

EXECUTIVE SESSION: At 8:10 pm, moved by Councilman Berg and seconded by Councilman Eckhardt, I move we recess into executive session to discuss the minutes of meetings purposes of approval by the body of the minutes as mandated in Section (c) (21) and the selection of a person to fill a public office as mandated in Section (c) (3). Roll call vote was taken. Ayes: Councilmembers Hayden, McDermott, Berg, Hayes, Eckhardt and Olson. Nays: None. Motion passed 6-0.

At 9:20, Councilman Eckhardt moved and seconded by Councilman Berg, **“I move the Council return to Open Session.”** Motion passed by voice vote without dissent.

ADJOURNMENT: At 9:20 p.m., moved by Councilman Eckhardt and seconded by Councilman Berg **“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

- 3) **Dark Fiber and Collocation License Agreements – Above Net:** RMU has installed a fiber optic network throughout the Rochelle Business and Technology Park with feeds to each of the existing sites. Private telecommunications providers wishing to provide service within the park must lease RMU fibers and contract for collocation space within the RMU Technology Center. Above Net has requested the use of four strands of dark fiber to serve the needs of Northern Trust at a monthly license fee of \$9,500 for a term of five years. A collocation agreement has also been negotiated with Above Net for a 10' x 10' secure collocation cage within the RMU Technology Center which will produce monthly revenue of \$2,160 for a term of five years. These two agreements will provide total revenue of \$699,600 over the five-year term. After more discussion by Ken Alberts and the council, it was moved by Councilman Eckhardt, and seconded by Councilman McDermott, **“I move Agreement 09-3831, An Agreement with Above Net Communication’s Inc. for a Collocation License, be approved.”** Roll call vote was taken. Ayes: Councilmembers Hayden, McDermott, Berg, Hayes, Eckhardt and Olson. Nays: None. Motion passed 6-0. Moved by Councilman Eckhardt and seconded by Councilman Hayden, **“I move Agreement 09-3832, An Agreement with Above Net Communication, Inc. for the use of Dark Fibers, be approved.”** Roll call vote was taken. Ayes: Councilmembers Hayden, McDermott, Berg, Hayes, Eckhardt and Olson. Nays: None. Motion passed 6-0.
- 4) **Airport Community Hangar Project:** As discussed at the April 27, 2009 City Council meeting there is an increased interest in the airport which is creating demand for additional aircraft storage. In addition, there is a need to provide space for aviation related businesses considering locating on site. On June 8, 2009 the Mayor and Council approved an ordinance providing for the issuance of not to exceed \$750,000 in General Obligation Bonds for the construction of a new hangar at the municipal airport. Subsequent to the required public notice, bids were opened on July 20, 2009, with ten contractors submitting bids. Don Elliott and our consultant, Thomas Houck of Willett-Hofmann & Associates, have reviewed the bids and determined that the apparent low bidder, Cord Construction of Rockford, has met the minimum requirements of the specifications with their bid. The base bid provided by Cord Construction was \$924,898. The Rochelle Municipal Airport has been accumulating Federal Entitlement funds since 2004 in anticipation of the runway expansion at the airport and currently has a fund balance of \$789,365. These funds were planned to be used for land acquisition, but legal issues have delayed our efforts to purchase the land. IDOT Department of Aviation has recently notified the City that we are in danger of losing the 2004 entitlement funds of \$150,000. Due to the availability of Federal Entitlement funds and the risk of losing the 2004 funds, it is staff’s recommendation to supplement the \$750,000 bond proceeds with the 2004 entitlement of \$150,000. The combination of these two funding sources will allow us to proceed with the base bid including the office space. Staff also recommends accepting alternate #2 which substitutes a forced air system for the radiant heat included in the base bid. The base bid of \$924,898 less the deduction of \$44,660 for alternate #2 results in a net cost of \$880,238. Don Elliott and Mark DelHotal were both present to answer any questions. Moved by Councilman Berg and seconded by Councilman Hayes, **“I move the Council accept Bid C09-08 from Cord Construction in the amount of \$880,238 for the base bid and alternate #2 bid for the construction of an Airport Community Hangar, and reject all other bids.”** Roll call vote was taken. Ayes: Councilmembers Hayden, McDermott, Berg, Hayes, Eckhardt and Olson. Nays: None. Motion passed 6-0.

PUBLIC COMMENTARY: None

DISCUSSION ITEMS:

- 1) **Prairie State Energy Campus:** Gary Larsen, General Manager of Rochelle Municipal Utilities, provided an update on the progress at the Prairie State generation facility in Southern Illinois. The facility is expected to be operational in 2011 and will be an important component in meeting our community’s future electric needs in a cost effective manner.

**ROCHELLE CITY COUNCIL
REGULAR COUNCIL MEETING MINUTES
MONDAY, JULY 27, 2009**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Monday, July 27, 2009 in the Council Chambers of City Hall; 420 N. 6th Street; Rochelle, IL 61068.

PLEDGE TO THE FLAG: The Pledge of Allegiance.

PRAYER: The Prayer was lead by City Clerk McKinney.

ROLL CALL: Present on Roll Call were Councilmembers Hayden, McDermott, Eckhardt, Berg, Hayes, and Mayor Olson. Absent: Councilwoman Hollonbeck. Also present were City Manager Alberts, Attorney Alan Cooper, and City Clerk McKinney.

PROCLAMATIONS, COMMENDATIONS, ETC.: None

REPORTS AND COMMUNICATIONS:

- **Mayor:**
 - Mayor Olson mentioned the accident involving police officer and another vehicle; thoughts and prayers go out to all involved and their families.
 - IML Board Meeting attended by Mayor: IML Annual Meeting in September; questions and answers about video gaming act; new laws concerning FOIA (Freedom of Information Act); Open Meetings Act; information will be passed out to Council.
 - Presented a check for \$15,000 to the Historical Society to help with the tuck-pointing of the museum. Check accepted with much appreciation by David Guest.
- **Council Members:** None

BUSINESS ITEMS:

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

- a) Approve Minutes of City Council Meeting – July 13, 2009;
- b) Approve Bills/Payrolls for the second half of July, 2009;
- c) Authorize Kiwanis Peanut Day Sales on September 22, 2009 at Designated Intersections;

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

2) **Resolution Authorizing the Issuance of Hospital Facility Revenue Bonds:** Rochelle Community Hospital has requested that the City issue tax-exempt bonds in an amount not to exceed \$8,000,000 in order to refinance the outstanding balance on their 2004 debt and issue new debt to purchase land which will be used for a future expansion. At the July 13, 2009 City Council Meeting a Public Hearing was held concerning the intent of the City of Rochelle to issue up to \$8,000,000 in Tax-Exempt Hospital Facility Revenue Bonds. The proposed resolution will grant the City the authority to issue Hospital Facility Revenue Bonds, Series 2009. The Bonds will be issued in an amount not to exceed \$8,000,000 and will be sold on a private-placement basis to five local banks. The bonds will be amortized over a period of time not to exceed twenty years and the Hospital will be liable for payment of the debt. The Hospital agrees to pay all of the costs that the City may incur relating to the bonds and agrees to indemnify the City for any liability arising with respect to the bonds. Revisions have been made to the Resolution presented at the July 13, 2009 City Council Meeting and Council has been provided with a redlined version along with a memo explaining the changes. An Indenture of Trust, Loan Agreement, Mortgage, and Security Agreement have also been provided which will be executed in relation to the bond transaction. The City will issue the bonds and loan the proceeds via a loan agreement. The obligation will be secured through a real estate mortgage and a security agreement on personal property which is assigned to a trustee by means of an Indenture of Trust. This process allows the City to act as the “conduit” without having any financial obligation for repayment of the bonds. Chris Frye, Finance Director, put together the material presented to council; she called the bond council to get the information needed to word the agreement properly so that none of the responsibility falls back on the city. Attorney Alan Cooper was present to review the various changes and give his legal opinion on them. Moved by Councilman Berg and seconded by Councilman Hayes, **“I move Resolution R09-21, A Resolution Authorizing the City of Rochelle to Issue Not-to-Exceed \$8,000,000 in Tax-Exempt Hospital Facility Revenue bonds, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hayden, McDermott, Berg, Hayes, and Olson. Nays: None. Abstain: Councilman Eckhardt. Motion passed 5-0 with 1 abstention.