

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
APRIL 11, 2011**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Monday, April 11, 2011 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 McKinney. After a prayer for those grieving the tragic death of Jeff Kissack, RMU employee, there was a moment of silence.

ROLL CALL: Present on Roll Call were Councilmembers Hayes, Eckhardt, Hollonbeck, Berg, T. McDermott, and D. McDermott. Absent: Mayor Olson. Also present were Interim City Manager McKinley and City Clerk McKinney.

Moved by Councilman Eckhardt and seconded by Councilman Berg, **"I move that Councilwoman Hollonbeck be appointed Mayor Pro-tem for tonight's meeting."** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, D. McDermott, and T. McDermott. Nays: None. Motion passed 6-0.

PROCLAMATIONS, COMMENDATIONS, ETC.:

National Telecommunicators Week – April 10-16, 2011: Read by City Clerk McKinney. Presented to the Rochelle Police Department Dispatchers.

REPORTS AND COMMUNICATIONS:

Mayor: Mayor Pro-tem Hollonbeck gave report in the Mayors absence.

- Read an email sent by Mayor Olson regarding the death of Jeff Kissack.
- It was also mentioned that the Crisis Incident Stress Management System (that went into play when Councilman Tom McDermott was fire chief) went into effect immediately for those needing counseling as a result of this tragic accident.
- The Recycle Event for electronics was a big success with 445 vehicles dropping off enough electronics to fill 2 ½ semi-trailers at RTHS on April 2nd.

Council Members: No reports.

Employee Introduction – John Beck: Was introduced by Lynette Fischer as the newest Operator in the Street Department. John has worked for Wilson Building in Dixon (10yrs.) and Illinois Valley Drywall (7 yrs.). He and his wife and two sons live and have strong family ties in Rochelle.

PUBLIC COMMENTARY: None.

BUSINESS ITEMS:

1) CONSENT AGENDA ITEMS BY OMNIBUS VOTE with Recommendations:

- a) Approve Minutes of City Council Meeting – March 28, 2011
- b) Approve Bills 03/11-03/17/2011; 03/18-03/24/2011; 03/25-03/31/2011 = **\$ 1,622,613.84**
- c) Approve Payroll 03/07-03/20/2011= **\$ 190,001.59**
- d) Authorize the use of City Hall for National Day of Prayer – May 5, 2011
- e) Authorize Rochelle Lions Club Tootsie Pop Fund Raiser – May 8, 2011

Moved by Councilman Berg and seconded by Councilman D. McDermott, **"I move Consent Agenda Items (a) through (e) be approved by Omnibus Vote as recommended."** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, D. McDermott, and T. McDermott. Nays: None. Motion passed 6-0.

- 2) **Resolution for Maintenance of Streets and Highways – Sealcoat Project:** A 10-year capital plan was developed several years ago to address maintenance requirements of existing infrastructure. As a result of that plan, numerous existing roadways have been identified for maintenance this year including sections of North Main Street, 8th Avenue and streets in the Askvig and Meadowbrook Subdivisions. Several streets and avenues in the southeast quadrant of the City, including South Main and Southview Drive, have also been incorporated into this year's plan. The application of a seal coat surface treatment is a cost effective way to maintain and preserve the life of these surfaces. Subsequent to the required public notice, bids were opened on March 22, 2011, with three contractors submitting bids. City Engineer, Sam Tesreau reviewed the bids and recommended the acceptance of the apparent low bidder, AC Pavement Striping Co., with a bid of \$229,571.44. The proposed 2011-12 Capital Improvements Fund budget includes \$230,000 for sealcoat resurfacing of miscellaneous streets which will be funded through a transfer of Motor Fuel Tax funds. Sam Tesreau was present to answer questions. He stated he had not worked with AC Pavement in the past so he contacted both Ogle and Lee County engineers and both were happy with their work. This year we are about 10% over what we did last year and, as discussed in the past, we are in a reactive mode until we can establish a routine and longer-lasting street maintenance. Moved by Councilman Eckhardt and seconded by Councilman D. McDermott, **“I move Resolution R11-05, A Resolution for Maintenance of Streets and Highways by Municipality Under the Illinois Highway Code, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, D. McDermott, and T. McDermott. Nays: None. Motion passed 6-0. Moved by Councilman Hayes and seconded by Councilman Berg, **“I move the Council accept Bid C11-03 for Sealcoat from AC Pavement Striping Co. in the amount of \$229,571.44 and reject all other bids.”** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, D. McDermott, and T. McDermott. Nays: None. Motion passed 6-0.
- 3) **2011 Sidewalk Project:** In March of 2006, the condition of existing sidewalks in the City were inspected and rated by Street Department personnel. The sidewalks were then organized into a seven-year maintenance program based on their condition. The 2011 Sidewalk Project, year six of the program, includes the replacement of approximately 11,000 linear feet of sidewalk and addition of 40 accessibility ramps in the McConaughy Avenue, Parkview Drive, Calvin Road and Meadow Lane neighborhoods in addition to sections of First and Second Avenues. The engineer's estimate for the sidewalk improvement project was \$323,000 and is included in the 2011-12 Capital Improvements Fund budget. Subsequent to the required public notice, bids were opened on March 24, 2011 with four contractors submitting bids. City Engineer, Sam Tesreau reviewed the bids and recommends the acceptance of the apparent low bidder, Bruns Construction, with a bid of \$282,093.55. The City of Rochelle will purchase the detectable warning plates for use on the accessibility ramps and the contractor will provide curb replacement around the handicap ramp locations. Sam Tesreau was present to answer any questions. They will start the first week of May and completion date depends on the weather. Moved by Councilman Berg and seconded by Councilman Hayes, **“I move the Council accept Bid C11-04 for the 2011 Sidewalk Maintenance Program from Bruns Construction in the Amount of \$282,093.55 and reject all other bids.”** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, D. McDermott, and T. McDermott. Nays: None. Motion passed 6-0.

4) **Lakeview Sewer Lining Project:** In early 2010 the City applied for Community Development Assistance Program (CDAP) grant funds to upgrade the sanitary sewer system in the Lakeview Subdivision which has experienced excessive amounts of water infiltration and inflow into the lines. The City has since received a Notice of Grant Award and signed a Grant Agreement for the project in an amount not to exceed \$350,000. The proposed 2011-12 Capital Outlay Budget for the Water Reclamation Division includes \$125,000, required as the City's match, and \$350,000 which will be funded through the CDAP Grant. The original scope of the project, as defined in the base bid, is to line approximately 8,000 feet of eight-inch sewer, 285 feet of twelve-inch sewer and to replace twelve sanitary manholes. Contractors were also asked to supply an alternate bid to clean and line twenty sewer laterals. Subsequent to the required public notice, bids were opened on March 16, 2011 with three contractors submitting bids. Staff and our consultant, Terry Heitkamp of Fehr-Graham & Associates, have reviewed the bids and determined that Insituform is the low bidder for both the base and alternate bid with a combined total of \$512,267.40. In order to maintain project costs within the budgeted amounts, staff recommends reducing the number of laterals in the alternate bid from twenty to eight which will decrease the overall project cost to \$451,029.60. Kathy Cooper, Supervisor of Water/Water Rec. was present to answer questions. Moved by Councilman Berg and seconded by Councilman T. McDermott, **"I move the Council accept Bid C11-05 for the Lakeview Sewer Lining Project from Insituform for a total of \$451,029.60 and reject all other bids."** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, D. McDermott, and T. McDermott. Nays: None. Motion passed 6-0.

5) **Kelley Drive Water Main Replacement Project:** The proposed 2011-12 RMU Capital Budget for the Water Division includes \$265,000 to replace 1700 feet of water main on Kelley Drive. The existing cast iron water main in this area is pitted and has begun developing holes, resulting in eleven water main breaks since 2006. Subsequent to the required public notice, bids were opened on March 31, 2011 with eleven contractors submitting bids. Staff and the city's consultant, Matt Hansen of Willett Hofmann & Associates, have reviewed the bids and determined that Hart & Sons is the apparent low bidder with a bid of \$148,118.69. Neither the City of Rochelle nor Willett Hofmann have worked with Hart & Sons on this type of project and, although they have underground installation experience, they are not experienced in replacing existing municipal water main. Section 2-372 of the Rochelle Municipal Code states, "In all contracts inviting competitive bids, the city council reserves the right to accept the bid that it believes is in the best interest of the city." Due to Hart & Sons limited experience with utility water main construction and incomplete bid documents, staff recommends that the bid be awarded to GO Excavating in the amount of \$164,235. GO Excavating recently completed the Southeast Quadrant sewer rehabilitation project in a successful and timely manner. Kathy Cooper was present to answer questions. She explained that this is a very difficult job and requires an excavating company with strong experience for safety and cost to the City. Also, the Bid Bond page of the lowest bidder was not fully signed. Kathy checked their references and the work they have done has been for totally different type of underground work (insulation); she does not feel it's in the best interest of the City to use the lowest bidder. Moved by Councilman Eckhardt and seconded by Councilman Berg, **"I move the Council accept Bid C11-06 for the Kelley Drive Water Main Replacement Project from GO Excavating in the Amount of \$164,325 and reject all other bids."** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, D. McDermott, and T. McDermott. Nays: None. Motion passed 6-0.

- 6) **Local Agency Agreement for Federal Participation Agreement – Jack Dame Road Overpass:** Federal funds in the amount of \$245,000 have been appropriated for the Jack Dame Road Overpass. On March 14, 2011 the Mayor and Council approved an agreement with Fehr-Graham & Associates for specific preliminary engineering services related to this project at a cost of \$204,263. The Illinois Department of Transportation (IDOT) and Federal Highway Administration require the City to approve a Local Agency Agreement in order to establish the reimbursement process for the project. Approval of this agreement will allow IDOT to reimburse the City for eligible items once the appropriate supporting documentation is submitted and approved. The City will be responsible for payments until reimbursement is received from IDOT (typically 60-90 days) or for any ineligible items. In addition, the right of way acquisition and/or actual construction of the Jack Dame Road Overpass must begin within 10 years following the signing of this agreement or the City will be required to repay any federal funds received under this agreement. Sam Tesreau was present to answer questions. Regarding the Federal Government having a different Fiscal Year, Sam is monitoring closely so that the end of the ten years will be noted ahead of time. Moved by Councilman T. McDermott and seconded by Councilman Eckhardt, **“I move Agreement 11-4036, Local Agency Agreement for Federal Participation for the Jack Dame Road Overpass Project, be approved.”** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, D. McDermott, and T. McDermott. Nays: None. Motion passed 6-0.
- 7) **Economic Development Program Agreements – Ritchie Road/Ritchie Court Improvements:** The City of Rochelle submitted an Economic Development Program (EDP) grant application to the Illinois Department of Transportation (IDOT) last fall for funding to assist with roadway improvements for the Nippon Sharyo project locating at the ITC Industrial Park. As a result, the City received an award letter through the EDP program for assistance with funding up to \$2 million for construction of roadway improvements and an additional \$48,000 in Truck Access Route Program funding. Since that time, Nippon Sharyo has decided to locate their facility within the Prologis Industrial Park which changed the transportation and funding needs for the project. The City submitted a revised request for EDP funds on February 28, 2011 and has received an approval letter from IDOT for \$866,480, which represents 50% of the total cost for roadway improvements, and an additional \$60,000 in Truck Access Route Program funding. City staff and representatives from IDOT District 2 have prepared a State/Local Joint Agreement which has been sent to Springfield for review and approval. This agreement will not be finalized until the City approves the agreement and related resolution defining the limits of the proposed 80,000 pound truck route to be established from the intersection of Steward Road and Ritchie Road and include Ritchie Court. The Local Agency/Company Agreement, another requirement of the EDP agreement, has been executed by Nippon Sharyo USA and Mayor Olson. Once the State/Local Joint Agreement has been approved by the State, the mechanism for releasing funds is secured. Per the development agreement previously approved, all expenses related to the roadway improvements that are over and above the available EDP funds will be the responsibility of the developer. Sam Tesreau was present to answer questions. Moved by Councilman Eckhardt and seconded by Councilman D. McDermott, **“I move Resolution R11-05, a Resolution Establishing a Class II Designated State/Local Joint Truck Route Agreement Section 11-00109-00-PV Related to EDP funding for Ritchie Road/Ritchie Court be adopted.”** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, D. McDermott, and T. McDermott. Nays: None. Motion passed 6-0.
- Moved by Councilman Berg and seconded by Councilman Eckhardt, **“I move the Council rescind Resolution R10-24, the State/Local Joint Agreement (Section #10-00108-00-PV) for Truck Route related to EDP funding Approved October 25, 2010.”** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, D. McDermott, and T. McDermott. Nays: None. Motion passed 6-0.

8) **Ordinance Abating the Taxes Levied for 2010 – Taxable General Obligation Bonds:** On November 22, 2010 the Mayor and Council approved an ordinance providing for the issuance of general obligation bonds in an amount not to exceed \$2,940,000 to finance offsite improvements related to the Lighthouse Pointe Subdivision and Route 38 corridor. The bonds were issued on December 14, 2010 for \$2,940,000. Proceeds from the bond issuance are being used to finance improvements within the TIF District as outlined in the Pre-Development Agreement between the City and North Route 38 LLC. The annual debt service related to these bonds will not be paid through property taxes. Instead, the debt service will be paid through TIF revenues, interest refunds from the Internal Revenue Service and other City funds. In order to abate the property taxes, the proposed ordinance must be approved and forwarded to Lee and Ogle County. In the future, the abatement ordinance will be presented annually in December with the Ordinance Levying Property Taxes for the City of Rochelle.

Moved by Councilman Eckhardt and seconded by Councilman Berg, **“I move Ordinance 11-4037, An Ordinance abating the taxes heretofore levied for the year 2010 to pay debt service on Taxable General Obligation Bonds Series 2010, be adopted.”** Roll call vote was taken.

Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, D. McDermott, and T. McDermott.
Nays: None. Motion passed 6-0.

DISCUSSION ITEMS:

- 1) **2011-2012 Budget Timeline:** The City of Rochelle Budget for Fiscal Year ending April 30, 2012 has been compiled and is available for public inspection. A Committee of the Whole Budget Workshop will be held on April 12th from 4:00 – 6:00 pm at the RMU Technology Center to review the budget and answer questions. The April 25th City Council Meeting will include a Public Hearing to consider the Fiscal Year 2011-12 Budget. The final budget must be adopted by April 30, 2011.
- 2) **Jurisdictional Transfer – Steward Road:** Several industries are currently considering locating facilities on property adjacent to Steward Road, east of Illinois River Energy. On February 28, 2011, to facilitate rail served development in this area, the Mayor and Council authorized the City Manager to file a petition with the Illinois Commerce Commission to allow an extension of the City Lead Track across Steward Road. Discussions have subsequently taken place between City and County representatives regarding the jurisdictional control of Steward Road. A tentative agreement has been reached between the entities, which would give the City of Rochelle control of Steward Road from Route 251 to the Lee/Ogle County line. The jurisdictional transfer of Steward Road is proposed in the following two phases: Phase 1 from the Lee/Ogle County line to Main Street on May 1, 2012 and Phase 2 from Main Street to Route 251 on May 1, 2013. The transfer of jurisdiction will allow the City to control all decisions related to the annexation and development of properties adjacent to Steward Road. The Ogle County Road and Bridge Committee will review an Agreement for Jurisdictional Transfer at their meeting on April 12 and the Ogle County Board will vote on the agreement at their meeting on April 19, 2011. Following the Ogle County Board’s approval, the agreement will be included on the April 25, 2011 Rochelle City Council Meeting. Sam Tesreau, Jason Anderson, and Meggon McKinley gave further explanation and answered questions.

3) **Liquor License Fees:** The liquor license fees currently in effect were established by Ordinance on May 12, 1997. Since that time, the costs associated with processing the liquor licenses, associated background checks and enforcing the regulations have increased significantly. City Clerk, Bruce McKinney has researched area liquor license fees and, in the absence of Mayor Olson, Liquor Commissioner, provided that information to the Council and responded to questions.

- Rochelle is well below the fees established in other communities. Also, other communities charge an extra amount for first time liquor license application.
- The City of Rochelle does not currently charge for the processing of applications of a new liquor business.
- Rochelle only charges a fee of \$50 for a background check for a new manager of an existing license holder.
- As stated in the IML REVIEW magazine (November/December 2008 issue), "Mayors reported that the most significant factor determining the amount of license fees charged is the cost associated with enforcing regulations."
- The cost to the City to process liquor licenses over the last eleven years has increased along with the cost of doing background checks; feels the liquor fee increase and charging for background checks are justified. Just found out that the charge for a background check is going to go up.
- All of the Liquor Businesses were notified last year that the permit fee would probably increase this year.
- Last time Sunday liquor licenses were discussed by council, the majority of the public did not want Sunday liquor licenses.

The current liquor licenses will be renewed June 1, 2011. In order to get an annual State License, the establishments must first have a City License.

In answer the Council gave their thoughts:

- The Liquor Commissioner (the Mayor) should be present for this discussion.
- See what the business owners want.
- Liquor is a difficult business to be in right now with the economy and the "No Smoking" ordinance.
- Discuss gas stations selling liquor.
- Sunday liquor licensing; city losing tax money.
- Would like more data to help make this decision.
- Cost of enforcement – what and how much involved.

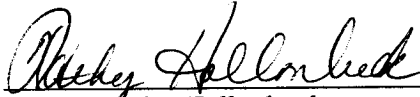
The council agreed that there needed to be further discussion before any action taken.

4) **Provision for Variances to Chapter 98 (Utilities) of the Rochelle Municipal Code:** The February 14, 2011 City Council agenda included a request for a variance to Chapter 98 of the Rochelle Municipal Code which governs utilities. Prior to the council taking action, City Attorney Cooper advised the Mayor and Council that the utility chapter did not contain any provisions for variances; therefore they should not consider the request at that time. City staff members have since researched the appropriateness of allowing variances to the utility code. Kathy Cooper shared this information with the Council and responded to their questions. She had contacted several other cities to see what their codes stated. She also stated there is a safety concern involved in allowing variances. She understands the Park District wanting a variance for a vaulted toilet and their concern with vandalism, but vandalism is not enough of a reason for a variance.

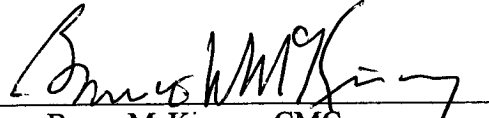
EXECUTIVE SESSION: At 8:31 p.m. moved by Councilman Berg and seconded by Councilman Eckhardt, **"I move the Council recess into executive session to discuss the purchase or lease of real property for City's use.** Section (c) (6). Motion passed by voice vote without dissent. There is no action following.

At 8:45 p.m., moved by Councilman Berg and seconded by Councilman D. McDermott, **“I move the Council return to Open Session.”** Motion passed by voice vote without dissent.

ADJOURNMENT: At 8:45 p.m., Councilman Berg moved and seconded by Councilman Hayes, **“I move the Council adjourn.”** Motion passed by voice vote without dissent.



Kathy Hollonbeck
Mayor Pro-tem, City of Rochelle



Bruce McKinney, CMC
City Clerk, City of Rochelle