



ROCHELLE UTILITY ADVISORY BOARD MEETING  
Wednesday, March 28, 2012

The Rochelle Utility Advisory Board met on March 28, 2012 in the RMU Technology Center, 910 Technology Parkway. The meeting was called to order by Mr. Elliott at 3:01 p.m.

***Present at the meeting:***

Bob Elliott, UAB Chairman  
Claude McKibben, UAB  
Ray Schwartz, UAB  
Kathy Hollonbeck, City Council  
Ed Rice, City Council  
Chet Olson, Mayor

Dave Plyman, City Manager  
Joanne Peters, RMU  
Joe Orlikowski, RMU  
Barbara Bell, RMU  
Kathy Cooper, RMU  
Scott Koteski, RMU

***Absent:***

Maryann Macklin, UAB  
Jim Black, UAB  
Richard Ohlinger, UAB

***Other:***

Mike VanHouten, Illinois River Energy  
Jeff Leon, WRHL  
Lynette Fischer, HR  
Jason Anderson, Economic Development

Chairman Elliott advised that there wasn't a quorum and there could be no voting. Chairman Elliott asked if any of the present Board members had questions regarding the Agenda reports. Ray Schwartz asked why the water sales were down 6%. Kathy Cooper advised that water conservation was bringing the usage down while costs were rising. Kathy added that the decline in sales was being seen nationwide.

***Financial Report:*** Chris Frye was not in attendance, but provided a written summary of the financial statements dated February 2012.

***Completed Projects:*** The completed projects were acknowledged by the Board.

***Projects in Progress:***

- a. Facility Improvements Ninth Street Generation Facility – Roof repairs & Structural Improvements will be started this year and completed next year
- b. Electric Installation Coated Sands – Work to begin in about six weeks
- c. Documentation of Fiber Network – over 40 miles of fiber on the RMU system that will be documented in a new mapping system that will assist in locating fiber outages
- d. Fourth Avenue & South Main Water Main Replacement – City Council approved bids 3/26/12
- e. New Water Well on Hayes Road – this project will eliminate the dead-end main that IRE is on and loop the system towards well #8
- f. Caron Road Lift Station – a twenty-one inch main will be extended into the lift station to handle capacity issues as we see more industrial growth on the south side
- g. Licensing of Open Range Equipment – the licensing is presently held up in bankruptcy court

***Planned Projects:***

- a. Electric Service – Twentieth Street Extension – electric service to the new elementary school
- b. Electric Service Upgrade – Rochelle Community Hospital – upgrade for MRI machine
- c. Water Main Extension – Kraft/Silgan area – new company looking at the Kraft building

***Old Business:***

RMU General Manager – City Manager Plyman report the City hired a National search firm to assist in filling the position of General Manager. Mr. Plyman provided a summary of the search and interview process and advised that none of the finalists “fit” the position. Mr. Plyman added that he was not impressed with the skill level of the applicants and their salary demands were very high. Mr. Plyman advised that due to the unsuccessful history of the last two General Manager’s, he was looking to make a change and was exploring someone that could focus on financial details along with power procurement. Mr. Plyman advised that he had a prospect for the position and the city will be advertising and proceeding with a recruitment effort.

Mr. Schwartz stated that he agreed with Mr. Plyman’s comments regarding the search process, but added that he believed the utilities needed a manager to deal with the day to day operations. Mr. Schwartz suggested hiring a Business Manager rather than a General Manager, but believes that the utility business enterprises had to be managed and the department heads should have a boss. Mr. Schwartz added that maybe the city should consider hiring two people; a Manager and a Financial Analysis.

Mr. Schwartz inquired as to the value of the Utility Advisory Board since the City Council Committees have been added. City Manager Plyman, Councilwoman Hollonbeck, and Councilman Rice all agreed that the Utility Advisory Board was an asset and the Council looks to the Board for their expertise and recommendations. Councilman Rice added that the City Council could not operate without the Utility Advisory Board as they were very valuable.

Electric Cost of Service Study – As recommended at the February 14, 2012 meeting, Baker Tilly and staff have completed the electric rate sheets and draft copies were distributed. The new rate schedules will go before City Council in April.

NIMPA – Joe Orlikowski advised that the Prairie State project was 98.6% complete and Unit 2 was expected to start up in May.

NITT – Scott Koteski reported that Winnebago County had paid their dues; \$75,000 allowing NITT to meet their annual financial obligations. Scott added that Follett was back and looking at leasing space in our Technology Center.

***New Business:*** None

***Comments for the Public:*** None

***Comments from the Board:*** None

***Adjournment:*** The meeting was adjourned at 4:46 p.m.

Minutes Submitted By,  
Joanne M. Peters