

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
MONDAY, NOVEMBER 10, 2008**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Monday, November 10, 2008 in the Council Chambers of City Hall; 420 N. 6th Street; Rochelle, IL 61068.

PLEDGE TO THE FLAG & PRAYER

ROLL CALL: Present on Roll Call were Councilmembers Berg, Hayden, Colwill, Hayes, Hollonbeck, and Eckhardt. Absent: Mayor Olson. Quorum of 6. Also present were Ken Alberts, City Manger and Bruce McKinney, City Clerk.

- 1) Moved by Councilman Berg and seconded of Councilman Hayden, **“I move the Council appoints Councilman Colwill as Mayor Protem for the November 10, 2008 Council meeting.”** Roll call vote was taken. Ayes: Councilmembers Hayes, Hollonbeck, Berg, Eckhardt, and Hayden. Nays: None. Abstain: Councilman Colwill. Motion passed 5-0.

PROCLAMATIONS, COMMENDATIONS, ETC.: None

REPORTS AND COMMUNICATIONS:

- **Mayor:** Absent
- **Council Members:** Councilwoman Hollonbeck mentioned the new recycle guide and that it is full of helpful information. She recommended that the public pick up a copy in City Hall at the front receptionist desk.

BUSINESS ITEMS:

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

- a) Approve Minutes of City Council Meeting – October 27, 2008;
- b) Accept Airport Advisory Board Minutes – September 15, 2008;
- c) Accept Airport Advisory Board Minutes – October 6, 2008;
- d) Approve first half of November Bills/Payrolls.
- e) Approve New Beginnings Baptist Church Request to use the Gazebo for a Living Nativity on December 5, 2008.

Moved by Councilwoman Hollonbeck and seconded by Councilman Berg, **“I move Consent Agenda Items a, b, c, d, e, and f be approved by Omnibus Vote as Recommended.”** Roll call vote was taken. Ayes: Councilmembers Hayes, Berg, Hollonbeck, Hayden, Eckhardt, and Colwill. Nays: None. Absent: one. Motion passed 6-0.

- 2) **Bids for Purchase of 2009 4x4 Crew Cab Truck:** The 2008-09 General Fund Capital Budget includes \$34,000 for the purchase of a 3/4 ton extended cab pick-up truck equipped with a plow. Once in service this truck will replace a 1999 3/4 ton regular cab pick-up truck. The truck will be used for towing of heavy equipment, transporting crews to job sites, snow plowing, and general work assignments. Subsequent to the required public notice, bids were opened on October 24, 2008, with three local dealers submitting bids. Superintendent of Streets, Don Elliott reviewed the bids and compared them with the Illinois Department of Central Management Services listing for this equipment. Due to a difference of nearly 25% between the lowest local bid and the State of Illinois program, Don Elliott recommends purchase of the truck through the Illinois Department of Central Management Joint Purchasing Program at a cost of \$25,334.00. Don Elliott was present and answered any questions. Moved by Councilman Berg and seconded by Councilman Eckhardt, **“I move the Council reject all bids for the 2009 4X4 Crew Cab Truck for the Street Department.”** Roll call vote was taken. Ayes: Councilmembers Hayes, Berg, Hollonbeck, Hayden, Eckhardt, and Colwill. Nays: None. Absent: one. Motion passed 6-0. Moved by Councilman Berg and seconded by Councilman Hollonbeck, **“I move the Council Authorize Purchase C08-20 of a 2009 4X4 Crew Cab Truck for the Street Department through the Illinois Department of Central Management Joint Purchasing Program in the amount of \$25,334.”** Roll call vote was taken. Ayes: Councilmembers Hayes, Berg, Hollonbeck, Hayden, Eckhardt, and Colwill. Nays: None. Absent: one. Motion passed 6-0.

- 3) **Audit Report Fiscal Year 2007/2008:** The Mayor and City Council retained Virchow, Krause and Co. LLP to perform an audit of the City's financial operations for the fiscal year ending April 30, 2008. This firm has completed our annual audit for the past 11 years. Virchow, Krause and Company planned and performed their audit to determine whether the financial statements are free of material discrepancies. This included examining, on a test basis, evidence supporting the amounts in the financial statements. The audit also assessed the accounting principals used; estimates made by management, and evaluated the overall financial statement presented. The auditor's opinion, as noted on page i of the Audit Report, indicates that the financial statements for the year ending April 30, 2008 "present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rochelle." It further states that cash flows are in "conformity with accounting principles generally accepted in the United States of America." Heather Acker of Virchow, Krause and Company gave a presentation. She and Chris Frye, Adm. Svcs. Director/Treasurer were able to answer questions. Moved by Councilman Eckhardt and seconded by Councilwoman Hollonbeck, **"I move the Council accept and place on file the Audit Report 08-3752 for Fiscal Year 2007/2008 as prepared and presented by Virchow Krause & Company."** Roll call vote was taken. Ayes: Councilmembers Hayes, Berg, Hollonbeck, Hayden, Eckhardt, and Colwill. Nays: None. Absent: one. Motion passed 6-0.
- 4) **Ordinance Authorizing Execution of the IMLRMA Min/Max Contribution Agreement:** The City of Rochelle has participated in the Illinois Municipal League Risk Management Association property and liability insurance program since 1997. The program covers the following risks: worker's compensation, auto liability, commercial general liability, portable mobile equipment, and the physical damage to auto and property. The program provides an opportunity to reduce our risk management costs through the use of "Minimum/Maximum Premium Program" whereby the City accepts some risk of loss in return for a reduction in premium. Our loss experience has resulted in significant savings in each of the years we have participated. Lynette Fischer has reviewed the renewal proposal and recommends that we accept the net minimum premium of \$345,926.28. This premium represents an increase of 3.45% over the previous year. The relatively small premium increase is mainly due to an increase in the commercial general liability. All coverage and limits are little changed in 2008-2009. Selecting the minimum payment option subjects the City to additional premiums of approximately \$117,800 if our claims exceed program limits. Our past loss experience has not subjected the City to any additional premiums. Approving the agreement before November 21st provides for a 2% discount, saving the City \$7059.74. Lynette Fischer was present to answer questions. Moved by Councilwoman Hollonbeck and seconded by Councilman Berg, **"I move Ordinance 08-3753, An Ordinance Authorizing the Execution of the IMLRMA Minimum/Maximum Contribution Agreement, be adopted."** Roll call vote was taken. Ayes: Councilmembers Hayes, Berg, Hollonbeck, Hayden, Eckhardt, and Colwill. Nays: None. Absent: one. Motion passed 6-0.
- 5) **Memorandum of Understanding between the City, County, and Creston Host Fees:** Ogle County entered into a Host Agreement with Rochelle Waste Disposal on December 19, 1995 related to the future expansion of the landfill. Among other things the agreement includes a flat host fee of \$1.27 per ton which is to commence on the date the final siting is approved for the expansion. On September 19, 2006 the City of Rochelle, Ogle County, and Village of Creston approved an Intergovernmental Agreement which allows for the distribution of the \$1.27 per ton fee as follows: City of Rochelle \$0.565, Ogle County \$0.425, and Village of Creston \$0.28. On April 11, 2007 the Mayor and City Council granted siting approval for an expansion subject to 37 conditions, two of which are still being appealed to the Illinois Appellate Court. On May 6, 2008 the City entered into an agreement with the operator which resolved the disputes between the City and the Operator and allowed the Operator to proceed with the expansion regardless of the outcome of the appeals. Recently Ogle County and the Village of Creston have taken the position that the final siting was approved on April 11, 2007 and that the collection of the flat host fee of \$1.27, and subsequent disbursement between the three entities, should have commenced on that date. The City and the Operator interpreted the final siting approval date to be that date when a decision has been made on the pending appeals. A compromise has been reached between the parties which designates May 6, 2008 as the "date of final siting approval" for purposes of the Flat Host Fee, providing that the City retains all payments made up to and including June 30, 2008 under the City's surcharge ordinance. Alan Cooper was present to answer questions.

Moved by Councilman Eckhardt and seconded by Councilman Hayden, **“I move Memorandum 08-3754, A Memorandum of Understanding between the City of Rochelle and the County of Ogle and the Village of Creston, be approved.”** Roll call vote was taken. Ayes: Councilmembers Hayes, Berg, Hollonbeck, Hayden, Eckhardt, and Colwill. Nays: None. Absent: one. Motion passed 6-0.

- 6) **Ordinance Authorizing Acquisition of Property for Drainage Purposes – (Rochelle Business and Technology Park):** In August of 2007 the Mayor and City Council approved the annexation and zoning of approximately 160 acres of land located in the northeast quadrant of the City for the future development of the Rochelle Business and Technology Park. Several entities have already chosen to locate facilities in the park including Allstate, Northern Trust, Rochelle Municipal Utilities, and Ogle County. Per the Illinois Municipal Code the City has the right to establish and construct ditches which are required for draining land located within the City’s corporate limits and the right to obtain a proper outlet outside the corporate limits. In order to facilitate the proper drainage of the Rochelle Business and Technology Park, the City finds it necessary to acquire a tract of land, or drainage right-of-way, on property located west of the park. A formal offer to purchase, based on a certified appraisal, was mailed to the property owner on September 5, 2008 with a response deadline of September 30, 2008. Approval of this ordinance authorizes the City Manager to acquire the property by purchase (subject to council approval of the purchase price) or by exercising the City’s right of eminent domain provided for in the Illinois Municipal Code. Alan Cooper and Sam Tesreau were present to answer questions. Moved by Councilman Berg and seconded by Councilwoman Hollonbeck, **“I move Ordinance 08-3755, An Ordinance Authorizing Acquisition of Property for Drainage Purposes for Rochelle Business and Technology Park, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hayes, Berg, Hollonbeck, Hayden, Eckhardt, and Colwill. Nays: None. Absent: one. Motion passed 6-0.
- 7) **Ordinance Side Yard Variance – 1220 N. 14th Street:** The City has received a request from Jeffrey and Lynn Tilton for a side yard setback variance at 1220 North 14th Street. The petitioner has requested a variance of two feet from the required ten foot side yard setback to allow for the construction of an attached, 200 square foot, third car garage. Chris Limas, Community Development Director recommended approval of the variance since it fits the character of the neighborhood and several homes in the area have three car garages. If the variance is granted and the garage is constructed, there will still be 23 feet between the garage addition and the neighboring house. At the November 3, 2008 meeting of the Planning and Zoning Commission the Tilton variance request was considered. The Commission voted 5-0, to recommend approval of a side yard setback variance of two feet as requested. Chris Limas was present to answer any questions. Moved by Councilman Berg and seconded by Councilman Eckhardt, **“I move Ordinance 08-3756, An Ordinance Approving a Variance for Property Located at 1220 N. 14th Street, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hayes, Berg, Hollonbeck, Hayden, Eckhardt, and Colwill. Nays: None. Absent: one. Motion passed 6-0.
- 8) **Ordinance Preliminary Plat Unit Two Prologis Park:** On July 14, 2003 the Mayor and Council approved an annexation agreement with DP Partners related to approximately 300 acres of land located South of Interstate 88 and East of Caron Road. This property was annexed into the City and zoned I-2 General Industrial to facilitate the DP Partners industrial development. A portion of the property on the north side of Steward Road was subdivided as LogistiCenter Unit 1 following approval of the preliminary and final plat on January 26, 2004. Earlier this year Prologis, a world wide developer of distribution facilities acquired the development from DP Partners. Prologis has petitioned the City of Rochelle for approval of a preliminary plat for a five lot subdivision located South of Steward Road. The proposed subdivision would include four buildable lots, with the fifth lot containing the detention pond. The Bay Valley Foods facility, which is currently under construction, is located on Lot Three of the subdivision. Public dedications are included which will facilitate the realignment of Caron Road, the Steward Road Overpass and improvements to Steward Road. On November 3, 2008 the City of Rochelle Planning and Zoning Commission reviewed the petition for a preliminary plat and voted to recommend approval of the preliminary plat by a vote of 6-0 subject to final plat and engineering modifications as outlined by staff. Chris Limas gave additional information, followed by John Sword, representing Prologis, who presented their concept for Unit Two. Moved by Councilwoman Hollonbeck and seconded by Councilman Eckhardt, **“I move Ordinance 08-3757, An ordinance**

Approving the Preliminary Plat of Subdivisions for Prologis Park Rochelle – Unit Two, be adopted. Roll call vote was taken. Ayes: Councilmembers Hayes, Berg, Hollonbeck, Hayden, Eckhardt, and Colwill. Nays: None. Absent: one. Motion passed 6-0.

- 9) **Reduction in Letter of Credit – Walgreens:** A surety bond, #105032774 for \$589,838 was submitted to the City of Rochelle by Randall Lot II LLC to secure their obligations related to land improvements for the Rose Rochelle Re-Subdivision located along Rte 251 and Jones Avenue in Rochelle. Due to completion of the majority of the required improvements, Randall Lot II LLC has contacted the City of Rochelle to request a reduction in the letter of credit. City Engineer, Sam Tesreau, has reviewed the request for a reduction in the letter of credit. A letter outlining remaining conditions necessary for release of the letter of credit has been sent to Randall Lot II LLC. Given that there are additional items to be completed, a new letter of credit for 10% of the original estimated cost of improvements (\$589,838) plus an additional \$6,000 for the remaining paving, sidewalk, grading, erosion control and restoration, stormsewer, and as built plans is required by the City to be held for a period of 24 months as guarantee of satisfactory performance of land improvements. The new deposit of a letter of credit or other surety recommended is \$64,983. Sam Tesreau was present to answer questions. Moved by Councilman Berg and seconded by Councilman Hayden, **“I move the Council approve 08-3758, Request for Reduction in Letter of Credit for Rose Rochelle Re-subdivision (Walgreens) with conditions as outlined in the letter from the City Engineer dated November 4, 2008.** Roll call vote was taken. Ayes: Councilmembers Hayes, Berg, Hollonbeck, Hayden, Eckhardt, and Colwill. Nays: None. Absent: one. Motion passed 6-0.

PUBLIC COMMENTARY: None

DISCUSSION ITEMS: None

EXECUTIVE SESSION: At 8:25 p.m., moved by Councilwoman Hollonbeck and seconded by Councilman Berg, **“I move the Council recess into executive session to discuss: Collective negotiating matters, Section (c)(2); Discussion of minutes of meetings lawfully closed under this Act for purposes of approval by the body of the minutes or semi-annual review of the minutes as mandated Section (c)(21); Litigation-probable or imminent, Section (c) (11).** Roll call vote was taken. Ayes: Councilmembers Hayes, Berg, Hollonbeck, Hayden, Eckhardt, and Colwill. Nays: None. Absent: one. Motion passed 6-0.

At 8:54 p.m., moved by Councilman Berg and seconded by Councilwoman Hollonbeck, **“I move the Council Return to Open Session.”** Motion passed by voice vote without dissent.

ADJOURNMENT: At 8:54 p.m., moved by Councilman Berg and seconded by Councilwoman Hollonbeck, **“I move the Council adjourn.”** Motion passed by voice vote without dissent.

Wendell Colwill
Mayor Pro-tem, City of Rochelle

Bruce McKinney, CMC
City Clerk, City of Rochelle