



MINUTES
CITY COUNCIL MEETING
Monday, October 23, 2023 at 6:30 PM

- I. CALL TO ORDER:** Pledge to the Flag was led by Mayor Bearrows. Prayer was said by Pastor Chris Bender.
- II. ROLL CALL:** Present were Councilors T. McDermott, Hayes, D. McDermott, Shaw-Dickey, Arteaga, Valdivieso, and Mayor John Bearrows. A quorum of seven were present. Also, present was City Manager Jeff Fiegenschuh, City Clerk Rose Huéramo, and City Attorney Dominick Lanzito.
- III. PROCLAMATIONS, COMMENDATIONS, ETC:** National Family Literacy Proclamation – 11/01/2023
- IV. REPORTS AND COMMUNICATIONS:**
1. Mayor's Report: Veteran's Day November 11th, 2023 - Breakfast for Veterans will be held at the skydiving hanger from 8am -10am.
 2. Council Members: None.
- V. PUBLIC COMMENTARY:** Mike Rock States Attorney for Ogle County asking for support for the 2024 Election.
- VI. BUSINESS ITEMS:**
1. **CONSENT AGENDA ITEMS BY OMNIUS VOTE with Recommendations:**
 - a) Approve City Council Meeting Minutes - October 10, 2023
 - b) Approve Payroll - 9/18/23-10/01/23
 - c) Approve Check Registers - 208228-208342, 208343, 208344, 208345, 208345-208424
 - d) Accept & Place on File - September Financials
 - e) Accept & Place on File - Fire Pension Municipal Compliance Report
 - f) Accept & Place on File - Police Pension Municipal Compliance Report
 - g) Special Event Request - Light Up Lincoln Parade

Motion made by Councilor D. McDermott, Seconded by Councilor Valdivieso, **"I move consent agenda items (a) through (g) be approved by Omnibus vote as recommended."** Voting Yea: T. McDermott, Hayes, D. McDermott, Shaw-Dickey, Arteaga, Valdivieso, and Mayor Bearrows. Nays: None. Motion passed 7-0.
 2. **Historic District- Public Hearing.** The Rochelle Downtown Historic District was established in 2018 as a means to recognize History and Opportunity - Celebrating our past and providing a foundation for rehabilitating historic buildings in our Downtown. The district includes 55 buildings with a variety of architectural styles from the 19th and 20th centuries. 43 of these properties are contributing buildings and therefore are eligible for a Historic Preservation Tax Credit (HTC). Motion made by Councilor T. McDermott, Seconded by Councilor Arteaga, **"I move Council recess into a Public Hearing for a discussion on the Downtown Historic District."** Voting Yea: T. McDermott, Hayes, D. McDermott, Shaw-Dickey, Arteaga, Valdivieso, and Mayor Bearrows. Nays: None. Motion passed 7-0. Ashley Sarver and Jennifer Spencer Studio GWA presented information regarding the funding tool and how it could work for projects and have an impact on the City's historical preservation. Michelle Pease, Community Development Director was available for questions. There were no public comments. Motion made by Councilor D. McDermott, Seconded by Councilor Hayes, **"I move the Council return to open session."** Voting Yea: T. McDermott,

Hayes, D. McDermott, Shaw-Dickey, Arteaga, Valdivieso, and Mayor Bearrows. Nays: None. Motion passed 7-0.

3. A Resolution Authorizing a Second Redevelopment Agreement with C.C.S, LLC, BDA Salt 251. The developer for Salt 251 continues to invest in the property located at 531 S. 7th Street (PIN #: 24-25-176-009). With the proposed 2nd redevelopment agreement, the developer is eligible for up to 40% of developer project estimates. The cost of renovating the clubhouse and outdoor patio is \$191,274 The cost of paving the gravel parking lot is \$73,667.50 Developer is eligible for up to a total of \$105,976.60. Payments by the City shall be paid in four installments:

1. Thirty days after completion of the renovation of the clubhouse and patio-\$25,503.20
2. Thirty days after completion of the asphalt paving- \$9,822.34
3. The City will make a third payment in the amount of \$35,325.53 to Developer by December 30, 2024
4. The fourth and final payment of \$35,325.53 shall be paid by City to Developer on December 30, 2025.

Jim Withers owner of Salt 251 presented to Council images regarding improvement projects for the facility. Michelle Pease, Community Development Director was available for questions. Motion made by Councilor T. McDermott, Seconded by Councilor Hayes, **"I move Resolution R23-106, A Resolution Authorizing a Second Redevelopment Agreement with C.C.S. Golf, LLC, DBA Salt 251, be approved."** Voting Yea: T. McDermott, Hayes, D. McDermott, Shaw-Dickey, Arteaga, Valdivieso, and Mayor Bearrows. Nays: None. Motion passed 7-0.

4. A Motion to Approve Intergovernmental Personnel Benefits Cooperative Premium Renewal Rates for January 1, 2024 - December 31, 2024, and the Optional High Deductible Health Plan (HDHP) and Health Savings Account (HSA). In September of 2017, the City Council approved a Resolution, and the City of Rochelle became a member of Intergovernmental Personnel Benefits Cooperative (IPBC) starting in 2018 in the sub pool known as Quad Cities Health Insurance Pool (QCHIP). Blue Cross/Blue Shield of Illinois is the insurance carrier with only a PPO option to all full-time employees. The premiums are a shared cost with the city and employees, the cost sharing is set by the respective CBA's and the Employee Handbook. The IPBC board approved the 2024 premium rates for the members and the sub pools and were presented to the members in third quarter. The renewal rate for Rochelle is 3.36%, which is a slight increase to the premium amounts. In 2022 IPBC aligned our premium increases with our plan year, so our rates now increase on 1/1 of each new year. For 2024, we researched adding a High Deductible Health Plan (HDHP), along with a Health Savings Account (HSA). The premiums came in at 12.8% lower than the new 2024 current plan rates, with a \$3200 deductible. With the HDHP, employees will have an HSA. Based on current trends, the HDHP will save the City money after the 2nd year. For 2024 the limit is \$4,150 for single and \$8,300 for family. We looked at several vendors for the HSA and chose Central Bank. As an incentive to switch to the HDHP, the City will make a one-time contribution for two years. Year 1 City contribution would be: \$2,000 for Single and \$3,500 for Family. Year 2 City HSA contribution would be: \$1,000 for Single and \$2,800 for Family. Employee would have to be on plan both years to receive both year 1 & 2 contributions. If an employee would join year 2 they would not receive Year 1 contributions. The total premium increases: family from \$2,147.30 to \$2,219.45 and single from \$837.32 to \$865.45. HDHP total premiums are \$1,951.34 for family and \$760.90 for single. The premium history: The rate increase is 16.63% increase from 2017 prior to IPBC. This is an average increase of 2.77% over 6 years.

BCBS	2016	\$ 1,888.37	\$ 736.35	
BCBS	2017	\$ 1,915.27	\$ 746.84	
IPBC/BCBS	1/1/2018-6/30/2019	\$ 1,941.52	\$ 757.08	1.37%
IPBC/BCBS	7/1/2019-6/30/2020	\$ 1,786.20	\$ 696.57	-8%
IPBC/BCBS	7/1/2020-6/30/2021	\$ 1,888.01	\$ 736.21	5.70%

IPBC/BCBS	7/1/2021-6/30/2022	\$ 2,078.70	\$ 810.57	10.9%
IPBC/BCBS	1/1/2022-12/31/2023	\$ 2,147.30	\$ 837.32	3.30%
IPBC/BCBS	1/1/2024-12/31/2024			3.36%

Human Resources Director Nancy Bingham attended remotely and was available for questions. Motion made by Councilor T. McDermott, Seconded by Councilor Shaw-Dickey, **"I move Council approve the Intergovernmental Personnel Benefits Cooperative premium renewal rates for January 1, 2024 - December 31, 2024."** Voting Yea: T. McDermott, Hayes, D. McDermott, Shaw-Dickey, Arteaga, Valdivieso, and Mayor Bearrows. Nays: None. Motion passed 7-0.

5. **A Resolution Waiving Competitive Bidding and Authorizing an Emergency Expenditure for Insurance Coverage of Electric Generation Assets.** The attached property quote summary provides for coverage of electric generation assets excluded by the City’s risk carrier, ICRMT, on 8/9/2023. This coverage provides property insurance for the excluded assets totaling \$29,837,000 and includes property limits of \$2,500,000 and a deductible of \$100,000 per occurrence. Mechanical breakdown coverage is excluded. The annual premium is \$182,934, however, the City is rejecting the TRIA coverage, which will bring the premium to \$174,247. This policy will serve as a sort of “band-aid” or temporary coverage while the broker and I work to establish a comprehensive policy for all electric operations assets totaling \$81,071,000. The quote and corresponding binder are attached to the Resolution for review. Human Resources Risk and Safety Coordinator Brittney Zick was available for questions. Motion made by Councilor Arteaga, Seconded by Councilor Shaw-Dickey, **"I move Resolution R23-107, a Resolution Waiving Competitive Bidding and Authorizing an Emergency Expenditure for for Insurance Coverage of Electric Generation Assets, be approved."** Voting Yea: T. McDermott, Hayes, D. McDermott, Shaw-Dickey, Arteaga, Valdivieso, and Mayor Bearrows. Nays: None. Motion passed 7-0.

6. **A Motion to Approve an Agreement with VanBuren Consulting to Assist with RMU Lobbying Efforts.** Since 2019, the City of Rochelle has hired Paul O’Grady and his firm VanBuren Associates to represent RMU electric division for multiple projects/issues at the IL Legislature. Some of the issues they’ve assisted the city with in the past, which have yielded more favorable results include the sale of our transmission assets to ComEd, working to keep Prairie State and fully operational through 2038, ensuring the new CEJA legislation is not overly burdensome to municipal owned utilities and protecting our local enterprise zone from state rules stripping local governments of zoning authority related to renewables. Specifically, they secured two separate subject matter hearings city representatives testified at, which assisted with the sale of our transmission assets. Further they secured several subject matter hearings during the CEJA discussions. We also were able to meet with the chairperson of the Senate Environmental Committee and other prominent lawmakers. There are new efforts within the Governor’s office and the legislature to approve legislation that is detrimental to RMU and our interests. One of these proposals would be to allow nonresidents statewide to serve on our local boards that oversee electric utilities. To ensure RMU has a seat at the table within the legislature, I would like to hire VanBuren Consulting on a twoyear agreement not to exceed \$110,000 total. This is an investment in the utility’s future and a much needed and proactive venture. The single largest and most important issue facing Rochelle over the next twenty years is the future of Prairie State and state over reach as it relates to utilities and renewable energy. City Manager Jeff Fiegenschuh was available for questions. Motion made by Councilor Valdivieso, Seconded by Councilor D. McDermott, **"I move Council Approve an Agreement for Professional Services Between City of Rochelle and Van Buren Consulting Group LLC."** Voting Yea: T. McDermott, Hayes, D. McDermott, Shaw-Dickey, Arteaga, Valdivieso, and Mayor Bearrows. Nays: None. Motion passed 7-0.

7. **A Resolution Waiving Competitive Bidding and Authorizing the Purchase of Four Motorola Radios.** The police department has obtained a quote for the purchase, of four APX 6000 portable radios and charging stations from Motorola Solutions. The police department will be receiving a refund of approximately \$4000.00 for the return of the APX6000LI radios from Nicholson Communication. Police Chief Peter Pavia was available for questions. Motion made by Councilor Arteaga, Seconded by Councilor Valdivieso, **"I move Resolution R23-108, a Resolution Waiving the Competitive Bidding Requirement and Authorizing the Purchase of Radio Equipment for the Police Department, be approved."** Voting Yea: T. McDermott, Hayes, D. McDermott, Shaw-Dickey, Arteaga, Valdivieso, and Mayor Bearrows. Nays: None. Motion passed 7-0.
- VII. **DISCUSSION ITEMS: 2023 Tax Levy:** City Manager Jeff Fiegenschuh presented an overview of the 2023 Tax Levy and was available for questions.
- VIII. **EXECUTIVE SESSION:** At 7:37 PM. Motion made by Councilor Shaw-Dickey, Seconded by Councilor D. McDermott, **"I move the Council recess into executive session to discuss purchase or lease of real property for City's use. Section (c) (5). Setting of a price for sale or lease of property owned by the City, Section (c) (6) and pending or imminent litigation. Sec (c) (11)."** Voting Yea: T. McDermott, Hayes, D. McDermott, Shaw-Dickey, Arteaga, Valdivieso, and Mayor Bearrows. Nays: None. Motion passed 7-0. At 8:00 PM. Motion made by Councilor D. McDermott, Seconded by Councilor Hayes, **"I move the Council return to open session."** Voting Yea: T. McDermott, Hayes, D. McDermott, Shaw-Dickey, Arteaga, Valdivieso, and Mayor Bearrows. Nays: None. Motion passed 7-0.
- IX. **ADJOURNMENT:** At 8:01 PM. Motion made by Councilor D. McDermott, Seconded by Councilor Valdivieso, **"I move the Council adjourn."** Voting Yea: T. McDermott, Hayes, D. McDermott, Shaw-Dickey, Arteaga, Valdivieso, and Mayor Bearrows. Nays: None. Motion passed 7-0.

John Bearrows, Mayor

Rose Huéramo, City Clerk