

**ROCHELLE CITY COUNCIL  
REGULAR COUNCIL MEETING MINUTES  
MONDAY, MARCH 23, 2009**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Monday, March 23, 2009 in the Council Chambers of City Hall; 420 N. 6<sup>th</sup> Street; Rochelle, IL 61068.

**ROLL CALL:** Present on Roll Call were Councilmembers Hayden, Colwill, Berg, Hayes, and Mayor Olson. With a quorum established and no objections Councilwoman Hollonbeck was present by phone. Absent: Councilman Eckhardt. Also present were Ken Alberts, City Manager and Bruce McKinney, City Clerk.

**PROCLAMATIONS:** Rochelle Township High School Hub Basketball Recognition Week: March 23-March 29, 2009; read by City Clerk McKinney; presented to players present.

**REPORTS AND COMMUNICATIONS:**

- **Mayor:** None
- **Council Members:**
  - Bil Hayes congratulated Karen Hayden for being chosen the 2009 Community Leader.
- **Staff:** Reported updates by Sue Messer:
  - Upcoming blood drive sponsored by the Police Department on Thursday, March 26.
  - United Way: Pledges at \$3600 with more continuing to come in.
  - Tech Park: Presented pictures of entrances, markers, and street lights.

**BUSINESS ITEMS:**

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

- a) Approve Minutes of City Council Meeting – March 9, 2009.
- b) Accept and place on file Minutes of Planning and Zoning Commission – February 2, 2009.
- c) Approve Bills/Payrolls for the second half of March, 2009.
- d) Authorize Elementary Schools Fun-Run Event.

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

2) **IBEW – Utilities Agreement 2008-2011:** The current agreement with IBEW Local 196 (Utility) was due to expire on April 30, 2008. It was extended subject to negotiations and ratification of a new agreement. A tentative agreement, retroactive to May 1, 2008, has been reached for a new three-year contract that will expire on April 30, 2011 and was ratified by members of the bargaining group on March 9, 2009. A redlined copy of the tentative agreement is attached. It contains many of the same provisions as the previous agreement, but incorporates language changes as well as wage and benefit enhancements negotiated over the past several months. Some of the more significant changes include:

- **Article 14 – Wages:**
  - Effective 5-1-08 standby pay will increase by \$1.00 per day.
  - Effective 5-1-09 standby pay will increase by \$1.00 per day.
  - Effective 5-1-10 standby pay will increase by \$1.00 per day.
- **Annex A – Pay Grade Schedule:**
  - Effective 5-1-08, across the board increase of 3%.
  - Effective 5-1-09, across the board increase of 3%
  - Effective 5-1-10, across the board increase of 3%.
  - Additional market increase of \$.50 per contract year for linesperson.
  - New designation as “Electrical Integrator” in Water/Wastewater with an additional \$1.00 per hour.
  - New Water/Wastewater Training/Certification Requirements.

Lynette Fischer and Sue Messer were present to answer any questions. Moved by Councilman Colwill and seconded by Councilman Berg, **“I move Agreement 09-3791, An Agreement between City of Rochelle Municipal Utilities and International Brotherhood of Electrical Workers Local 196, be ratified.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Hollonbeck, Colwill, Berg, Hayes, and Olson. Nays: None. Motion passed 6-0.

3) **IBEW – Streets & Cemetery Agreement 2008-2011:** The current agreement with IBEW Local #196 (Streets/Cemetery) was due to expire on April 30, 2008. It was extended subject to negotiations and ratification of a new agreement. A tentative agreement, retroactive to May 1, 2008, has been reached for a new three year contract that will expire on April 30, 2011 and was ratified by members of the bargaining group on March 10, 2009. A redlined copy of the tentative agreement is attached. It contains many of the same provisions as the previous agreement, but incorporates language changes as well as wage and benefit enhancements negotiated over the past several months. Some of the more significant changes include:

- **Article 22 – Hours of Work and Overtime:**  
Effective 5-1-08 standby pay will increase by \$1.00 per day.  
Effective 5-1-09 standby pay will increase by \$1.00 per day.  
Effective 5-1-10 standby pay will increase by \$1.00 per day.
- **Exhibit A – Wage Schedule:**  
Effective 5-1-08, across the board increase of 3%.  
Effective 5-1-09, across the board increase of 3%.  
Effective 5-1-10, across the board increase of 3%

Lynette Fischer and Sue Messer were present to answer any questions. Moved by Councilman Colwill and seconded by Councilman Berg, **“I move Agreement 09-3792, An Agreement between City of Rochelle Division of Street and Cemetery and International Brotherhood of Electrical Workers Local 196, be ratified.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Hollonbeck, Colwill, Berg, Hayes, and Olson. Nays: None. Motion passed 6-0.

4) **Agreement between the City and the Rochelle Area Chamber of Commerce:** Representatives from the Retail Alliance and Rochelle Area Chamber of Commerce addressed the Mayor and City Council on January 26, 2009 and March 9, 2009 regarding the possibility of consolidating the two entities. Benefits of the proposed merger include efficiencies gained through the elimination of duplicate efforts and financial support for the Chamber of Commerce through the loan of a City employee. Currently Peggy Friday, Commercial Retail Development Coordinator, is a member of the economic development department of the City of Rochelle. Her duties include working with commercial businesses to locate and/or expand their facilities in our community. The proposed consolidation would allow her to serve as the executive director of the Chamber of Commerce while continuing her commercial retail development duties. The proposed agreement is for a term of two years with a renewal option of additional one year periods thereafter and includes a commitment from the City to pay the loaned employee’s current salary and benefits throughout the term of the agreement. Peggy Friday and Geri Henkel, Chamber Vice-President, were present to answer questions. Councilman Berg questioned the autonomy and the cost to the City. According to Ken Alberts the cost to the City will be the addition of support staff for Jason Anderson at an annual cost of \$24,000 plus benefits. After a 2-year commitment, the renewal will come back to the Council. It is felt by Council that maintaining the Chamber of Commerce is important for Rochelle. Moved by Councilman Colwill and seconded by Councilman Hayes, **“I move Agreement 09-3793, An Agreement between the City of Rochelle and the Rochelle Area Chamber of Commerce, be ratified.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Hollonbeck, Colwill, Berg, Hayes, and Olson. Nays: None. Motion passed 6-0.

5) **Intergovernmental Agreement between the City and IDOT – IL Route 251:** The Illinois Department of Transportation is proceeding with plans to remove and replace the existing asphalt surface of approximately one half mile of Illinois Route 251’s through traffic lanes from 5th Avenue to Jones Road, south of Illinois Route 38. This project is scheduled for contract letting on April 24, 2009. IDOT, as the lead agency for this project, will prepare the plans, receive the bids, and award the contract. The total estimated costs for this project are \$293,250 with the City’s estimated share being \$4,495 for manhole and water valve adjustments and engineering. Upon completion of the improvement, the agreement provides that the City will maintain the portions of the improvement which are not maintained by the State including highway lighting systems, storm sewers and manholes, and side street approaches. Sam Tesreau was present to give additional information and to answer any questions. New sidewalks are not in this agreement. Moved by Councilman Hayes and seconded by Councilman Hayden, **“I move Agreement 09-3794, An Intergovernmental Agreement between the City of Rochelle and IDOT for Route 251 Improvements, be ratified.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Hollonbeck, Colwill, Berg, Hayes, and Olson. Nays: None. Motion passed 6-0.

Moved by Councilman Hayes and seconded by Councilman Berg, **“I move Resolution R09-09, a Resolution to appropriate money for the City to pay its share of the cost of Route 251 Improvements, be adopted.”**

Roll call vote was taken. Ayes: Councilmembers Hayden, Hollonbeck, Colwill, Berg, Hayes, and Olson.

Nays: None. Motion passed 6-0. Moved by Councilman Hayes and seconded by Councilman Colwill, **“I move Resolution R09-10, A Resolution Approving Plans and Specifications as Proposed by the State of Illinois, Department of Transportation, for a Joint City-State Improvement of Illinois Route 251, be adopted.”** Roll call vote was taken. Ayes: Council-members Hayden, Hollonbeck, Colwill, Berg, Hayes, and Olson. Nays: None. Motion passed 6-0.

- 6) **Ordinance – PUD Plan & Preliminary Plat Amendment – Kings Crossing:** Wyndham Foxford, LLC has petitioned for an amendment to the PUD Plan and Preliminary Plat of the Kings Crossing Subdivision which was originally approved on January 22, 2007 and subsequently granted a seven month extension on January 12, 2009. Since the PUD Plan and Preliminary Plat were approved the developer has acquired a five acre parcel, previously known as the Mayer property at the intersection of Flagg and 20th Street, which facilitates the construction of 20th Street to the north. The original PUD Plan and Preliminary Plat included a 7.84 Acre commercial parcel at the northwest intersection of Flagg Road and the future 20th Street. The amended Plan and Plat now include a 3.4 acre assisted living site and a 5 acre commercial site. On March 16, 2009 the City of Rochelle Planning and Zoning Commission held a public hearing to review the petition to amend the approved PUD Plan and Preliminary Plat. The Commission voted to recommend approval of the amended PUD Plan and Preliminary Plat by a vote of 5-0 subject to any outstanding engineering items being addressed in the review of the Final PUD Plat. Chris Limas used pictures for better explanation. City Engineer Sam Tesreau and Rich Girard were also present to answer any questions. Mr. Tesreau did not recommend a public road between Metzgers and 20<sup>th</sup> Street. Moved by Councilman Berg and seconded by Councilman Colwill, **“I move Ordinance 09-3795, An Ordinance Amending the Planned Unit Development Plan and Preliminary Planned Unit Development Plat for the Kings Crossing Planned Unit Development, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Hollonbeck, Colwill, Berg, Hayes, and Olson. Nays: None. Motion passed 6-0.
- 7) **Resolution Granting Tax Abatement – Project:** The Economic Development Department has been informed that San Gabriel Enterprises is considering the construction of a senior assisted living facility as part of the Kings Crossing Development in Rochelle. The proposed 46 unit facility will have the capacity to serve 53 residents within the single and double occupancy units available. This project has been evaluated to determine the anticipated economic impact to the community including estimated job creation of 12 full-time positions and 10-14 part-time, building size of 38,393 square feet, and an estimated equalized assessed valuation of \$908,523. Based on this evaluation, Peggy Friday, Commercial/Retail Development Coordinator recommends a one-year real estate tax abatement of 90%. Peggy Friday, along with Caroline and John Dietzen of San Gabriel Enterprises, were present to give more information and answer any questions. A full-time manager will be hired at approximately \$24-35,000; part-time employees will earn from \$8.50-10.00/hour. RN’s, etc. will be competitive with the hospital pay. Moved by Councilman Colwill and seconded by Councilman Berg, **“I move Resolution R09-07, A Resolution Granting Real Estate Tax Abatement to the San Gabriel Enterprises Project, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Hollonbeck, Colwill, Berg, Hayes, and Olson. Nays: None. Motion passed 6-0.
- 8) **PUD Plan and Preliminary Plat – Kings Crossing:** The Final PUD Plan and Plat for Lighthouse Pointe (Wal-Mart Addition) was approved by the Mayor and Council on October 27, 2008. Due to requirements imposed by the Illinois Department of Transportation, City of Rochelle, and serious floodplain issues associated with the site, significant infrastructure improvements are still necessary. The developer’s contract with Wal-Mart is contingent upon the developer obtaining the necessary financing to complete the required improvements. The recent economic downturn has resulted in the tightening of lending guidelines which will result in their inability to finance all of the remaining improvements. North Route 38 LLC has requested that the City consider establishing a TIF District to assist with the financing of public improvements associated with the development of this site. The passage of the Inducement Resolution is the first step in the process of establishing the Rochelle Route 38 TIF District. If the City Council chooses to move forward with the establishment of the TIF District, a development agreement between the City and the developer will be drafted which will provide for the reimbursement of eligible costs. Ryan Fitzgerald, Spring Creek

Development Group, was present for further information and to answer questions. Mr. Fitzgerald stated that without the TIF, they cannot proceed as planned due to the change in recent financial conditions. Moved by Councilman Berg and seconded by Councilman Colwill, **“I move Resolution R09-08, A Resolution of Inducement Regarding the City of Rochelle Route 38 TIF District, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Hollonbeck, Colwill, Berg, Hayes, and Olson. Nays: None. Motion passed 6-0.

***PUBLIC COMMENTARY:*** Jeff Pignato spoke to the council on issues he has recently had with City staff.

***DISCUSSION ITEMS:***

**Item 1: Rochelle Route 38 Tax Increment Financing (TIF) District Development Agreement:**

Route 38 North LLC must be able to waive a financial contingency with Wal-Mart by April 15, 2009 or jeopardize the project. A TIF District Development Agreement will be negotiated between the Developer and the City consistent with the “Deal Points” summarized in the letter from Spring Creek Development Group dated March 18, 2009. Alan Cooper, City Attorney, was present to discuss TIF District law which is highly specialized along with financing devices and TIF deadline.

**Item 2: RMU Load Reduction Program:** RMU has developed a Capacity-Based Load Response Program as a means of providing savings to businesses that have the flexibility to manage electrical interruptions. This program has been designed for customers that have methods for reducing their energy load (demand) and that are willing to commit to the program for a period of one year starting June 1, 2009 and ending May 31, 2010. Participants will receive market-based compensation for energy they don’t use, and will even receive compensation when no interruptions are requested. RMU General Manager Gary Larsen was in attendance to discuss the benefits of the program for RMU and its customers.

***EXECUTIVE SESSION:*** At 8:50 p.m., moved by Councilman Colwill and seconded by Councilman Berg, **“I move the Council recess into executive session to discuss non-union personnel.”** Roll call vote was taken. Ayes: Councilmembers Hayden, Hollonbeck, Colwill, Berg, Hayes, and Olson. Nays: None. Motion passed 6-0.

At 9:11, Councilman Colwill moved and seconded by Councilman Berg, **“I move the Council return to Open Session.”** Motion passed by voice vote without dissent.

***ADJOURNMENT:*** At 9:11 p.m., moved by Councilman Colwill and seconded by Councilman Berg, **“I move the Council adjourn.”** Motion passed by voice vote without dissent.

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Chet Olson  
Mayor, City of Rochelle

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Bruce McKinney, CMC  
City Clerk, City of Rochelle