

**ROCHELLE CITY COUNCIL  
REGULAR COUNCIL MEETING MINUTES  
TUESDAY, OCTOBER 12, 2010**

The Rochelle City Council met in Regular Session at 7:00 p.m. on Tuesday, October 12, 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 Hayes, T. McDermott, D. McDermott, Berg, Hollonbeck, Eckhardt and Mayor Olson. Absent: None. Also present were City Manager Alberts and City Clerk McKinney.

***PROCLAMATIONS, COMMENDATIONS, ETC.:*** None

***REPORTS AND COMMUNICATIONS:***

- **Mayor:** None
- **Council Members:** None

***PUBLIC COMMENTARY:***

- Dawn Johnson – Parking Ordinance-Askvig Addition: Spoke on problems with students parking on residential streets.

***BUSINESS ITEMS:***

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

- a) Approve Minutes of City Council Meeting – September 27, 2010;
- b) Approve Bills 09/17/10-09/30/10 totaling \$411,739.71;
- c) Approve Payroll 09/06/10-9/19/10 totaling \$204,610.64;

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

- 2) Airport Maintenance Hangar Roof Replacement Project:** The 2010-11 Airport Capital Budget includes \$23,000 for replacement of the airport maintenance hangar roof; this budget amount was based on the current roofing application. It has since been determined that applying a rubber membrane, which incorporates a tapered roofing system below, would improve the drainage and therefore lengthen the life of the roof. Two different rubber roof systems were included in the project specifications. The Base Bid specifications utilize a Thermoplastic Olefin (TPO) roof system for the entire maintenance hangar, with Alternate Bid #1 providing a deduction amount if the office/terminal portion of the facility is excluded. Alternate Bid #2 specifications utilize an Ethylene Propylene Diene Terpolymer (EPDM) roof system for the entire maintenance hangar, with Alternate Bid #3 providing the deduction for excluding the office/terminal. Both roofing systems are widely used for flat roofs. Subsequent to the required public notice, bids for the hangar roof replacements were opened on September 17, 2010, with four contractors submitting proposals and associated alternates. Superintendent of Streets, Cemetery and Airport, Don Elliott has reviewed the bids and recommends the acceptance of the apparent low bidder, O’Rorke Construction Services, Inc., with a bid of \$39,854 for an EPDM roofing system minus \$8,099 to exclude the office/terminal portion of the facility for a total of \$31,755. The hangar roof replacement was originally included in the 2009-2010 Budget and subsequently delayed. Due to the condition of the roof, and the availability of funds due to a delay in the airport land acquisition, staff recommends proceeding with replacement of the airport maintenance hangar roof. Don Elliott was present to answer questions. Moved by Councilwoman Hollonbeck and seconded by Councilman Eckhardt, **“I move the Council accepts Bid C10-14 for Replacement of the Airport Maintenance Hangar Roof Alternate Bid #2 minus Alternate Bid #3 to O’Rorke Construction for the total amount of \$31,755 and reject all other bids.”** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, D. McDermott, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0.

- 3) **Ordinance Amending Municipal Code – Resident Only Parking Askvig Subdivision:** Over the past couple of years residents in the Askvig Subdivision have raised concerns related to parking in their subdivision. This situation began with the relocation of Rochelle Township High School (RTHS) and the associated parking of students in their neighborhood. Their concerns include students parking in the grass, littering, behaving inappropriately and blocking the road at certain times of the day. In order to regulate student parking at the high school’s prior location, a section of North 8th Street and Tilton Park Drive were designated as resident only parking. RTHS Superintendent Jamie Craven has confirmed that the current high school site has adequate parking to accommodate their students and supports resident-only parking in the Askvig Subdivision. Upon approval of this ordinance, “Resident-Only Parking” signs will be installed throughout the neighborhood which will facilitate enforcement by the Rochelle Police Department. Chief Higby was present to answer questions. Moved by Councilman Berg and seconded by Councilman Hayes, **“I move Ordinance 10-3959, An Ordinance Amending Chapter 94 (“Traffic and Vehicles”) of the Municipal Code of the City of Rochelle to Add Harlan Drive, Wendell Drive, Rose Avenue and Wayne Avenue to Resident-Only Parking Zones, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hollonbeck, D. McDermott, T. McDermott, Hayes, and Mayor Olson. Nays: None. Motion passed 7-0.
- 4) **Ordinance Amending Municipal Code – Residential Meter Testing Fee:** The Municipal Code of the City of Rochelle includes provisions for the testing of electric and/or water meters as requested by the customer. Currently, the fee for testing residential meters is \$10.00, which is returned to the customer if the meter is found to be defective. The fee for testing commercial and industrial meters is equal to the cost of labor and materials required to perform the test. RMU’s current cost to test a meter, including labor, equipment and a third party testing fee, is \$212.98, resulting in a loss of \$202.98 per residential meter tested. Over the past seven years, twenty-four residential meters have been tested for a total loss of \$4,385.77. Of those meters, only one was found to be defective. This topic was discussed at the September 29, 2010 Utility Advisory Board Meeting. The UAB subsequently voted to recommend adjusting the residential meter testing fee from \$10 to \$85 to cover the cost of the third party testing. Ed Carr, Director of RMU, was present to answer questions. Moved by Councilman Eckhardt and seconded by Councilman Berg, **“I move Ordinance 10-3960, An Ordinance Amending Chapter 98 of the Municipal Code of the City of Rochelle to Increase the Residential Meter Testing Fee, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hollonbeck, D. McDermott, T. McDermott, Hayes, and Mayor Olson. Nays: None. Motion passed 7-0.
- 5) **Generation Interconnection Study – Rochelle Energy Center:** At the August 9, 2010 City Council Meeting the Mayor and Council voted to support the Landfill Gas to Energy Conversion Project by approving the following agreements: Power Purchase Agreement, Landfill Site Sublease, Landfill Gas Purchase Agreement and Project Proponent Agreement. The agreements facilitate the construction of a generation facility at the landfill site which will convert landfill methane gas to energy and connect to the power grid at the site. The plant is expected to produce 4.8 MW of power which will be available to RMU at a reasonable rate for 12 years. Per the agreements, construction of the plant and all related costs are the sole responsibility of Rochelle Energy Center, LLC. Included in the Power Purchase Agreement is a provision that requires Rochelle Energy Center to pay the City of Rochelle for a System Study at a cost of no more than \$72,000. Sargent & Lundy has submitted a proposal, at the request of Rochelle Municipal Utilities, to perform a Generation Interconnection Study for a 4MW methane facility located and connecting at the Rochelle Landfill at an estimated cost of \$70,000. Rochelle Energy Center, LLC has provided a letter which confirms their intent to reimburse the City of Rochelle upon completion of the study within 30 days of receipt of the invoice. Ed Carr was present to answer questions. Moved by Councilwoman Hollonbeck and seconded by Councilman Berg, **“I move Agreement 10-3961, An Agreement with Sargent & Lundy for a Generation Interconnection Study for the William Charles Methane Gas Facility be approved.”** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hollonbeck, D. McDermott, Hayes, T. McDermott, and Mayor Olson. Nays: None. Motion passed 7-0.

- 6) **Authorizing Ordinance Issuance of General Obligation Bonds – Tax Increment Financing:** On April 13, 2009 the Mayor and City Council approved a Pre-Development Agreement which contained obligations for the City and the Developer related to offsite improvements for the Lighthouse Pointe Subdivision. This agreement was subsequently modified on June 14, 2010, reducing the financial obligations for the offsite improvements to \$3,310,000. After evaluating various financing options at the City Council Meetings on June 28 and July 8, 2010, a decision was made to establish a Tax Increment Financing District (TIF) in the amount of \$2,940,000, due to the availability of low cost Recovery Zone Bonds, with the balance coming from internal funds. Several steps have been taken in preparation for the establishment of a TIF District including: approval of an Inducement Resolution 3/23/09, submission of a draft redevelopment plan to the City of Rochelle 3/22/10, establishment of an Interested Parties Registry and a Public Hearing date 3/22/10, Joint Review Board 4/14/10, a Public Hearing conducted on 5/10/10 and 5/24/10, and approval of the Redevelopment Plan, designation of the Redevelopment Project Area, and an ordinance Adopting Tax Increment Allocation Financing for the redevelopment plan and area as defined on 07/12/10. The modified Pre-Development Agreement requires the construction of the Walmart building foundation by November 30, 2010. Bids for the new Walmart Supercenter were due by October 5, 2010 and the bid documents include a provision that the contractor must start the foundation no later than October 27, 2010. The Authorizing Ordinance enables the City to begin the process of issuing the Recovery Zone Bonds in the amount of \$2,940,000 in order to meet the required completion date of December 31, 2010. Chris Frye, City Treasurer, and Stephan Roberts, Baird & Associates, were present for further information and to answer questions. There will be a public hearing on October 25, 2010 at 7:00 p.m. for the purpose to receive public comments on the proposal to sell these bonds. These are 10-year callable Bonds. Moved by Councilman Eckhardt and seconded by Councilman Berg, **“I move Ordinance 10-3962, An Ordinance authorizing the issuance of General Obligation Bonds (Tax Increment Financing Alternate Revenue Source), Series 2010 of the City of Rochelle, Ogle County, Illinois, in an aggregate principal amount not to exceed \$2,940,000 for the purpose of financing the costs of certain capital projects within the City and paying for costs related thereto, as amended, be adopted.”** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, and Mayor Olson. Nays: D. McDermott and T. McDermott. Motion passed 5-2.
- 7) **Ordinance for Salaries of Elected Officials:** State law requires that changes in compensation for elected officials be established at least 180 days prior to the date when the officials take office. To amend the compensation levels for officials taking office in May of 2011, an ordinance must be approved by Council before the end of October. The current compensation levels for the Mayor (\$20,000 plus \$2,500 for liquor commissioner responsibilities) and Council Members (\$5,000) were established by ordinance on October 25, 2004. At the September 27, 2010 City Council Meeting an analysis of elected officials’ salaries was provided utilizing data from 14 Illinois communities with a Council-Manager form of government. Subsequent to that discussion, data has now been compiled from 75 of the 80 Council-Manager communities in Illinois. The result of this broader analysis has been provided to the Mayor and Council members, and the results are very similar to the original sampling. Mayor Olson commented at this time that the City staff has made real efforts to keep spending down the past couple of years and feels that with the economy, etc. he recommended that the Council’s salary remain at \$5,000 and that the Mayor’s salary be decreased to \$18,000 plus \$2,500 for liquor commissioner responsibilities. Councilman Tom McDermott stated that the Mayor’s salary should not be based on the person but on the position. Moved by Mayor Olson and seconded by Councilman Eckhardt, **“I move Ordinance 10-3963, An Ordinance for Salaries of Elected Officials, setting the Mayor’s salary at \$18,000 plus \$2,500 for service as Liquor Commissioner and the Council salary at \$5,000 (unchanged), be adopted.”** Roll call vote was taken. Ayes: Councilmembers Berg, Eckhardt, Hayes, Hollonbeck, and Mayor Olson. Nays: D. McDermott and T. McDermott. Motion passed 5-2.

**DISCUSSION ITEMS:** None

**EXECUTIVE SESSION:** None

Kathy Hollonbeck announced that she will be out-of-town for the October 25<sup>th</sup> Council meeting.

**ADJOURNMENT:** At 7:46 pm, Councilman Berg moved and seconded by Councilman D. 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