

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
OCTOBER 26, 2015**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Monday, October 26, 2015 in the Council Chambers of City Hall; 420 N. 6th Street; Rochelle, IL 61068.

PLEDGE TO THE FLAG & PRAYER: The Prayer was said by Clerk McKinney.

ROLL CALL: Present on Roll Call were Councilmembers Burke, Eckhardt, Hayes, Hollenbeck, D. McDermott, T. McDermott, and Mayor Olson. Absent: None. Quorum of seven present. Also present were City Manager Plyman and City Clerk McKinney.

PROCLAMATIONS, COMMENDATIONS, ETC.:

REPORTS AND COMMUNICATIONS:

Mayor: Mayor Olson reminded people that Saturday is Halloween and drive safe with kids on the street.

Council Members: None.

PUBLIC COMMENTARY:

BUSINESS ITEMS:

1) CONSENT AGENDA ITEMS BY OMNIBUS VOTE with Recommendations:

- a) Approve Minutes of City Council Meeting – October 13, 2015
- b) Approve Bills – 10/02/15-10/08/15, 10/09/15-10/15/15
- c) Approve Payroll – 09/28/15-10/11/15
- d) Approve Downtown Rochelle Association's Request for the Christmas Walk December 4, 2015
- e) Authorize Lighted Christmas Parade – December 4, 2015

Moved by Councilman Eckhart and seconded by Councilwoman Hollenbeck, "**I move Consent Agenda Items (a) through (e) be approved by Omnibus Vote as recommended.**" Roll call vote was taken. Ayes: Burke, Eckhardt, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 7-0.

- 2) **6 MW Skid Load Generators Phase II Project.** RMU generator sets go back to vintages of 1947 and the maintainability of these units has gone down drastically. In addition these units were designed for continuous running – not peak shaving. Overall generator set availability has been down to as low as 40 % which does not provide enough capacity to drive down the summer capacity charges. RMU’s ability to generate capacity is very important for peak shaving, the ability to reduce our demand on the grid when market prices for energy are exceptionally high, especially during the hot summer. Peak shaving is critical for RMU given the capacity cost increases in PJM (which is the Energy region RMU participates in). The capacity costs are measured in \$/MWDAY and are charged for the full planning year starting June 1st (energy costs of \$/kWh is a completely different measure). The capacity charges for Planning Year 2018/2019 were identified in the PJM August auction as \$ 215/MWDAY. That is \$ 43,800 per MW per year. RMU staff and BHMG have created a project for an additional 6MW of highly reliable capacity to be operational by June 1, 2016. The project includes an efficient integration into RMU’s distribution network with a large amount of reuse of the initial skid load project.

The total project is estimated to be \$ 3,353,000 and includes the following:

General Site Work/Fuel System - \$450,000

Electrical/Controls - \$1,084,000

Permitting/Startup - \$70,000

Generator Purchase - \$1,749,000

This also includes the Rice-Neshap equipment as well as the automation of the units.

The return on this investment is expected to be 184%. The UAB formally recommended approval of the investment in these units at its meeting in September. Funds for the units are in the budget as part of the transmission line upgrade which has been delayed with the remainder coming from the Depreciation, Improvement and Extension account. As to timing of these investments, the capacity charges are already defined for the next three planning seasons so any delay will create more rate increases due to the charges that RMU would incur. Moved by Councilwoman Hollenbeck and seconded by Councilman Eckhardt, **“I move the City of Rochelle proceed with 6 MW Skid load generator phase II project.”** Roll call vote was taken. Ayes: Burke, Eckhardt, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 7-0.

- 3) **Ordinance Authorizing Lease of Property – 8764 South Highway 251.** In 2009 the City Council authorized staff to move forward with the purchase of a 0.52 acre parcel of property, including a residential dwelling, located north of the airport at 8764 South Highway 251. This parcel was identified in the Airport Layout Plan as property the City needed to either purchase or acquire an avigation easement over in order to extend the runway to 5,000 feet. The property was subsequently purchased in December of 2009 and has since been annexed into the City with a zoning classification of I-2. In the past City staff members have rented the residential dwelling on a month to month basis. Attorney Cooper has advised that, per statute, the City Council may authorize a municipal officer to sign leases with a term of less than two years. The proposed ordinance would allow the City Manager to sign a new lease and future leases for this property. The City has negotiated a month to month lease beginning on November 1st with a monthly rental payment of \$650. In addition the lease specifies that the tenants will pay all utilities including gas, electricity, telephone, water, sewer and garbage pickup. Moved by Councilman Eckhardt and seconded by Councilman Dan McDermott, **“I move ordinance 15-4482, an Ordinance authorizing lease of property at 8764 South Hwy 251, be approved.”** Roll call vote was taken. Ayes: Burke, Eckhardt, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 7-0.

DISCUSSION ITEMS: NONE

EXCUTIVE SESSION: None.

ADJOURNMENT: At the 7:14 p.m., moved by Councilman D. McDermott and seconded by Councilman T. McDermott, **“I move the Council adjourn.”** Motion passed by voice vote without dissent.



Chet Olson, Mayor



Bruce W. McKinney, CMC
City Clerk, City of Rochelle