

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
April 27, 2015**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Monday, April 27, 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 City Clerk Bruce McKinney.

ROLL CALL:

- Swearing in Recently Elected Council Members
- Present on Roll Call were Councilmembers Hayes, Eckhart, D. McDermott, T. McDermott, Hollonbeck, Burke, and Mayor Olson. Absent: Quorum of seven present. Also present were City Manager David Plyman and City Clerk Bruce McKinney.

PROCLAMATIONS, COMMENDATIONS, ETC.: None

REPORTS AND COMMUNICATIONS:

- Mayor:
 - Mayor Olson reported on clean up from the storm.
- Council Members: None.
- Financial Statement – March 2015: In Council Packets

PUBLIC COMMENTARY:

John Kaminski spoke about Comcast.

BUSINESS ITEMS:

1) CONSENT AGENDA ITEMS BY OMNIBUS VOTE with Recommendations:

- a) Approve Minutes of City Council Meeting – April 13, 2015
- b) Approve Bills – 040315-040915=\$154,592; 041015-041615=\$162,469
- c) Approve Payroll – 033015-041215=\$235,742
- d) Authorize National Day of Prayer – May 7, 2015
- e) Ordinance Amending Section 6-46 of the Municipal Code to Delete One Restaurant/Recreation Liquor License (Beacon on the Green)
- f) Ordinance Amending Section 6-46 of the Municipal Code to Create One Restaurant Beer & Wine Liquor License (Fairways Golf LLC)
- g) Authorize VFW Memorial Day Parade – May 25, 2015
- h) Cable Television Franchise Agreement Extension
- i) Illinois Route 38 and Lincoln Highway Signal Modification Project

Moved by Councilwoman Hollonbeck and seconded by Councilman Eckhardt, **“I move Consent Agenda Items (a) through (i) be approved by Omnibus Vote as recommended.”** A roll call vote was taken.

Ayes: Councilmembers Burke, Eckhardt, Hollonbeck, Hayes, D. McDermott, T. McDermott, and Mayor Olson.

Nays: None. Motion passed 7-0.

2) Amended and Restated Annexation Agreement – Creekside Development (Public Hearing and Action:

City Manager Plyman read a letter from Creekside Development owner Tim Hayden requesting that consideration for this item be postponed to a later date.

3) Public Hearing concerning the Intent of the City Council to sell not to exceed \$3,000,000 Debt Certificates to pay the costs of constructing and equipping an approximately 31,000 square foot recreation center, including but not limited to a fitness center, basketball court, community lounge, running track, group exercise area, childcare facilities, classroom, and locker room facilities, site work, storm water drainage and management facilities, constructing and paving an adjacent parking lot, landscaping and acquiring, constructing and installing related utilities and for the payment of the expenses incident thereto.

Members of the Rochelle Recreational Facility Task Force have been meeting for several months with the goal of building a recreational facility in Rochelle. As a result of the group's efforts, a market research analysis and community program gap analysis have been completed. In addition, task force members have visited YMCA sites and developed a conceptual facility floorplan and budget. Earlier this year an Intergovernmental Agreement was approved between the City of Rochelle and the Flagg Rochelle Community Park District to facilitate the construction and operation of a recreational center. The agreement between the parties provides for the purchase or long-term lease of property, design and construction of the recreational center, and contribution by each of the parties of one-half of the cost of property, design and construction (estimated at approximately \$6 million). The proceeds of the Certificates will be used to pay the costs of constructing and equipping an approximately 31,000 square foot recreation center, including but not limited to a fitness center, basketball court, community lounge, running track, group exercise area, childcare facilities, classroom, and locker room facilities, site work, storm water drainage and management facilities, constructing and paving an adjacent parking lot, landscaping and acquiring, constructing and installing related utilities and for the payment of the expenses incident thereto. The Project will be owned jointly by the City and the Flagg-Rochelle Community Park District and leased to one or more not for profit corporations to be determined by the District and the City. The Project will be located on the West side of 20th Street, South of the intersection of 20th Street and Hub Drive, and North of the intersection of 20th Street and Flagg Road. Councilman D McDermott moved and seconded by Councilwoman Hollenbeck, **"I move Council recess into a public hearing to sell \$3 million bonds for a recreation center."** A roll call vote was taken. Ayes: Councilmembers Burke, Eckhardt, Hollonbeck, Hayes, D. McDermott, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0. The following people spoke in favor of a publicly owned YMCA's: Phil Hasz, Kim Montgomery, Diane McNeilly, Chuck McGrath, Rita Roethke Gary Enens. The following people spoke against a publicly owned YMCA: P. Norcroft, John Kaminski, Tony Milburn, Krista Seeback, Jerry Seeback, and Mary Eller. Motion made by Councilwoman Hollenbeck and seconded by Councilman P. McDermott, **"I move the Council return to open session."** Motion passed by voice vote without dissent. Good morning

4) Consideration and action on an ordinance authorizing and providing for an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for the City, and for the issue of not to exceed \$3,000,000 General Obligation Debt Certificate (Limited Tax), Series 2015B, evidencing the rights to payment under said Agreement, providing for the security for and means of payment under said Agreement of the Certificates, and authorizing the sale of the Certificates to Robert W. Baird & Co. Incorporated; motion made by Councilman Eckhardt seconded by Councilwoman Hollenbeck, **"I move to postpone consideration until the next Council meeting."** A roll call vote was taken. Ayes: Councilmembers Eckhardt, Hollonbeck, Hayes, and Mayor Olson. Nays: Burke, D. McDermott, and T. McDermott... Motion passed 4-3.

- 5) **Consideration and action on an ordinance authorizing and providing for an Installment Purchase Agreement for the purpose of paying the cost of purchasing real or personal property, or both, in and for the City, and for the issue of not to exceed \$2,000,000 General Obligation Debt Certificates (Limited Tax), Series 2015A, evidencing the right to payment under said Agreement, providing for the security for and means of payment under said Agreement of the Certificates, and authorizing the sale of the Certificates to Robert W. Baird & Co. Incorporated:** Motion made by Councilwoman Hollenbeck seconded by D. McDermott, **I move to postpone consideration until the next meeting.** A roll call vote was taken. Ayes: Councilmembers Burke, Eckhardt, Hollonbeck, Hayes, D. McDermott, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0
- 6) **Intergovernmental Agree the City and Ogle-Lee Fire Protection District:** The City Council approved an Intergovernmental Agreement with Ogle Lee Fire Protection District on November 25, 2002. Through this agreement the City of Rochelle provides fire protection, rescue and ambulance services to the Ogle/Lee Fire Protection District. In 2008 the parties extended the agreement for two years with the same terms and conditions. In 2010 the City and District negotiated a five-the real reason God scholarship because his by the way, Mark, congratulations, congratulations 's year agreement which included an increase in the compensation. The base amount for the first year was increased to \$45,000 and a formula was established for the four subsequent years which adjusted the compensation annually based upon the increase or decrease of the equalized assessed value (EAV) of the Ogle Lee Fire Protection District. A new three-year agreement has been negotiated between representatives of the City and Ogle-Lee Fire Protection District. The contract continues to provide for the day-to-day administration of the Ogle/Lee-City Departments as a single entity under the direction of the City's Fire Chief and City Manager. The proposed agreement includes an increase in the compensation to \$60,000 per year at a rate of \$5,000 per month. In addition, the District Trustees called for an Ambulance Service Referendum requesting a special tax levy not to exceed .30% of the value of all taxable property in March of 2016. If the referendum is passed, the District will increase its monthly payments to the City beginning May 1, 2017 by the amount of the actual cost to the City in providing ambulance and rescue services to the District, including depreciation of equipment, salaries, cost for training, etc. less insurance and cash payments received by the City from residents of the District, as calculated by the City for the prior year. The agreement has already been approved and signed by the Ogle Lee Fire Protection District. Motion made by Councilman Hayes and seconded by Councilman D. McDermott: **"I move agreement 15 - 4445, an intergovernmental agreement between city and Ogle Lee fire protection District, be approved."** A roll call vote was taken. Ayes: Councilmembers Burke, Eckhardt, Hollonbeck, Hayes, D. McDermott, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0.

- 7) **Engineering Agreement for System 1 Sanitary Sewer Replacement Veteran's Parkway and South Main Street:** RMU's System 1 sanitary sewer is a 24" diameter line that begins at the System 1 lift station, located at the south end of the Water Reclamation Plant, and runs along Veteran's Parkway, South Main Street and Steam Plant Road. This sewer line is over 55 years old and handles an average daily flow of 825,000 gallons, including primarily Hormel Foods and flow from the Cleveland and Caron Road lift stations. RMU staff members have determined that approximately 3,200 feet of this line needs to be replaced due to deterioration caused by hydrogen sulfide gas from industrial strength waste reacting with the cement. RMU has discontinued any jetting and cleaning maintenance of this sewer line because the pressure of the jetter chips away at the softened surface of the concrete. In addition to the structural concerns, RMU has seen a significant increase in flow during rain events, increasing to as much as 1,300,000 gallons per day. At the request of RMU staff, Willett Hofmann & Associates has submitted an engineering agreement for the design and construction observation of a sewer main replacement project. The project includes the replacement of the existing 24" sanitary sewer on Veteran's Parkway from IL Route 251 to South Main Street and on South Main Street from Veteran's Parkway to the sanitary sewer manhole where the Hormel sanitary sewer connects. Superintendent of Water/Water Reclamation, Adam Lanning, recommended proceeding with the scope of work as outlined at a cost of \$150,000. The total cost of this project including design and construction costs is estimated at \$585,000 and is included in the proposed 2015/16 Water Reclamation Capital Outlay Budget. Motion made by Councilman D. McDermott and seconded by Councilman Hayes, "**I move agreement 15 - 4446, an engineering agreement with Willett Hoffman & Associates for system one sanitary sewer replacement Veteran's Parkway and S. Main St., be approved.**" A roll call vote was taken. Ayes: Councilmembers Burke, Eckhardt, Hollonbeck, Hayes, D. McDermott, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0.
- 8) **Supplemental Amendment to Preliminary/Construction Engineering Services Agreement - Wiscold Drive Improvement Project:** In 2009, in association with the expansion of Sara Lee Corporation, the City of Rochelle submitted a grant application to the Illinois Department of Transportation (IDOT) for Economic Development Program (EDP) funds to assist with 3,000 feet of roadway upgrades along Wiscold Drive. The City subsequently received an award letter committing EDP funding of up to 50% of the Wiscold Drive improvements and associated expenses in an amount not to exceed \$1,123,860. In addition, a Truck Access Route Program grant has also been received towards this project. The original plan for roadway upgrades maintained the existing alignment along Wiscold Drive from Caron Road to Americold Drive. In March of 2014, due to the exorbitant cost to relocate and lower the existing BP pipeline, the Mayor and Council approved a new alignment through property owned by the City south of the existing Wiscold Drive. This change will result in Wiscold Drive intersecting with Caron Road at the current Steam Plant Road location. The Mayor and Council approved an agreement with Fehr Graham in 2012 to provide preliminary engineering services. Due to the change in the project limits, along with the timeframe of the original agreement, Fehr Graham has requested to amend the original engineering services agreement. This request will update their fee schedule for 2015 and the cost for services described in the agreement to a lump sum, not to exceed fee of \$151,000. Construction is currently underway on the Wiscold Drive project with completion expected by September of this year. This is a multi-year project which will be funded through available EDP, Motor Fuel Tax, City Sales Tax and Utility Tax Funds for the local agency portion of the infrastructure construction, construction engineering and other related expenses. Motion made by Councilwoman Hollenbeck and seconded by Councilman Eckhardt, "**I move agreement 15 - 4447, a supplemental agreement to the agreement between the City Fehr Graham related to Wiscold Drive improvement project, be approved.**" A roll call vote was taken. Ayes: Councilmembers Burke, Eckhardt, Hollonbeck, Hayes, D. McDermott, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0.

9) Switching Services Agreement with Burlington Junction Railway, LLC – City of Rochelle Railroad:

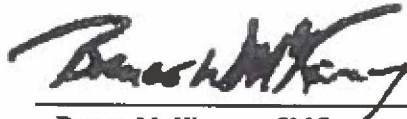
Over the past ten years the City Industrial Rail (CIR) has undergone significant changes. During this ten-year period the City and Ryder had an operating agreement which governed the switching and maintenance of the CIR. Seven years ago Ryder subcontracted the switching operations to the Burlington Junction Railway (BJRY) out of Burlington Iowa. The BJRY operates in seven locations across the Midwest and is considered to be one of the premier Short line switching operators in the country. With the expiration of the operating agreement between Ryder and the City on April 16, 2015 the City entered into an interim agreement with the BJRY to operate the CIR under the City of Rochelle until the City Council approves a new five-year operating agreement between the City and BJRY. The new operating agreement has defined new revenue allocations which include the City receiving 25% of the switch absorption fees into the railroads general funds and an additional 15% to be deposited in the CIR Capital Improvements funds. Additionally the City receives 100% of the storage fees for customers who have a need for temporary storage of rail cars. The City Manager and Staff recommended the City Council approve the five-year agreement with the BJRY for the switching and maintenance services on the CIR per the agreement. Motion made by Councilman Eckhardt and seconded by Councilman D. McDermott, **I move agreement 15 - 4448, switching agreement with Burlington Junction Railway LLC, be approved.** A roll call vote was taken. Ayes: Councilmembers Burke, Eckhardt, Hollonbeck, Hayes, D. McDermott, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0.

DISCUSSION ITEMS: None

At 9:25 p.m. Councilman Hayes moved and seconded by Councilman Eckhart, **"I move the Council adjourn."** Motion passed by voice vote without dissent.



Chet Olson, Mayor
City of Rochelle



Bruce McKinney, CMC
City Clerk, City of Rochelle