

Regular Meeting of the  
Committee of the Whole  
January 24<sup>th</sup>, 2017

The Committee of the Whole meeting was called to order at 6:00p.m. January 24<sup>th</sup>, 2017 in the Council Chambers of the City of Rock Falls. Present were Mayor Wescott, Alderman Reitzel, Logan, Kuhlemier, Schuneman, Kleckler, and Folsom. City Administrator Blackert, City Clerk Arduini, and City Attorney Tom Sanders.

**Presentation by Magellan**

Kyle Hollifield and Scott Moehnke from Magellan Advisors approached the Committee of the Whole with a business plan for the City of Rock Falls developing a Broadband Service, and offering fiber optic internet access to the residents and businesses. Alderman Kuhlemier also introduced Blackhawk Hills Regional Council Executive Director Daniel Payette.

Kyle Moehnke presented slides explaining the Fiberhood model for building out the fiber service to the City. This would divided the City into around 20 sections, and when each section gets to a threshold of 45% buy-in, the infrastructure, and services will be built out to the area. This keeps the expenses of the fiber build-out funded with less risk for the City.

Mr. Moehnke explained the marketing and sales road map to the committee. The service will need to establish its brand, and market the advantages to the businesses and residents. Magellan has already surveyed the businesses, and the design of the network will consider the differences between business needs, and residents.

The timetable from day one would be 90-120 days, and each fiberhood buildout will cost around \$250,000. Some of the risk factors presented were design and construction costs, interest rates, and competition locking up customers.

Mayor Wescott asked Magellan to explain why video services like cable TV were not added to the services. Cable TV services in their present form are going away, and an ala cart of video offerings are being made available through many online services. The additional investment in equipment would have added \$2 million to the fiber service, and video may not be used the way it is today for very long.

Alderman Kleckler asked how the City would handle a catastrophe if fiber lines were damaged through town, as the City has arrangements with other towns for the Electric utility. The City could hire out to contractors to get the network back up. There can be cross training with other departments, and ring technology will help the City quickly resolve issues.

Alderman Schuneman thanked the representatives for their presentation, and said that the business plan has Kyle written all over it. This has been in the works for a

number of years, and Rock Falls lags behind with other rural communities. This vision will take Rock Falls ahead, and he appreciates all of their hard work.

The Committee breaks at 7:10pm

The Committee resumes at 7:21pm

### **Presentation by Green Vision International**

J. Don McFarland of Green Vision International introduced Timothy Bronn, Craig Aamodt, and Rick Renshaw, to the committee. Their relationship with the City of Rock Falls began in October from a presentation for the Prairie Research Institute.

Green Vision International would like to build a facility just south of the Rock Falls Wastewater Treatment Plant that would use sludge from the treatment plant, and other facilities. The process is called hydrothermal liquefaction. The facility will run 24 hours a day, produce 200 barrels of bio crude per day, produce syngas, electricity, and algae which can be used for numerous applications. City Administrator Robbin Blackert informed the committee that the City spends \$40,000 - \$50,000 per year to dispose of sludge.

Mayor Wescott said this process studied at the University of Illinois, has a commercial model and they are ready to implement it. This will bring jobs, and it will be a hub around secondary businesses which can use the algae and other products produced at the facility. There has already been discussion with the IMEA for an interconnection for the surplus electricity that will be produced.

Mr. McFarland explained the impact on the Mississippi - Rock River region. The company would like to begin in Illinois.

Alderman Daehle Reitzel asked if there would be any problems upwind of the plant. Mr. McFarland ensured him that the plant is sealed, and at the test facility there was only a petroleum smell as the oil was put into barrels. This plant will not be using barrels.

Attorney Tom Sanders asked about permitting issues. Mr. McFarland has been working with Air Land and Water to do modeling. The plant will be following NPDES discharge policies.

Alderman George Logan asked about the investment needed, and the time it will take to begin. The plant will cost \$13 million to build, create 108 jobs paying around \$40,000/ year. Selling the bio crude, syngas, and algae products can be more than \$3 million / month in revenue. The plant will begin with 3 specific algae strains.

Meeting was adjourned at 8:10p.m.

---

Eric Arduini, City Clerk