

**ROCHELLE CITY COUNCIL  
REGULAR COUNCIL MEETING MINUTES  
MONDAY, JUNE 14, 2010**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Monday, June 14, 2010 in the Council Chambers of City Hall; 420 N. 6<sup>th</sup> Street; Rochelle, IL 61068.

***PLEDGE TO THE FLAG:***

***PRAYER:*** The Prayer was said by City Clerk McKinney.

***ROLL CALL:*** Present on Roll Call were Councilmembers Berg, Hayes, D. McDermott, Hollonbeck, T. McDermott, Eckhardt, and Mayor Olson. Absent: None. Also present were City Manager Alberts and City Clerk McKinney.

***PROCLAMATION:*** None

***REPORTS AND COMMUNICATIONS:***

- **Mayor:**
  - Two vacancies on the Planning & Zoning Commission. Anyone interested in filling a vacancy should submit an application to the City Clerk's office.
- **Council Members:** None

***PUBLIC COMMENTARY:***

- **Mike Koolige:** Citizen and business owner in Rochelle. He requested the council do whatever it can to get Wal-Mart here "sooner rather than later." Feels the City needs more restaurants, clothing stores, car dealerships, more choices, and especially progress here in Rochelle.
- **John Kaminski:** Rochelle Citizen. He is against a TIF. His concern is that there is not a binding agreement with Wal-Mart to assure that they will open a new store here.

***BUSINESS ITEMS:***

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

- a) Approve Minutes of City Council Meeting – May 24, 2010
- b) Accept and Place on File Minutes of Planning and Zoning Commission – April 5, 2010
- c) Accept and Place on File Minutes of Planning and Zoning Commission – May 3, 2010
- d) Accept and Place on File Minutes of Stormwater Advisory Commission – May 19, 2010
- e) Approve Bills 05/14/10-05/20/10, 05/21/10-05/27/10, 5/28/10-6/3/10
- f) Approve Payroll 05/03/10-05/16/10, 5/17/10-5/30/10
- g) Accept and Place on File Rochelle Tourism and Visitors Association Budget 2010/2011
- h) Approve Ordinance Establishing Prevailing Wage Rates
- i) Approve Ordinance to Delete One Restaurant Liquor License
- j) Authorize Independence Day Parade – July 4, 2010
- k) Approve the Use of the Municipal Lot (NE corner of Cherry Avenue and Main Street) by the VFW on July 4, 2010.

Moved by Councilman Hayes and seconded by Councilman D. McDermott, "**I move Consent Agenda Items (a) through (k) be approved by Omnibus Vote as Recommended.**" Roll call vote was taken. Ayes: Councilmembers Hollonbeck, D. McDermott, Berg, Eckhardt, Hayes, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0.

- 2) **Public Hearing - Annexation Agreement Hub City Development:** Hub City Development has petitioned the City of Rochelle for annexation of approximately 48 acres of land south of Rochelle. The property is bounded on the north by Interstate 88, on the south by Steward Road, on the west by the Morrison Parcel, and is 294 feet from Main Street on the east. The property is contiguous to the City of Rochelle and the Petition for Annexation is contingent upon execution of an Annexation Agreement between the City and the Petitioner. At the May 24, 2010 City Council meeting, Community Development Director, Chris Limas and Water/Water Reclamation Superintendant, Kathy Cooper provided an overview of the proposed annexation agreement to the Mayor and City Council. At the June 7, 2010 meeting of the Planning and Zoning Commission a public hearing was conducted to consider the proposed plat of annexation. Following their review the commission voted 5-0 to recommend approval of the plat of annexation and the zoning of I-1, light industrial which is consistent with the comprehensive plan designation. While there is not currently a project planned for this site, the annexation and zoning of the property will enhance the marketability of the property. Chris Limas, Alan Cooper, Jim Planey, and Kathy Cooper were available for further explanation and to answer questions. Moved by Councilwoman Hollonbeck and seconded by Councilman D. McDermott, **“I move the Council recess into a Public Hearing for Hub City Development for an Annexation Agreement.”** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, D. McDermott, Berg, Eckhardt, Hayes, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0. John Kaminski asked if it is common with an Annexation Agreement to have a recapture agreement for sewer and water. To answer his question, it is common; this property is not special. Mr. Berg questioned and Mr. Limas assured him that the \$1300/acre annexation fee would be recaptured. In answer to a question presented to Mr. Planey, there are no other buyers as yet. Since there were no other public comments, it was moved by Councilman Eckhardt and seconded by Councilman Berg, **“I move the Council close the Public Hearing and return to Open Session.”** Motion passed by voice vote without dissent. Moved by Councilman Eckhardt and seconded by Councilwoman Hollonbeck, **“I move Ordinance 10-3931, An Ordinance Approving an Annexation Agreement between Hub City Development, LLC and the City of Rochelle, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, D. McDermott, Berg, Eckhardt, Hayes, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0.
- 3) **Annexation of Certain Territory and Zoning it I-1 - Hub City Development:** Hub City Development has petitioned the City of Rochelle for annexation of approximately 48 acres of land south of Rochelle. The property is bounded on the north by Interstate 88, on the south by Steward Road, on the west by the Morrison Parcel, and is 294 feet from Main Street on the east. The property is contiguous to the City of Rochelle and the Petition for Annexation is contingent upon execution of an Annexation Agreement between the City and the Petitioner. At the May 24, 2010 City Council meeting, Community Development Director, Chris Limas and Water/Water Reclamation Superintendant, Kathy Cooper provided an overview of the proposed annexation agreement to the Mayor and City Council. At the June 7, 2010 meeting of the Planning and Zoning Commission a public hearing was conducted to consider the proposed plat of annexation. Following their review the commission voted 5-0 to recommend approval of the plat of annexation and the zoning of I-1, light industrial which is consistent with the comprehensive plan designation. While there is not currently a project planned for this site, the annexation and zoning of the property will enhance the marketability of the property. Moved by Councilwoman Hollonbeck and Seconded by Councilman D. McDermott, **“I move Ordinance 10-3932, An Ordinance Annexing Certain Territory to the City of Rochelle and Zoning it I-1, Light Industrial District (Hub City Development, LLC), be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, D. McDermott, Berg, Eckhardt, Hayes, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0.

- 4) Modification of Pre-Development Agreement between the City and North Route 38:** 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 State, the City of Rochelle, and floodplain issues associated with the site, significant onsite and offsite infrastructure improvements were required. In spring of 2009 the developer advised the City that the economic downturn and associated credit tightening had resulted in their inability to finance the remaining offsite improvements. On April 13, 2009 the Mayor and City Council approved a Pre-Development Agreement which contained certain obligations for both the City and the Developer related to the offsite improvements. In October of 2009 Wal-Mart purchased 25 acres of property from Spring Creek Development Group for a future Wal-Mart Supercenter site. One of the provisions included in the Pre-Development Agreement required construction of the Wal-Mart Supercenter to begin by June 15, 2010. The City has been informed by the Developer that Wal-Mart is now prepared to proceed with the construction of the retail building contingent upon the resolution of all matters associated with the Pre-Development Agreement. The City has negotiated modifications to the Pre-Development Agreement which reduce the financial obligations for offsite infrastructure improvements and require a written assurance from Wal-Mart that construction will commence in 2010 with a target opening date of September 30, 2011. This new agreement will facilitate offsite infrastructure improvements that will spur retail development in the critical Route 38 corridor and generate significant incremental sales tax for the City. There was a Power Point presentation done by Ken Alberts, which included some highlights of the agreements up to this point. There have been some modifications in the size of the store from 156,000 to 120,000 square footage. They expect to maintain the same amount of sales. This reduction will decrease future property tax projection by approximately 25%. Potential benefits are improved public safety on Caron Road and Hwy 38; enhance the Rte 38 retail development; increase revenue for public services here in Rochelle. Alan Cooper, City Attorney, and Ryan Fitzgerald, Developer, were present to answer questions. Councilman Berg, in talking to the contractor, said that local contractors would be able to bid on the job. Councilmen T. McDermott and D. McDermott want to know where the money is going to come from. Councilman Eckhardt looks at it as an investment. Mayor Olson said Rochelle has fared well through this tough economy; is very assured that after Wal-Mart comes, others will follow; people want retail closer to home; this will also increase buying by outsiders traveling through Rochelle. Moved by Councilman Eckhardt and seconded by Councilwoman Hollonbeck, **“I move Agreement 10-3934, a modification of the Pre-Development Agreement between the City of Rochelle and North Route 38 LLC be approved.”** Roll call vote was taken. Ayes: Councilmembers, Berg, Eckhardt, Hollonbeck, and Mayor Olson. Nays: Councilmembers D. McDermott, T. McDermott, and Hayes. Motion passed 4-3.
- 5) Purchase of Utility Tractor – Street Department:** The 2010-11 Street Department Capital Budget includes \$55,000 for the purchase of a diesel utility tractor to replace a 1999 Case tractor. The tractor is used primarily for mowing City right-of-ways and other public property. Due to the age and hours of use the Case tractor has experienced several significant mechanical issues in the past and is currently experiencing additional mechanical problems. It is staff’s opinion that no additional funds should be spent on repairs due to the condition and age of the tractor. Due to the urgency of replacing this equipment, quotes were obtained from two local dealers. The quotes all meet the required specifications, include the same options and reflect the trade in value of the Case tractor. State statutes and the Rochelle Municipal Code, Section 2-371, allow the City Council, by a 2/3 vote, to authorize the city manager to enter into a contract without competitive bidding. Don Elliott recommends purchase of the 2010 Kubota M9540 from Johnson Tractor for a total of \$42,600. Don Elliott was present to answer questions: other bid was \$1500 higher; feel the Kubota meets their needs. Moved by Councilman Berg and seconded by Councilman T. McDermott, **“I move the City Council authorize the City Manager to purchase a new 2010 Kubota 9540 tractor from Johnson Tractor for \$42,600, without competitive bidding.”** Councilman Hayes abstained because he is employed by Johnson Tractor. Roll call vote was taken. Ayes: Councilmembers Hollonbeck, D. McDermott, Berg, Eckhardt, T. McDermott, and Mayor Olson. Nays: None. Abstain: Hayes. Motion passed 6-0.

6) **Amendment to Development Agreement – Whispering Waters Subdivision:** On May 10, 2004 the Mayor and City Council approved a Development Agreement between the City of Rochelle and S & H, LLC related to the development of 52.08 acres of property known as the Whispering Waters Subdivision. The agreement contained developer obligations related to both onsite and offsite infrastructure improvements. The Mayor and City Council have subsequently approved preliminary and final plats for the subdivision and a letter of credit, which expires on September 10, 2010, was provided by the developer as surety for the required improvements. The title and interest in the Whispering Waters Subdivision has since been conveyed to Flagg Road Rochelle Properties, LLC. To date the tract has not been developed nor have the infrastructure improvements been completed. The final plat for the Whispering Waters Subdivision was recorded on November 2, 2007. Per the Rochelle Municipal Code the developer has two years from the date of recording to complete the public improvements shown on the final plat or the City can draw on the letter of credit. The City has been in contact with the developer for several months and has negotiated an Amendment to the Development Agreement in order to complete the offsite improvements. This amendment will facilitate the construction of 867 feet of water main, 117 feet of sanitary sewer, a contribution of \$13,812.50 towards sidewalk improvements, and the removal of the bridge over Kyte River adjacent to the bike path during the 2010 construction season. In exchange the developer has requested that the City extend the deadline for completion of the remainder of the improvements required under the final plat until November 2, 2019. Due to the current economy and lack of development this appears to be a reasonable compromise. Alan Cooper was present to answer questions. Moved by Councilwoman Hollonbeck and seconded by Councilman D. McDermott, **“I move Ordinance 10-3935, An Ordinance Approving Amendment to Development Agreement for Whispering Waters Subdivision, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, D. McDermott, Berg, Eckhardt, Hayes, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0.

***DISCUSSION ITEMS:*** None

***EXECUTIVE SESSION:*** At 8:25 pm, Councilwoman Hollonbeck moved and seconded by Councilman Berg, **“I move the Council recess into executive session to discuss “The employment of specific employee(s). Section (c) (1).”** Roll call vote was taken. Ayes: Councilmembers Hollonbeck, D. McDermott, Berg, Eckhardt, Hayes, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0.

At 8:57 pm, Councilman Berg moved and seconded by Councilman D. McDermott, **“I move the Council return to Open Session.”**

***ADJOURNMENT:***

At 8:57 pm it was moved by Councilman Eckhardt and seconded by Councilman McDermott, **“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