

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
JANUARY 23, 2017**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Monday, January 23, 2017 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 Eckhart, Hayes, Hollenbeck, D. McDermott, T. McDermott, and Mayor Olson. Absent: Burke. A quorum of six was present. Also present were City Manager Plyman, City Attorney Wagner, and City Clerk McKinney.

PROCLAMATIONS, COMMENDATIONS, ETC: None

REPORTS AND COMMUNICATIONS:

Mayor: None.

Council: None.

PUBLIC COMMENTARY

Roger Bearden, Ed Kissick, and Diane McNelly spoke on the landfill.

BUSINESS ITEMS:

1) CONSENT AGENDA ITEMS BY OMNIBUS VOTE with Recommendations:

- a) Approve Minutes of City Council Meeting – January 9, 2017
- b) Approve Bills – 12/30/16-1/5/17, 1/6/17-1/12/17
- c) Approve Payroll – 12/19/16-1/1/17
- d) Reject All Bids for Steel Poles – 138 KV Line Rebuild Steward Road
- e) Approve Closure of City Street for the Lucky Hub Dash – March 11, 2017

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

- 2) **[Capital Improvement Plan 2017-2021.** As part of the budget process, Assistant to the City Manager Adriana Milan worked with department heads to compile a Capital Improvement Plan (CIP). The plan includes capital projects and equipment budgeted in the current fiscal year and four subsequent fiscal years. The CIP is an important management tool for forecasting projected capital needs and linking those needs to projected revenue. The CIP was originally presented at the May 23, 2016 council meeting. Since then, the plan has been updated to coincide with the change in the City of Rochelle's fiscal year. The revised plan was included on the January 9th council agenda and held over at that time to allow council members additional time to review. Moved by Councilor Eckhart and seconded by Councilor Hollenbeck, "**I move Plan 17-4641, the Capital Improvement Plan 2017-2021, be approved.**" Roll call vote was taken. Ayes: Eckhart, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 6-0.

3) Water unrestricted cash revenue policy.**4) Water reclamation unrestricted cash revenue policy.**

The purpose of the Water and Water Reclamation Unrestricted Cash Reserve Policies is to maintain an adequate amount of reserves to protect Rochelle Municipal Utilities Water and Water Reclamation ability to provide reliable service during periods of cost uncertainties, reductions in sales due to weather or a sluggish economy, volatile energy prices and rising capital improvement costs while maintaining stable rates. It is important for RMU Water and Water Reclamation to maintain the financial flexibility to smooth rate increases. Properly designed reserve policies send a positive signal to ratepayers, investors, and regulatory and credit rating agencies that the City is committed to maintaining the long- run fiscal strength of RMU Water and Water Reclamation. Strong and transparent financial policies, including maintaining prudent reserves for emergencies, rate stability, working capital and capital improvements, are consistent with best practices in the utility industry. The policies state that RMU Water and Water Reclamation "will have sufficient unrestricted, undesignated reserves to maintain or improve its credit ratings; ensure that operating and maintenance costs will be paid in a timely manner, to pay debt service obligations, and to invest in needed capital improvements and equipment replacement on a timely basis." In addition, RMU Water and Water Reclamation "will maintain sufficient reserves to minimize rate increases due to market volatility, weather impacts on demands, emergencies (such as natural disasters), and regulatory changes." The policies include a Target (Minimum) Level equal to 365 days of operating and maintenance expenses. The Utility Advisory Board voted to recommend that the City Council approve the policies at its meeting on January 18th. Adam Lanning will was present to answer questions. Moved by Councilor Hollenbeck and seconded by Councilor D. McDermott, "**I move policy 17-4646, the Water Unrestricted Cash Reserve Policy, be approved.**" Roll call vote was taken. Ayes: Eckhart, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 6-0.

Moved by Councilor Hollenbeck and seconded by Councilor Eckhart, "**I move policy 17-4647, the Water Reclamation Unrestricted Cash Reserve Policy, be approved.**" Roll call vote was taken. Ayes: Eckhart, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 6-0.

- 5) **Emergency contract with Martin and Company excavating-8th Avenue water main.** In January of 2016 the City Council approved an engineering agreement with Fehr Graham for professional services related to a project to extend 12 inch water main along 20th Street from 10th Avenue to 8th Avenue and along 8th Avenue from 20th Street to 15th Street. This project also included the replacement of approximately 1,300 feet of 2 inch galvanized main that is known to be a problem. When Well 11 was taken off line, due to exceeding the maximum contaminant levels for radium, the IEPA placed Rochelle on a restricted status. As a result, the IEPA would not allow any new water mains and the project was put on hold until the City is taken off of restricted status. In late December of 2016 the 2 inch galvanized water main failed, leaving a commercial customer and the cemetery without water. Superintendent of Water/Water Reclamation Adam Lanning contacted the IEPA at that time and obtained an emergency approval to replace the existing main. He subsequently hired Martin and Company Excavating to install the 1300 foot section with the assistance of RMU staff. The Rochelle Municipal Code, Section 2-373, allows contracts for emergency services or repairs to be excluded from the requirement of competitive bidding. Therefore, Lanning recommends approving the pay request from Martin and Company Excavating in the amount of \$99,264.03. Adam Lanning was present to answer questions. Moved by Councilor Eckhart and seconded by Councilor Hollenbeck, **"I move policy 17-4647, the Water Reclamation Unrestricted Cash Reserve Policy, be approved."** Roll call vote was taken. Ayes: Eckhart, Hayes, Hollenbeck, D. McDermott, T. McDermott and Mayor Olson. Nays: None. Motion passed 6-0.

DISCUSSION ITEM

1. **Letter from former and current city council members regarding what shall the no landfill.** The Mayor and City Council approved an Application for Local Siting Approval for the Expansion of the Rochelle Municipal Landfill #2 subject to several conditions at a Special Council Meeting on April 11, 2007. An Agreement for Amendment to Restated Host Agreement for the Operation and Development of Rochelle Municipal Landfill #2 was subsequently approved on April 28, 2008. The amendment included the allocation of costs for construction on Mulford Road, the interpretation of specific ambiguous siting conditions, an appropriate time period for exhumation of Unit 1, and the release of certain claims.

Earlier this month the Mayor, City Council and City Manager received a letter signed by former and current council members regarding the landfill. The letter urges the City to "reflect back on the experts' testimony and information shared from the landfill expansion hearing as you consider reopening the negotiations of the landfill agreement. The information shared about the changes in technology in the last 30 years was clear that the owner of the landfill needs to be mindful of how the water supply is being impacted. Even though the landfill ownership has changed hands and current owner's testing shows no leakage is present in the last five years, we must think of the next 100 years when making decision for the greater Rochelle and Creston communities."

The mayor and all councilmembers spoke against changing the agreement.

EXECUTIVE SESSION

ADJOURNMENT: At 7:50 PM, moved by Counselor Eckhart and seconded by Counselor D. 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