



ROCHELLE UTILITY ADVISORY BOARD  
SPECIAL MEETING  
Tuesday, February 14, 2012

The Rochelle Utility Advisory Board met on February 14, 2012 in the RMU Technology Center, 910 Technology Parkway. The meeting was called to order by Mr. Elliott at 2:00 p.m.

***Present at the meeting:***

Bob Elliott, UAB	Chris Frye, City Finance Manager
Claude McKibben, UAB	Joanne Peters, RMU
Ray Schwartz, UAB	Joe Orlikowski, RMU
Jim Black, UAB	Barbara Bell, RMU
Richard Ohlinger, UAB	Kathy Cooper, RMU
Chet Olson, Mayor	Ed Rice, City Council
Dennis Berg, City Council	Kathy Hollonbeck, City Council

Dan Colangelo, Northern Trust  
Ken Stewart, Allstate

Present Via Teleconferencing  
Russ Hissom, Baker Tilly

***Absent:***

Maryann Macklin

***Cost of Service Study:*** Russ Hissom provided a summary of the rate study that had been displayed at the Special Joint meeting of the City Council & Utility Advisory Board on December 12, 2011. Recommendations from the study include:

- Rates should be revised
- Consider phasing in the rate adjustment over a two year period
- Consider load profiling by customer class

The last electric rate increase was in 2003; however several of the rate schedules have not been changed since the 1990's. In order to maintain the electric system and continue growth, the rates have to be adjusted. The Board agreed that another rate study should be conducted again in two years.

Dennis Berg asked if there were too many different rate classes; Russ Hissom advised that as we gather more load data the trend is to have more rate classes. Russ further advised that Baker Tilly could prepare the updated rate schedules and assist with designing a new rate class for data centers.

<b>MOTION:</b>	<b>The Utility Advisory Board recommends that the Rochelle City Council approve a 14% rate increase across all rate schedules to be spread over two years beginning May 1, 2012 and that the new rate designs to be by contract.</b>
<b>MAKER:</b>	<b>Mr. Schwartz</b>
<b>SECOND:</b>	<b>Mr. Black</b>
<b>VOICE VOTE:</b>	<b>Motion Carried</b>

*Adjournment:*

<b>MOTION:</b>	<b>To adjourn at 2:59 p.m.</b>
<b>MAKER:</b>	<b>Mr. McKibben</b>
<b>SECOND:</b>	<b>Mr. Black</b>
<b>VOICE VOTE:</b>	<b>Motion Carried</b>

Minutes Submitted By,  
Joanne M. Peters