

**ROCHELLE CITY COUNCIL
AGENDA ITEM MEMO
REGULAR MEETING**

SUBJECT: Resolution authorizing the purchase of a portion of property for the expansion of RMU substation-west also known as PIN 24-22-400-014, and PIN 24-22-200-003 (“Properties”) owned by the Doris J. Kennay Trust and the Richard R. Kennay Trust

Staff Contact: Jeff Fiegenschuh, City Manager, Blake Tolliver, RMU Electric Superintendent of Operations and Generation

Summary: Recently the city council authorized the city manager to negotiate a purchase agreement for the purchase of additional property for the expansion of the next RMU substation on the west side of the service territory.

Our team negotiated a price not to exceed \$225,000 for the purchase of 7.25 acres for property that will house the new substation and access road. The total amount also includes fund for a 3 acre electric easement. This purchase is vital to the completion of the new substation and other electric infrastructure.

Revenue Sources:

Source:	Budgeted Amount:	Proposed Expenditure
Electric Revenues and Alternate Revenue Bonds	\$500,000	\$225,000

Strategic Goal Application: Core Service Delivery and Infrastructure Effectiveness and Improvement

Recommendation: Authorize the City Manager to execute a purchase agreement for PIN 24-22-400-014, and PIN 24-22-200-003 (“Properties”) owned by the Doris J. Kennay Trust and the Richard R. Kennay Trust