



ROCHELLE UTILITY ADVISORY BOARD
Thursday, March 27th, 2014

The Rochelle Utility Advisory Board and the City of Rochelle Public Works Committee met on March 27th, 2014 in the RMU Technology Center, 910 Technology Parkway. The meeting was called to order by Mr. Elliott at 2:30 p.m.

Present at the meeting:

Bob Elliott UAB Chairman	Joe Orlikowski RMU
Dave Plyman City Manager	Kathy Cooper RMU
Richard Ohlinger UAB	Dan Westin RMU
Jim Black UAB	Scott Koteski RMU
Ray Schwartz UAB	Jeff Sartorius RMU
Claude McKibben UAB	Barbara Bell RMU
Chet Olson Mayor	Lynette Fischer City Staff
Sue Messer City Staff	Ed Rice City Council
Matt Hansen WHA	
Kathy Hollonbeck City Council	
Diane McNeilly Planning Commission – League of Women voters	
Betsy Zinser League of Women Voters – Central Kane Co	

Approval of Minutes:

MOTION: To approve the UAB meeting minutes dated December 11, 2013

MAKER: Mr. Schwartz SECOND: Mr. McKibben

VOICE VOTE: Motion carried

Financial Statements: The February 2014 financial statements were distributed with the Agenda.

Mr. Schwartz commented that the financial statements were more detailed than earlier provided. Also that some line definitions are aged and should be corrected.

Mr. Plyman responded that city staff have had discussions on how to correct the chart of accounts.

Mr. Schwartz also requested an update on bonds and restricted funds status.

Water/Water Reclamation Rate Structure:

Kathy Cooper and Matt Hansen of Willett Hoffman and Associates presented the rate study that was initiated during 2013. This presentation went into details on all the various options that had been reviewed and discussed with City staff as well as with customers. Matt Hansen reviewed in specific details how the factors and categories for cost allocation had been derived.

The study included a multi-year rate adjustment to normalize the way the rates were established in order to have a uniform cost allocation for both water and water reclamation rates. This is per the methodology presented to UAB in an earlier meeting.

The changed cost structure for the treatment plant was discussed and the changes in the contributions due to ending of contracts were mentioned.

A discussion whether to use connection fees or not ensued. It was commented that connection fees would be a contribution based on growth and that new prospects coming into the city might see this as a negative.

A discussion followed on how to best promote Rochelle for additional user growth.

MOTION: To recommend to council the adoption of the rate structure per the study by WHA and RMU Water /Water Reclamation staff.

MAKER: Mr. McKibben SECOND: Mr. Black

VOICE VOTE: Motioned carried unanimously

Electrical Rate Structure:

Dan Westin reviewed the recommended changes to the overall rate structure and to specific items that needed to be corrected such as rate 150 demand structure and riders that needed to be updated.

The rate changes were explained as part of a longer term view on organic growth and demand management by additional resources coming summer 2014.

MOTION: To recommend to council the adoption of the rate structure per the study by RMU staff.

MAKER: Mr. Schwartz SECOND: Mr. Black

VOICE VOTE: Motioned carried unanimously

New Business: None

Comments from the Public: None

Comments from the Board: None

Adjournment:

MOTION: To adjourn at 4:45 p.m.

MAKER: Mr. McKibben SECOND: Mr. Black

VOICE VOTE: Motion carried

Submitted By,

Dan Westin