

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
September 10, 2018**

The Rochelle City Council met in Regular Session at 6:30 p.m. on Monday, September 10, 2018 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 Messer.

ROLL CALL: Present on Roll Call was Councilmembers Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Absent: None. A quorum of seven were present. Also present were City Manager Jeff Fiegenschuh, City Clerk Sue Messer, Deputy Clerk Rose Huéramo and City Attorney Dominick Lanzito.

PROCLAMATIONS, COMMENDATIONS, ETC: Constitution Week-September 17-23, 2018

REPORTS AND COMMUNICATIONS:

- Mayor
- Council Members: Councilman Hayes announced the National Skydiving event was taking place. City Clerk Sue Messer announced Candidacy petitions are available online and City Clerk's office. Peggy Friday gave an update on the Retail Advisory Committee.
- Retail Advisory Committee Update: Cultivating Community- Stephanie Williams and Samantha Barkus gave presentation and sneak peak of some of the radio commercials for the small businesses for the City of Rochelle.

PUBLIC COMMENTARY: John Kaminski-spoke about the \$15 million bond ordinance without having a public hearing or referendum.

BUSINESS ITEMS:

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

- a) Approve Minutes of City Council Meetings – 8/27/18
- b) Approve Minutes of Special City Council Meetings – 8/20/18, 8/27/18
- c) Approve Exceptions – 08/22/18-09/03/18
- d) Approve Bills – 09/04/18
- e) Approve Payroll – 08/13/18-08/26/18

Motion made by Councilor D. McDermott and seconded by Councilor Shaw-Dickey, "**I move consent agenda items (a) through (e) be approved by Omnibus Vote as recommended.**" Roll call vote was taken. Ayes: Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 6-0. Councilman Bearrows absent from 6:51pm – 6:58pm.

- 2) **Ordinance Approving the Preliminary and Final Plat of Kennay Farms Distilling, LLC Subdivision Conditional Use Warehousing Variance of Interior Parkway Buffer Yard Requirement.** The Rochelle City Council approved a development agreement and the sale of the historic downtown theater on June 13, 2016. Part of the agreement was for the purchaser of the building to use the building to manufacture liquor, provide a banquet hall, conduct tours, and hold events. The purchaser will manufacture liquor in the building and store the product elsewhere. The City of Rochelle passed a zoning ordinance in June of 2016 to allow this type business in the B-1 district. As part of the re-development of the property, the petitioner has since purchased 4 lots behind the distillery and has designed a warehouse to bottle the product and store barrels to age the product. The petitioner is proposing to subdivide 4 lots into one lot and has requested a conditional use for warehousing in the B-1 Zoning District, a variance of setbacks for interior parkways and buffer yards for a new development in a commercial district. The petitioner has submitted a preliminary and final plat of subdivision, an engineering site plan with off street parking, storm water detention, building plans that meet the adopted building codes, and a guarantee of completion of public improvements per section 86-52 of the Municipal Code. As you recall the B-1 Commercial District does not require a building setback which creates a direct conflict with the City Zoning Code regarding new development. The petitioner is asking for a variance of the interior parkway, buffer yard requirement, and foundation plantings to allow the proposed building to have a zero setback on the West and North end that will allow the maximum allowable space per code for barrel storage. Staff has reviewed the building and engineering plans and referenced the standards for granting a variance found in Section 110-104. As a result, staff feels that because of the particular physical surroundings and shape or topographical conditions of the specific parcel of land involved, a particular hardship to the owner would result, as distinguished from a mere inconvenience, if the strict letter of the regulations were carried out. Staff feels the conditions upon which the petition for a variance is considered are unique to the parcel of land for which the variance is sought and not applicable, generally, to other property with the same zoning classification. The proposed facility is not dangerous to public health, will not impair property values in the neighborhood, will not impede normal development of the surrounding properties, will not impair light to adjacent property, congest public streets, increase the risk of fire. Planning and Zoning's meeting had a split vote 3-3. Kip Countryman was present to answer questions. Motion made by Councilor D. McDermott and seconded by Councilor Bearrows, "**I move Ordinance 18-4904, an Ordinance Approving the Preliminary and Final Plat of Kennay Farms Distilling, LLC Subdivision Conditional Use Warehousing Variance of Interior Parkway Buffer Yard Requirement, be approved.**" Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.
- 3) **Ordinance Approving the Preliminary and Final Plat of Manor Court Subdivision Conditional Use Planned Unit Development.** RFMS Inc. has petitioned the City of Rochelle to amend the current Planned Unit Development of Kings Crossing and to subdivide 2 lots, to include the former San Gabriel facility, into Manor Court. The purpose of subdividing the lots from 2 to 1 allows the petitioner to develop the property for a future nursing home that will include the existing facility and provide another long term care facility. The City improvements and easements were provided in the original Planned Unit Development, but a minor subdivision is required along with a conditional use in a Planned Unit Development. RFMS. Inc., along with City staff, developed a preliminary and final plat of subdivision, civil engineering, building plans, increased storm water detention and on-site improvements for the nursing home facility. City staff and the planning and zoning commission shall review the preliminary and final plat for conformance with the comprehensive plan, the provisions hereof, and all other applicable city ordinances. Pursuant to 65 ILCS 5/11-12-8, the planning and zoning commission shall disapprove or recommend approval of the preliminary and final plat within 90 days of the application. The City of Rochelle Planning and Zoning Commission will hold a public hearing on September 10, 2018 at 5:30 to review the petition from RFMS Inc. The Commission's recommendation will be provided to the City Council at the meeting. Planning and Zoning vote results were 6-0 to approve. Kip Countryman was present to answer questions. Motion made by Councilor Shaw-Dickey and seconded by Councilor Burke, "**I move Ordinance 18-4905, an Ordinance Approving the Preliminary and Final Plat of Manor Court Subdivision Conditional Use Planned Unit Development, be approved.**" Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

- 4) **Ordinance Amending Chapter 6, Article 1, Sections 6-2 and 6-3 of the Rochelle Municipal Code Pertaining to Liquor License Definitions and Liquor License Classifications.** A representative from Love's Travel Stop has approached the City about obtaining a liquor license for their new facility. The proposed modifications to Chapter 6, Alcoholic Beverages, of the Rochelle Municipal Code include the creation of a new Class T license. This classification means a Licensed Truck Stop Establishment as defined by the Illinois Video Gaming Act including at least a 3-acre facility with a convenience store, separate diesel islands for fueling commercial motor vehicles, that sells at retail more than 10,000 gallons of diesel or biodiesel fuel per month, with parking spaces for commercial motor vehicles. In addition, proposed modifications to Chapter 26 include the establishment of annual fees for the new Class T license of \$2500, based on a comparison of other communities. Motion made by Councilor T. McDermott and seconded by Councilor Burke, **"I move Ordinance 18-4906, an Ordinance Amending Chapter 6, Article 1, Sections 6-2 and 6-3 of the Rochelle Municipal Code Pertaining to Liquor License Definitions and Liquor License Classifications, be approved."** Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

- 5) **Ordinance Amending Chapter 26, Article II, Section 26-44 of the Rochelle Municipal Code Pertaining to Liquor License Fees.** Motion made by Councilor D. McDermott and seconded by Councilor Shaw-Dickey, **"I move Ordinance 18-4907, an Ordinance Amending Chapter 26, Article II, Section 26-44 of the Rochelle Municipal Code Pertaining to Liquor License Fees, be approved."** Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

- 6) **Resolution Authorizing the City Manager to Execute a Water Tower Antenna Lease Agreement.** There are areas within Rochelle Township High School where officers cannot transmit out via radio due to the low E glass construction. The lack of ability to transmit out from certain areas creates a strain on public safety communications. Motorola/Barbeck Communications has conducted testing and determined that placing an antenna on the water tower will assist officers transmitting. The lease agreement is for a ten-year term. It should also be noted that the antenna and labor will be paid for by the Ogle County Emergency Telephone System Board. Chief Higby was present to answer questions. Motion made by Councilor Shaw-Dickey and seconded by Councilor D. McDermott, **"I move Resolution R18-31, a Resolution Authorizing the City Manager to Execute a Water Tower Antenna Lease Agreement, be approved."** Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

- 7) **Infrastructure Improvements at IL Rte. 251 and Steward Rd and along Steward Rd relating to the Loves Travel Stop development and annexation agreement.** As part of the Loves development project it was agreed that Steward Rd would be widened to accommodate a 3 lane pavement section with shoulder and/or curb and other appurtenances as required. Furthermore, certain geometric and traffic signal improvements will be built at the IL Rte. 251 intersection as required and approved by the Illinois Department of Transportation permit issued in August 2018. The project will extend from IL Rte. 251, easterly along Steward Rd., for approximately 1500 feet. The annexation agreement between Loves Travel Stops and Country Stores, Inc. and the City of Rochelle contains provisions for reimbursement of a 100% of the roadway improvements associated with the development less any costs participation by the City of Rochelle. The above referenced project was advertised in the Rochelle Newsleader, on the City website and the IDOT Contractors bulletin #18-34. Bids were publicly opened and read aloud on September 6, 2018 at 10am for the above referenced project. Three separate bids were received as follows:
- William Charles Construction submitted a bid for making the entire improvements in the amount of \$1,190,062.27
 - Curran Contracting Company submitted a bid for making the entire improvements in the amount of \$1,486,486.00
 - Fischers Excavating, Inc. submitted a bid for making the entire improvements in the amount of \$1,572,107.55.

In addition, street lights will be installed by RMU, in accordance with the City's standard, along the north side of Steward Rd along the frontage of Loves Subdivision once all of the roadway construction is complete. This is also a reimbursable expense under the annexation agreement as identified herein. Lastly, given the favorable contract unit prices for multiple construction items it is recommended that approval be given to the City Manager and/or the City Engineer to negotiate further change order work, not to exceed \$240,000, within the proposed contract to facilitate other improvements and upgrades to Steward Rd which is contiguous to the scope of work contained in the contract documents. It is anticipated the construction project will be substantially complete December 2018 with remaining work to be completed by the end of May 2019. Sam Tesreau was available to answer questions. Motion made by Councilor Hayes and seconded by Councilor Burke, **"I move the council accept the proposal from William Charles Construction for infrastructure improvements at IL Route 251 and Steward Road and along Steward Road relating to the Love's Travel Stop development in the amount of \$1,190,062.27 and reject all other bids."** Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0. Motion made Councilor D. McDermott and seconded by Councilor Bearrows, **"I move the council authorize the City Manager to negotiate alternate Steward Road pavement improvements (contract change order) with William Charles Construction in an amount not to exceed \$240,000."** Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

- 8) **Ordinance Authorizing the Issuance of Taxable General Obligation Pension Funding Bonds (Alternate Revenue Source) of the City of Rochelle in the Aggregate Principal Amount not to Exceed \$15,000,000 for the Purpose of Funding all or a Portion of the Unfunded Police Pension Fund and Firefighters' Pension Fund Liability of said City, including Prepayment of, and Providing a Budget Stabilization Fund for, such Liability, and for the Payment of the Expense Incident thereto.** MightyVine, At the Budget Workshop on August 20th, preliminary discussion was held about the issuance of pension obligation bonds to fund the unfunded portion of the Police Pension and Fire Pension Funds. The authorizing ordinance is the first step in the process of determining if this option is feasible for the City of Rochelle. The use of pension obligation bonds assumes that the proceeds of the bonds when invested with the pension assets will achieve a rate of return that is greater than the interest rate owed over the term of the bonds. Currently, the unfunded liability portion of the both pensions is a debt to the City at the assumed rate of 6.75%. The pension obligation bonds would replace that debt at a lower rate. If approved, the City will continue to the next step in the process by holding a public hearing (BINA) on September 24th. A parameters ordinance will be presented to City Council on October 22nd which would allow the City to issue the bonds at a future date if the approved parameters are met (i.e. maximum par amount, interest rate, maturity date). City Manager Jeff Fiegenschuh and City Attorney Dominick Lanzito were present to answer questions. Motion made by Councilor D. McDermott and seconded by Councilor T. McDermott, **"I move Ordinance 18-4908, an Ordinance Authorizing the Issuance of Taxable General Obligation Pension Funding Bonds (Alternate Revenue Source) of the City of Rochelle in the Aggregate Principal Amount not to Exceed \$15,000,000 for the Purpose of Funding all or a Portion of the Unfunded Police Pension Fund and Firefighters' Pension Fund Liability of said City, including Prepayment of, and Providing a Budget Stabilization Fund for, such Liability, and for the Payment of the Expense Incident thereto, be approved."** Roll call vote was taken. Ayes: Bearrows, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: Burke. Motion passed 6-1.

- 9) **Ordinance Authorizing the Issuance of General Obligation Bonds (Alternate Revenue Source) of the City of Rochelle in an Aggregate Principal Amount not to Exceed \$4,500,000 to Finance Infrastructure Improvements in and for the City and for the Payment of the Expenses Incident thereto.** At the Budget Workshop on August 20th, preliminary discussion was held about the issuance of bonds for infrastructure improvements including but not limited to 2nd Ave street urbanization and drainage improvements, downtown storm sewer and drainage improvements including street and sidewalk reconstruction as needed, and other general street improvements. The authorizing ordinance is the first step in the process of determining if this option is feasible for the City of Rochelle. If approved, the City will continue to the next step in the process by holding a public hearing (BINA) on September 24th. A parameters ordinance will be presented to City Council on October 22nd which would allow the City to issue the bonds at a future date if the approved parameters are met (i.e. maximum par amount, interest rate, maturity date). City Manager Jeff Fiegenschuh and City Engineer Sam Tesreau were available to answer questions. Motion made by D. McDermott and second by Councilor Burke, **“I move Ordinance 18-4909, an Ordinance Authorizing the Issuance of General Obligation Bonds (Alternate Revenue Source) of the City of Rochelle in an Aggregate Principal Amount not to Exceed \$4,500,000 to Finance Infrastructure Improvements in and for the City and for the Payment of the Expenses Incident thereto, be approved.”** Roll call was taken. Ayes: Bearrows, Burke, Hayes D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.
- 10) **Water Reclamation Facility HVAC Procurement Project.** Last year we budgeted \$35,000 to replace the heater unit in the dewatering building that we knew needed to be replaced. After the budget was approved the HVAC unit for the administration building failed. We were able to patch the existing unit but can’t afford to go another winter with this unit since we have expensive equipment in the lab that relies on temperature control. A bid opening was held on September 6, 2018 and bids ranged from \$312,500 to \$230,999.99. Adam Lanning was present to answer questions. Motion made by Councilor Hayes and seconded by Councilor Bearrows, **“I move the council approve the construction contract with Dahme Mechanical Industries, Inc. in the amount of \$230,999.99 and reject all other bids.”** Roll call vote was taken. Ayes: Bearrows, Burke, Hayes, D. McDermott, T. McDermott, Shaw-Dickey and Mayor Olson. Nays: None. Motion passed 7-0.

DISCUSSION ITEMS: None.

EXECUTIVE SESSION: None

ADJOURNMENT: At 7:56 PM, moved by Councilor D. McDermott and seconded by Councilor Burke, **“I move the Council adjourn.”** Motion passed by voice vote without dissent.

Chet Olson, Mayor

Susan L. Messer
City Clerk, City of Rochelle