

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

SUBJECT: Advance Communication Budget Amendment and RFP for Consulting Services

Staff Contact: Zeke Jackson

Summary: The City’s Advanced Communications System was started in 1996, and was at the forefront of technology at that time. The City has made \$9,412,750 in investments in the system according to it’s latest audited financial statements. The System has approximately 200 customers, and a projected loss of approximately \$400,000 related to CAPEX shown in the 2026 Budget. While the fund has operated at a surplus in 2023 and 2024, sustaining capital reinvestment is a concern and may not be viable in the operations present iteration.

Management’s first 90 days revealed lack of regulatory filings with the FCC and State of IL, resulting in ineligibility for federal grant funds to expand rural broadband. Other providers have obtained those funds and have been building out their service network in the City.

Management recommends bringing in a consultant to examine our Advanced Communications system, and to determine a path to sale, minor service expansion based on our existing fiber backbone growth and expansion of the service leveraging grant monies/retained earnings.

Funding Sources:

Source: Fund Balance	Budget Amendment:	Proposed Expenditure:
55-32-54900	\$50,000	Up to \$50,000

Strategic Plan Goal Application:

SRT-2: Continue to enhance use of technology in the City (Including internal and external IT user and interface)

LCT-1: Work to achieve/establish Rochelle as a “Wired City”; enhance technology access/high speed fiber to improve competitive climate for industry, business and residents.

Recommendation: Adopt a Budget Amendment in an amount of \$50,000 and issue an RFP Solicitation for Internet Service Provider consulting services, culminating in the creation of a strategic plan for the ISP.