



ROCHELLE UTILITY ADVISORY BOARD
Wednesday, May 22, 2013

The Rochelle Utility Advisory Board met on May 22, 2013 in the RMU Technology Center, 910 Technology Parkway. The meeting was called to order by Mr. Elliott at 3:00 p.m.

Present at the meeting:

Bob Elliott, UAB Chairman	Joe Orlikowski, RMU
Richard Ohlinger, UAB	Jeff Sartorius, RMU
Jim Black, UAB	Scott Koteski, RMU
Ray Schwartz, UAB	Kathy Cooper, RMU
Dave Plyman, City Manager	Jenny Thompson, RMU
Chet Olson, Mayor	Dan Westin, Business Analyst
Kathy Hollonbeck, City Council	Sam Tesreau, City Engineer
	Mark Delhotal, City Airport

Absent:

Claude McKibben, UAB	Maryann Macklin, UAB
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Approval of Minutes:

MOTION:	To approve the UAB meeting minutes dated January 23, 2013, February 20, 2013 and April 11, 2013.
MAKER:	Ray Schwartz
SECOND:	Jim Black
VOICE VOTE:	Motion carried

Financial Statements: The March 2013 financial statements were included in the packet. Mr. Ohlinger questioned the trend of overall revenues noting that revenue is up although sales are down due to the rate increase. Mr. Westin explained that usage is projected to increase in coming years. The board discussed using generation on peak days during the summer months. Mr. Schwartz asked if this is something we decide on our own. Mr. Orlikowski advised that PJM will advise us on when to use generation. Per the RICE NESHAP, the oiler engines are only to be run in an emergency outage situation and not to reduce grid congestion. Mr. Schwartz noted we are close to 50% on-peak and 50% off-peak usage.

Engineering Report: Ms. Cooper provided background information regarding a significant rainfall event in mid-April. The water division experienced several backups, blown manholes and used the first and second backup lagoons for overflow. On April 22 and 23, there was partial bank collapse on the Kyte Creek Bank in the area adjacent to the second lagoon. In the past several years the second lagoon has only been used one time and in the past 15 plus years the third lagoon has never been used.

Mr. Tesreau, City Engineer explained that approximately 250-300 feet of the bank has collapsed into the Kyte Creek. Liquefaction, hydrostatic pressure and rodent holes likely caused the erosion and ultimate collapse. During the evening hours of 4/23 a temporary roadway was constructed to install the barrier

between the second lagoon and Kyte Creek. On 4/24, thirty-feet of sheet piling was driven into approximately one hundred and fifty feet of the bank. The project has cost approximately \$260,000. The City is investigating funding resources through insurance and state disaster funds. At a later time the material will need to be removed from Kyte Creek. Hanson Engineering is providing a report on additional needs in the area.

Projects in Progress summarized by RMU Superintendents:

- a. Area Flooding Issue – Lakeview lining project was successful. Lateral issues continue. Intend to televise and smoke test in Lakeview, Cleveland and Crest Lane areas. In the Fall will be canvassing the Short Court and Irene Avenue areas. There is a possibility of a CDAP grant for additional lining projects.
- b. Caron Road Lift Station – Material has been ordered and will be online August 1st.
- c. Second Avenue Water Main – Held up well during flooding event. There is contaminated soil on East end of project – just site resulting in material change and cost increase. Project will begin in 2-3 weeks.
- d. Hillcrest Sanitary Sewer – Hillcrest pursuing CDAP funds for project. The City of Rochelle will up-front \$80,000 for construction of manhole at the SW corner of Hillcrest to begin project. Many Hillcrest residents have septic failure.
- e. New Water Well – Land purchased and Hanson engineering has developed the plans and layout. (Possibility of running into iron in the area.) EPA approval has been obtained for load and the bids will be let mid-late September.
- f. Centrifuge – With the assistance of Trotter & Associates, five alternative options were explored. Decision is to maintain current operation and upgrade the dewatering building. Will be out for bid in late September.
- g. Proposed Fiber Rates – To remain competitive, Communications staff provided a proposed decrease in the fiber internet rates.

MOTION: To approve the proposed decrease in fiber internet rates and recommend that the new rates be approved by the Rochelle City Council.
MAKER: Richard Ohlinger
SECOND: Ray Schwartz
VOICE VOTE: Motion carried

- h. Documentation of Fiber Network – 40% complete. Software program purchased. Staff spent winter months mapping network. Will continue after construction slows.
- i. Electric Service – Nippon Sharyo Golden Prairie – Bids let end of June or early July and construction to begin end of July.
- j. Electric Service – DelMonte at Caron and Steward Roads – Extending Steward Road loop to DelMonte and extend to backup for Nippon Sharyo. Expect to begin in October/November. Consultant looking at substation capacity; additional growth in SE quadrant could require substation expansion.

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Business Analysis Report: Mr. Westin shared the following:

- Marketing rate increase information
- Positive response with incentive programs
- Positive response to school presentations
- Increasing social media interaction
- Recently purchased 5 MW of power
- Received credit of \$102,438 on future transmission costs
- Currently selling energy credits from Landfill Gas Facility
- Reviewing GIS system for use in City & RMU.
- Condition assessment for asset management
- Reviewing ways to define capital asset base for GASB34 compliance
- Hillcrest received a grant to purchase a solar system and their water tower will consume the generated energy. RMU is assisting with installation.

Old Business:

- a. Prairie State/NIMPA – Both Turbines are running and are continue to be reliable. The City of Batavia has hired a lobbyist to promote change in statute allowing municipalities to sell power on the retail market. Rochelle and Geneva oppose this change.
- b. NITT Update – Currently two customers. Working with two potential new customers. Three of the four customers are located in Rochelle.

Meeting adjourned at 4:53pm.

Submitted By,
Jenny Thompson, RMU