispositions and alarms during the years of 2004 and 2005. Overall, the total calls received by the department in 2005 were 11693 compared to 11626 in 2004. Councilman Colwill moved and seconded by Councilman Hayden, **“I move the Council accept and place on file the Rochelle Police Department 2005 Annual Report (#06-3392).”** Motion passed by voice vote without dissent.

Caron Road Substation The site grading and roadwork has begun for the Caron Road Substation. The roadway has been cored and the process of putting rock down began 2/6/06. Some of the excavation work related to storm water detention has also begun.

Key Financial Strategies Ehlers & Associates, a financial management and consulting firm, has submitted a proposal to the City for development and preparation of a long-term financial plan. The plan would serve as a framework for significant financial decisions facing the community over the next several years. Ehlers has developed **Key Financial Strategies** process designed to provide a realistic financial plan with accompanying practical implementation strategies to assure the long-term viability of communities. An essential component to this process is the active involvement of elected officials at distinct stages of the process. Provided is the initial plan for accomplishing the project objectives identified by the City. Administrative Service Director, Bob Withrow, has recommended that the City hire Ehlers & Associates to perform the financial services as outlined in their Financial Management Plan for a total price of \$25,000. The first installment of \$6,250 will be due in April and will be expended from 01-19-54-900-000, other professional services City Manager. Installment two, three and four will be included in next year's budget. City Manager is requesting consensus by City Council to approve these professional services. Council had no objections.

DISCUSSION ITEM:

- A) Go21 Presentation-Phillip Denny. Growth Options for the 21st Century (Go21) is a new non-profit, national public interest organization dedicated to promoting freight transportation alternatives. Phillip Denny, a representative from Go21, will give a short presentation and is requesting City Council support for the Go21 mission.
- B) Annexation Agreement-Ryland Homes. The Ryland Annexation discussion will continue as our Consultants, City Staff and City Council continue to work on drafting an SSA Policy. An update will be provided at the next Council meeting on February 27, 2006, with a possible vote on March 13, 2006. Ryland Homes is aware of this timetable.

EXECUTIVE SESSION:

At 8:34 p.m., Councilman Berg moved and seconded by Councilman Hayden, "**I move the Council recess into Executive Session to discuss Non-Union Personnel, Collective Bargaining, Purchase or Lease of Real Estate and Sale or Lease of Real Estate and Litigation based on a letter received from Rochelle Waste Disposal -Section 2(c)(1,2,5,6&11).**" Roll call vote was taken. Ayes: Councilmembers Berg, Colwill, Eckhardt, Hayden, Hayes, Hollonbeck, and Mayor Olson. Nays: None. Motion passed 7-0.

At 9:27 p.m., Councilman Berg moved and seconded by Councilman Hayes, "**I move the Council return to open session.**" Motion passed by voice vote without dissent.

ADJOURNMENT:

At 9:27 p.m., Councilman Eckhardt moved and seconded by Councilwoman Hollonbeck, "**I move the Council adjourn.**" Motion passed by voice vote without dissent.

Bruce McKinney, CMC
City Clerk, City of Rochelle

Chet Olson
Mayor, City of Rochelle