

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
MONDAY, JUNE 9, 2008**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Monday, June 9, 2008 in the Council Chambers of City Hall; 420 N. 6th Street; Rochelle, IL 61068.

PLEDGE TO THE FLAG & PRAYER

Present on Roll Call were Councilmembers Hayden, Berg, Colwill, Hollonbeck, Hayes, Eckhardt and Mayor Olson. Absent: None Also present were Ken Alberts, City Manager; Alan Cooper, City Attorney, and Bruce McKinney, City Clerk.

PROCLAMATIONS, COMMENDATIONS, ETC.: None

REPORTS & COMMUNICATIONS:

- Mayor: Appointments to Planning & Zoning Commission, Effective 7/1/2008: Mayor Olson thanked Dennis Berg, Doug Creason, and Chris Limas for interviewing applicants for this newly combined commission. He also thanked the present Planning and Zoning Boards for their years of service. Moved by Councilman Colwill and seconded by Councilman Berg, **“I move the Council approves the Mayors recommendations for appointments to the Planning and Zoning Commission, effective July 1, 2008. Two year terms - David Casey, Diane McNeilly, and Joe Thiele; Three-year terms - Neil Fairholm, Dan Lundquist, John Prabhakar and Vicki Snyder-Chura. For the non-voting members: Two-year terms – Jim Gensler and Ray Schwartz; Three-year terms – Doug Creason and Tom Huddleston.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Berg, Hollonbeck, Colwill, Hayes, Eckhardt, and Mayor Olson. Nays: None. Motion passed 7-0.
- Council Members: Councilman Hayes mentioned the compliments he received from some acquaintances out of Chicago regarding the quick response they received to their interest in doing business in Rochelle.

BUSINESS ITEMS:

1. Consent Agenda Items by Omnibus vote with Recommendations:

- a) Approve Minutes of City Council Meeting of May 27, 2008.
- b) Approve Bills and Payroll for first half of June, 2008.
- c) Accept and Place on File Rochelle Tourism and Visitors Asso. Budget 2008/2009; Ordinance 08-3684.
- d) Approve Ordinance Establishing Prevailing Wage Rates: Annually, State law requires that units of local government establish prevailing wage rates for laborers, mechanics and other workers employed in any public works project. The rates are to be established in June each year and published as required by law. Wage rates have been provided by the Illinois Department of Labor. Approval and publication is required by law. Ordinance 08-3685 establishes the rates for the next 12 months.
- e) Approve Diary Queen Request – Closure of Currency Court for Cruise Night.

Moved by Councilman Eckhardt and seconded by Councilwoman Hollonbeck, **“I move the Consent Agenda Items a, b, c, d, & e be approved by Omnibus Vote as Recommended.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Berg, Colwill, Hollonbeck, Hayes, Eckhardt, and Mayor Olson. Nays: None. Motion passed 7-0.

- 2. Vacating Alley Right-of-Way Adjacent to 222 Second Avenue:** A request was received from Richard Kuehl for front, rear and side yard variances for property at 222 2nd Avenue to allow for the construction of a 50 foot by 99 foot metal storage building. At the May 27, 2008 Council Meeting the Mayor and City Council approved the front and rear yard variances but denied the side yard variance. The side yard variance was not approved since other options are available including the acquisition of City owned right-of-way. The City of Rochelle owns a 16.5' by 66' alley located at 222 2nd Avenue. Richard Kuehl has provided a written offer of \$3,000 for the 1,089 square feet of land, which translates to \$2.75 per square foot. This offer is consistent with a recent appraisal completed for another property which was similar in both zoning and location. City Manager, Ken Alberts recommends selling the property for \$3,000 and has confirmed with Attorney Cooper that City Council members may vacate the alley by at least a three- fourths vote. Moved by Councilman Berg and seconded by Councilman Colwill, **“I move Ordinance 08-3686, An Ordinance Vacating Alley adjacent to 222 2nd Avenue, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Berg, Hollonbeck, Colwill, Hayes, Eckhardt, and Mayor Olson. Nays: None. Motion passed 7-0.
- 3. Financing – RMU Technology Center:** Development of the Rochelle Business and Technology Park as well as the completion of the Northern Illinois Technology Triangle (NITT) are quickly becoming a reality. As part of this development RMU will provide services which require a “hardened” (storm resistant) facility, including housing equipment for the NITT and providing collocation space for Illinois Department of Transportation and for commercial telecommunication providers. Local financial institutions were asked to provide financing options for this facility. A consortium of local banks has provided a quote to finance \$5,000,000 of this project at a fixed interest rate of 4.27% for the first ten years. This rate quote will expire on July 1, 2008. Finance Manager, Chris Frye, has evaluated various financing options and has recommended that we accept the ten year fixed rate option of 4.27%. Chris Frye was at the meeting to answer any questions. Moved by Councilwoman Hollonbeck and seconded by Councilman Berg, **“I move Financing (08-3687), authorizing the City Manager to borrow \$5,000,000 from a consortium of local banks prior to July 1, 2008 at a fixed interest rate of 4.27% for the first ten years, be approved.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Berg, Hollonbeck, Colwill, Hayes, and Mayor Olson. Nays: None. Abstain: Councilman Eckhardt. Motion passed 6-0.
- 4. Bids – RMU Technology Center:** The 2008-09 Budget includes a total of \$7,000,000 for the construction of the RMU Technology Center: \$2,000,000 from electric utility reserve funds and \$5,000,000 from the communication services fund, which will be financed as outlined in the preceding agenda item. The 11,460 square foot facility will be located on a 5.3 acre lot in the southeast corner of the intersection of Dement Road and Technology Parkway. Attributes of the building include: category three construction, redundant power and fiber optics, 3,000 square feet of raised floor, and provisions for future expansion. The facility will house equipment for the Northern Illinois Technology Triangle, provide collocation space for the Illinois Department of Transportation and commercial telecommunication providers, allow for the City’s Emergency Operations Center. Subsequent to the required public notice, three bids were opened on June 3, 2008. RMU staff and their consultant, John Hood of TENG & Associates have reviewed the bids and determined that because of a material variance in the T J Magen & Company bid, it has been rejected as a non-responsive bid. The bid from Stenstrom General Contractors in the amount of \$6,260,000 meets the minimum requirements of the specifications and has been determined to be the lowest responsible bid. Gary Larsen was present to answer any questions. Moved by Councilman Berg and seconded by Councilman Eckhardt, **“I move the Council accept bid C08-05 from Stenstrom General Contractors of Rockford, IL in the amount of \$6,260,000 for the RMU Technology Center and reject all other bids.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Berg, Hollonbeck, Colwill, Hayes, Eckhardt, and Mayor Olson. Nays: None. Motion passed 7-0.

5. **Bids – Construction of Detention Facility:** The site plan and bid specifications issued for construction of the RMU Technology Center are based on a rough grade which requires the addition of fill at the site prior to construction. The Rochelle Business and Technology Park phase II development includes the creation of a 4.0 acre detention pond located in the southwest corner, adjacent to the RMU lot. The proximity of these two areas offers an economical source of fill for the RMU site through the excavation of the detention pond. The Grading Project will provide the fill needed for the Technology Center and will result in the completion of the detention pond, including seeding and mulching, with the exception of the outlet structure. Subsequent to the required public notice, bids were opened on June 5, 2008, with five contractors submitting bids. RMU staff and their consultant, Fehr-Graham and Associates, have reviewed all bids and determined that the apparent low bidder, Martin and Company, has met the requirements of the specifications. Funds for the construction of the detention pond are included in the storm water allocation being assessed on a per acre basis for each of the lots requiring offsite detention in phase two of the technology park. Moved by Councilman Colwill and seconded by Councilwoman Hollonbeck, **“I move the Council accept bid C08-06 from Martin And Company of Oregon, IL in the amount of \$168,155 for the construction of Detention Facility and Technology Center Grading and reject all other bids.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Berg, Hollonbeck, Colwill, Hayes, Eckhardt, and Mayor Olson. Nays: None. Motion passed 7-0.
6. **Resolution – Authorizing City Manager to Sign State/Local Joint Agreement:**
7. **Resolution – Establishing a Class II Designated Truck Route – Dement Road:**
8. **Resolution – Authorizing City Manager to Sign Local Agency/Company Agreement:**
The City of Rochelle submitted an Economic Development Program (EDP) grant application to the Illinois Department of Transportation (IDOT) on March 13, 2008 in the hopes of acquiring funding to assist with infrastructure related to the Rochelle Business and Technology Park. On April 25, 2008 the City received an award letter through the EDP program for assistance with funding up to 50% of Dement Road, and associated expenses, not to exceed \$1,041,993. The Dement Road Project includes the construction of 2,775 feet of roadway, curb and gutter, sidewalk, drainage, storm sewer, and detention facilities. In order to expedite the Dement Road Project IDOT has provided the City with an unsigned Economic Development Program Agreement. According to IDOT, execution of this agreement does not finalize the funding but it does allow for the advertisement of this project for bidding. A resolution is required authorizing an official to execute the agreement. According to IDOT the City needs to pass a resolution defining the limits of the proposed 80,000 pound truck route and identifying the truck route class. This particular Class II truck route will be established from the existing intersection of Petro Drive and Dement Road and extend North 2,800 feet. The Local Agency/Company Agreement is another requirement of the EDP agreement. A letter of commitment and agreement has been secured with Northern Trust Corporation and the City must pass a resolution authorizing the City Manager to execute the agreement. Sam Tesreau, City Engineer, was present to answer questions. Moved by Councilman Eckhardt and seconded by Councilman Colwill, **“I move the Council accept bid C08-18, a Resolution Authorizing City Manager to Sign State/Local Joint Agreement for Dement Road EDP Agreement, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Berg, Hollonbeck, Colwill, Hayes, Eckhardt, and Mayor Olson. Nays: None. Motion passed 7-0. Moved by Councilman Berg and seconded by Councilwoman Hollonbeck, **“I move Resolution R08-19, A Resolution Establishing a Class II Designated Truck Route along Dement Road, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Berg, Hollonbeck, Colwill, Hayes, Eckhardt, and Mayor Olson. Nays: None. Motion passed 7-0. Moved by Councilman Colwill and seconded by Councilman Berg, **“I move Resolution R08-20, A Resolution Authorizing City Manager to Sign Local Agency/Company Agreement for Dement Road EDP Funding-Northern Trust, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Berg, Hollonbeck, Colwill, Hayes, Eckhardt, and Mayor Olson. Nays: None. Motion passed 7-0.

9. **Ordinance Authorizing and Providing for the Issuance of Electric System Refunding Revenue Bonds:** Current municipal revenue bond interest rates provide economic incentives to refund existing revenue bonds issued at higher interest rates. The City of Rochelle has some series 1995 electric revenue bonds that are eligible for refunding which could provide a substantial savings over the life of the bonds. The refunding of these bonds was discussed at the May 27, 2008 City Council Meeting. The aggregate principal amount remaining unpaid on the series 1995 electric revenue bonds is \$5,660,000. In order to proceed with the refunding of these bonds an ordinance authorizing the City to issue the Electric System Refunding Revenue Bonds is required. The refunding of these bonds at a lower interest rate is anticipated to save the City approximately \$220,000 but will be dependent on interest rate market fluctuations. Chris Frye was present to answer any questions. Moved by Councilman Hayes and seconded by Councilman Eckhardt, **“I move Ordinance 08-3688, An Ordinance Authorizing and providing for the Issuance of Electric System Refunding Revenue Bonds, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Berg, Hollonbeck, Colwill, Hayes, Eckhardt, and Mayor Olson. Nays: None. Motion passed 7-0.

PUBLIC COMMENTARY: None

DISCUSSION ITEMS: **Marketing strategies for the Technology Park** given by Sue Messer:

- Of the 150 acres, approximately 75 acres are, or in the process of being sold. Time to market the other parcels.
- Working with a local sign company with the idea of a 10' x 25' (260 sq. ft.) but have to check into whether that size can be put along Hwy. The sign will include the web site address.
- Jeff Smith is working on setting up a web site giving a tour of the Tech Park.
- Street Department will mount the sign along Hwy 39.

City Manager's Report:

- With the high winds the previous weekend, we fared well considering some other communities. There were a few minor outages due to the wind and one lightning strike. The street department had to deal with falling tree branches. But we had active departments where needed.
- There was a lot of staff involved in the Rockford Airport Air Show on Friday.

EXECUTIVE SESSION: At 8:07 p.m., Councilman Berg moved and Councilman Colwill seconded, **“I move the Council recess into executive session to discuss Collective negotiating matter, Section (c) (5).”** Roll call vote was taken. Ayes: Councilmembers Hayden, Berg, Hollonbeck, Colwill, Hayes, Eckhardt, and Mayor Olson. Nays: None. Motion passed 7-0.

At 8:58 p.m., Councilman Berg moved and seconded by Councilman Colwill, **“I move the Council return to Open Session.”** Motion passed by voice vote without dissent.

ADJOURNMENT: At 8:58 p.m., Councilman Berg moved and seconded by Councilman Hayes, **“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