State of Illinois) SS
Belvidere, Illinois)

BELVIDERE CITY COUNCIL
REGULAR MEETING
AGENDA

November 2, 2026

Convened in the Council Chambers, 401 Whitney Blvd, Belvidere, IL at 6:00 p.m.

(1) Roll Call:

(2) Pledge of Allegiance:
Invocation:

(3) Public Comment: (Please register with the City Clerk):

(4) Approval of Minutes:

(A) Approval of Minutes of the regular meeting of the Belvidere City Council of October 19, 2026; as presented.

(5) Public Hearing: None.

(6) Special Messages and Proclamations:

(A) Announcement of Estimated Tax Levy for Tax Year 2026.

(7) Approval of Expenditures: None.

(8) Committee Reports and Minutes of City Officers:

(A) Approval of Minutes of the regular Committee of the Whole – Public Safety and Finance and Personnel of October 26, 2026; as presented.

(9) Unfinished Business: None.

(10) New Business:

(A) Res. #2026-24: A Resolution Directing the Mayor and City Administration to Cease All Negotiations, Discussions, or Meetings with Datawatt Energy to Build a Data Center Known as Project Hawkeye.

Motions forwarded from Committee of the Whole – Public Safety, Finance & Personnel of October 26, 2026.

Motions of Finance & Personnel – Chairwoman Wendy Frank.

(A) Motion to approve renewal of the City's property, casualty & workers' compensation coverage with IML RMA for January 1, 2027 through January 1, 2028, for $805,170.17(including $2,000 in IML dues), paid in full by November 13, 2026, to receive the 1% discount.

(11) Other:

(A) Executive Session pursuant to Section 2(c)(2) of the Open Meetings Act to Discuss Collective Bargaining Matters.

(12) Adjournment:

State of Illinois) SS
Belvidere, Illinois)

BELVIDERE CITY COUNCIL
REGULAR MEETING
MINUTES

Date: October 19, 2026

Convened in the Belvidere Council Chambers, 401 Whitney Blvd, Belvidere, Illinois at 6:00 p.m.

Call to order by Mayor Morris.

(1) Roll Call: Present: J. Albertini, R. Brereton, M. Fleury, W. Frank, J. Hoiness, M. McGee, R. Peterson and C. Stevens.

Absent: S. Gramkowski.

Other staff members in attendance:
Public Works Director Jordan Keck, Budget and Finance Officer Sarah Turnipseed, Director of Buildings Craig Wilcox, Police Chief Shane Woody, Fire Chief Shawn Schadle, City Attorney Mike Drella, City Treasurer Mary Volkey and City Clerk Erica Bluege.

(2) Pledge of Allegiance:
Invocation: Mayor Morris.

(3) Public Comment:

A) Ruth Haberstich – Spoke as an opponent to a data center.
B) Renee Keeney – Spoke as an opponent to Project Hawkeye.
C) Rhonda Settle – Spoke as an opponent to a data center.
D) Randy Finzel – Spoke as an opponent to a data center.
E) Andrea Kooistra – Spoke as an opponent to a data center.
F) Anne O'Haire – Spoke as an opponent to a data center.
G) James DeCoto – Spoke as an opponent to a data center.

(4) Approval of Minutes:

(A) Approval of minutes of the regular meeting of the Belvidere City Council of October 5, 2026, as presented.

Motion by Ald. Albertini, 2nd by Ald. Hoiness to approve the minutes of the regular meeting of the Belvidere City Council of October 5, 2026. Aye voice vote carried. Motion carried.

(5) Public Hearing: None.

(6) Special Messages and Proclamations:

(A) Ida Public Library update given by Assistant Director Daisy Mechler.

(7) Approval of Expenditures: General & Special Fund Expenditures: $1,989,555.17
Water & Sewer Fund Expenditures: $ 659,804.88

Motion by Ald. McGee, 2nd by Ald. Stevens to approve the General & Special Fund Expenditures in the amount of $1,989,555.17. Roll call vote: 9/0 in favor. Ayes: Albertini, Brereton, Fleury, Frank, Hoiness, McGee, Montalbano, Peterson and Stevens. Nays: None. Motion carried.

Motion by Ald. Peterson, 2nd by Ald. Hoiness to approve the Water & Sewer Fund Expenditures in the amount of $659,804.88. Roll call vote: 9/0 in favor. Ayes: Brereton, Fleury, Frank, Hoiness, McGee, Montalbano, Peterson, Stevens and Albertini. Nays: None. Motion carried.

(8) Committee Reports and Minutes of City Officers:

(A) Monthly Report of Belvidere Police Department Overtime Pay for September 2026.
(B) Monthly Report of Belvidere Fire Department Overtime Pay for September 2026.
(C) Monthly Report of Community Development Department/Planning Department for September 2026.
(D) Monthly Report of Building Department Revenues, Residential Building Permits, Commercial Permits and Case Reports for September 2026.
(E) Monthly Financial Report for September 2026.
(F) Monthly General Fund Report for September 2026.
(G) Monthly Water/Sewer Report for September 2026.
(H) No Donation Report for September 2026.
(I) Minutes of Planning and Zoning Commission October 13, 2026.

Let the record show these reports were placed on file.

(J) Minutes of Committee of the Whole – Building, Planning and Zoning and Public Works of October 12, 2026.

Motion by Ald. Frank, 2nd by Ald. Hoiness to approve the minutes of Committee of the Whole – Building, Planning and Zoning and Public Works of October 12, 2026. Aye voice vote carried. Motion carried.

(9) Unfinished Business: None.

(10) New Business:

(A) Res. #2026-23: A Resolution for Improvement Under the Illinois Highway Code for the Main Street Bridge Expansion Joint Replacement in the amount of $244,500.00, to be paid for with MFT Funds.

Motion by Ald. Albertini, 2nd by Ald. Montalbano to adopt Res. #2026-23. Roll call vote: 9/0 in favor. Ayes: Fleury, Frank, Hoiness, McGee, Montalbano, Peterson, Stevens, Albertini and Brereton. Nays: None. Motion carried.

Motions forwarded from Committee of the Whole – Building, Planning and Zoning and Public Works of October 12, 2026.

(A) Motion to approve the proposal from CES, Inc., in an amount not-to-exceed $121,226.00, to complete the construction services for the Allen Street Pond Outlet to River Project. This work will be paid for with Capital Funds. Discussion took place regarding project being part of the continuing plan to help reduce the flooding on the south side of town. Roll call vote: 9/0 in favor. Ayes: Frank, Hoiness, McGee, Montalbano, Peterson, Stevens, Albertini, Brereton and Fleury. Nays: None. Motion carried.

(B) Motion to approve the low bid from Path Construction Company, Inc., in the amount of $244,500.00 for the Main Street Bridge Expansion Joint Replacement Project. Roll call vote: 9/0 in favor. Ayes: Hoiness, McGee, Montalbano, Peterson, Stevens, Albertini, Brereton, Fleury and Frank. Nays: None. Motion carried.

(C) Motion to approve the construction engineering service agreement with Hampton, Lenzini & Renwick, Inc., in an amount not-to-exceed $22,560.00, for construction engineering for the Main Street Bridge Expansion Joint Repair Project. This work will be paid for from MFT Funds. Roll call vote: 9/0 in favor. Ayes: McGee, Montalbano, Peterson, Stevens, Albertini, Brereton, Fleury, Frank and Hoiness. Nays: None. Motion carried.

(D) Motion to accept the donation of $750.00 from Townhomes of Cedar Village for the purchase of supplies/equipment for our K9 Unit. Roll call vote: 9/0 in

favor. Ayes: Montalbano, Peterson, Stevens, Albertini, Brereton, Fleury, Frank, Hoiness and McGee. Nays: None. Motion carried.

(11) Other Business:

(A) Executive Session Pursuant to Section 2(c)(2) of the Open Meetings Act to Discuss Collective Bargaining Matters and Pursuant to Section 2(c)(11) of the Open Meetings Act to Discuss Pending, Probable or Imminent Litigation.

Motion by Ald. Frank, 2nd by Ald. Hoiness to move into Executive Session at 6:58p.m. pursuant to Section 2(c)(2) of the Open Meetings Act to discuss collective bargaining matters and pursuant to Section 2(c)(11) of the Open Meetings Act to discuss pending, probable or imminent litigation. Roll call vote: 9/0 in favor. Ayes: Peterson, Stevens, Albertini, Brereton, Fleury, Frank, Hoiness, McGee and Montalbano. Nays: None. Motion carried.

Motion by Ald. Peterson, 2nd by Ald. Montalbano to move out of Executive Session at 7:20p.m. Roll call vote: 9/0 in favor. Ayes: Stevens, Albertini, Brereton, Fleury, Frank, Hoiness, McGee, Montalbano and Peterson. Nays: None. Motion carried.

(12) Adjournment:

Motion by Ald. Hoiness, 2nd by Ald. Albertini to adjourn meeting at 7:20p.m. Aye voice vote carried. Motion carried.

_____
Mayor

Attest: _____
City Clerk

MEMORANDUM

To: City Council
cc: Mayor Clinton Morris

From: Sarah Turnipseed, Budget & Finance Officer

Date: October 28, 2026

Re: Announcement of Estimated Tax Levy for Tax Year 2026

As you know, a tax levy must be passed by the last Tuesday in December. The attached Announcement of Estimated Tax Levy is the first step in that process.

The two figures contained in the first paragraph are: (1) the City's estimate which represents no increase from the current levy; and (2) that of the Ida Public Library which represents 5% increase from their current levy. Again, this is just the first step in the process; Council will have an opportunity to discuss and determine amounts at the November 9, 2026, Committee meeting before approving the final levy.

I recommend a motion to approve the estimated tax levy of $6,625,027 as presented by the Finance Director.

Announcement of Estimated Tax Levy for Tax Year 2026

The estimated amount of the tax levy needed to finance the various City needs and activities is $5,729,687 with an additional $895,340 for the operations of the Ida Public Library.

To confirm and record this announcement, the following motion is recommended:

"Motion to approve the estimated tax levy of $6,625,027 as announced by the Finance Director."

Please note:
This will all come back in ordinance form.

Per the Truth in Taxation Act: At least 20 days prior to the passage of the tax levy ordinance, the municipality's corporate authorities must estimate the amount of the tax levy. This estimate should be announced at a meeting of the corporate authorities and should be approved by a majority of the corporate authorities.

Announcement of estimated levy	November 2, 2026
Planned 1st reading of the tax levy ordinance	November 16, 2026
Public hearing of the levy ordinance	December 7, 2026
2nd reading and passage of the tax levy ordinance	December 7, 2026

Minutes
Committee of the Whole
Public Safety and Finance and Personnel
October 26, 2026
6:00 p.m.

Date: October 26, 2026

Convened in the Belvidere Council Chambers, 401 Whitney Blvd., Belvidere, Illinois at 6:00p.m.

Call to Order – Mayor Clinton Morris:

Roll Call:

Present:	J. Albertini, R. Brereton, M. Fleury, W. Frank, S. Gramkowski, J. Hoiness, M. McGee, C. Montalbano, R. Peterson and C. Stevens.
Absent:	None.

Other staff members in attendance:
Public Works Director Jordan Keck, Budget and Finance Officer Sarah Turnipseed, Community Development Planner Gina DelRose, Deputy Chief of Police Dan Smaha, Fire Chief Shawn Schadle, City Attorney Mike Drella, City Treasurer Mary Volkey and City Clerk Erica Bluege.

Public Comment:

(A) Ruth Haberstich – Spoke as an opponent to a data center.
(B) Norma Estep – Spoke as an opponent to a data center.
(C) Cheryl Bock – Spoke as an opponent to a data center.
(D) Rebecca Meyer – Spoke as an opponent to a data center.
(E) Teresa Stein – Spoke as an opponent to a data center.
(F) Cristel Alexander – Spoke as an opponent to a data center.
(G) Marie Novak – Spoke as an opponent to a data center.
(H) Mike Novak – Spoke as an opponent to a data center.
(I) Renee Keeney – Spoke as an opponent to a data center.
(J) Scot Zellmer – Spoke as an opponent to a data center.
(K) Greg Paciga – Spoke as an opponent to a data center.
(L) Mark Beinlich – Spoke as an opponent to a data center.
(M) Luanne Kasper – Spoke as an opponent to a data center.
(N) Paul McCaffrey – Spoke as an opponent to a data center.

Public Forum: None.

Reports of Officers, Boards, and Special Committees:

1. Public Safety, Unfinished Business: None.

2. Public Safety, New Business:

(A) Police Department – Update.

Deputy Chief of Police Dan Smaha presented an update.

(B) Fire Department – Update.

Fire Chief Shawn Schadle presented an update.

3. Finance & Personnel, Unfinished Business: None.

4. Finance & Personnel, New Business:

(A) Finance Department - Update.

Budget and Finance Director Sarah Turnipseed presented an update.

(B) Property, Casualty & Workers' Compensation Coverage.

Motion by Ald. Peterson, 2nd by Ald. Stevens to approve renewal of the City's property, casualty & workers' compensation coverage with IML RMA for January 1, 2027 through January 1, 2028, for $805,170.17(including $2,000 in IML dues), paid in full by November 13, 2026, to receive the 1% discount. Discussion took place regarding the work that goes into getting quotes. Discussion took place regarding the renewal only being a 1% increase. Aye voice vote carried. Motion carried.

(C) Ida Public Library Levy Request.

Presented only. No motion or discussion.

5. Other, Unfinished Business: None.

6. Other, New Business:

(A) Project Hawkeye – City Council Discussion Only.

Motion by Ald. Brereton, 2nd by Ald. Gramkowski to direct the city attorney to draft a resolution that explicitly directs the mayor and the city administration to cease all negotiations, discussions, or meetings with Data Watt Energy to build a data center, also known as Project Hawkeye. Discussion took place regarding data centers. Motion by Ald. Peterson, 2nd by Ald. Frank to table the motion until an application has been received. Discussion took place regarding the motion to table. Ald. Brereton called to question. Roll call vote on motion to table: 6/4 against. Ayes: Frank, Hoiness, Peterson and Stevens. Nays: Albertini, Brereton, Fleury, Gramkowski, McGee and Montalbano. Motion to table failed. Discussion took place regarding the legality of the original motion. Discussion took place regarding communications that have occurred with Data Watt and that no official proposal has been received. Discussion took place regarding opposition to a data center. Ald. Brereton called to question. Roll call vote on original motion: 8/2 in favor. Ayes: Brereton, Fleury, Gramkowski, Hoiness, McGee, Montalbano, Stevens and Albertini. Nays: Frank and Peterson. Motion carried.

(B) Executive Session Pursuant to Section 2(c)(2) of the Open Meetings Act and to Discuss Collective Bargaining Matters.

Executive Session not required. City Council did not move into Executive Session.

7. Adjournment:

Motion by Ald. Albertini, 2nd by Ald. McGee to adjourn the meeting at 8:23p.m. Aye voice vote carried. Motion carried.

_____ Mayor

Attest: _____ City Clerk

RESOLUTION #2026-24

A RESOLUTION DIRECTING THE MAYOR
AND CITY ADMINISTRATION TO CEASE ALL NEGOTIATIONS,
DISCUSSIONS, OR MEETINGS WITH DATAWATT ENERGY
TO BUILD A DATA CENTER KNOWN AS PROJECT HAWKEYE

WHEREAS, Datawatt Energy is an entity that contacted the City of Belvidere regarding a possible annexation of land and construction of a data center; and

WHEREAS, a majority of the Corporate Authorities of the City of Belvidere do not wish to entertain such a project.

IT IS THEREFORE RESOLVED: by the CITY COUNCIL of the City of Belvidere, Boone County Illinois, as follows:

SECTION 1: The Mayor and City Administration shall cease all negotiations, discussion or meetings with Datawatt Energy to build a data center commonly referred to as Project Hawkeye.

Adopted by the City Council of the City of Belvidere, Illinois, this day of October, 2026.

Approved: _____
Mayor

Attest: _____
City Clerk

(SEAL)

Ayes:
Nays: .
Absent: .

Date Approved:

CITY OF BELVIDERE
CITY ATTORNEY

Memo

To: Mayor and City Council

From: Mike Drella

CC:

Date: 10/29/2026

Re: Resolution Directing The Mayor and Administration To Cease Negotiations And Discussions With Datawatt Energy To Build A Data Center

---

As directed by the Committee of the Whole October 26, 2026, I have drafted the requested resolution which is within the City Council packet for November 2, 2026. During discussion I questioned the efficacy of the resolution and whether it impermissibly infringed upon the Mayor's authority. Alderperson Gramkowski requested a written memo regarding that issue. The remainder of this memo is dedicated to that discussion.

QUESTION PRESENTED:

May the City Council direct or prohibit the Mayor from discussing or negotiating an annexation agreement with a third party?

BRIEF ANSWER:

The City Council may enact any resolution it chooses. However, the enforceability of that resolution is a different matter. In the present case, a resolution effectively revoking a Mayor's authority to discuss and negotiate annexation and development concepts and agreements with a third party is likely not enforceable as an unconstitutional, impermissible infringement upon the Mayor's authority.

DISCUSSION:

The presented question implicates a multitude of statues, ordinances and case law. As an initial matter, there is little Illinois case law, or direct statutory authority specifically discussing the concept of separation of powers between the executive branch (the Mayor) and the legislative branch (the Alderpersons) in municipalities. Erin M. Monforti, James D. Rock, Municipal Law: Organization, Operation, and Governance 2023 Edition Chapter 4, Section 4.22. However, similar to the concepts of separation of powers at the federal level, there is a general understanding that there is a separation between the "administration" and the alderpersons on the Council and neither can infringe upon the authority of the other.

A healthy line of cases clarify that an attempt to usurp the authority of either the legislative branch (the Council) or the administrative branch (the Mayor) will be deemed an attempt to modify the form of government of the public body in contravention of the 1970 constitution of the State of Illinois. Home

rule units, like Belvidere, may modify their form of government, but only after a referendum approving the specific change in the form of government. Ill. Const. 1970 art. VII §6(f). Similar authority is granted non-home rule units in Section 7. Ill. Const. 1970 art. VII §7.

Cases considering improper usurpation of power usually arise where the legislative branch seeks to limit a mayor's power, or transfer to the council, a power of the executive without first utilizing the referendum procedure set forth in sections 6 or 7 of Article VII. In Pechous v Slawko v Anderson, 64 Ill. 2d 576 (Ill. 1976), the Illinois Supreme Court considered consolidated cases in which the Village of Oak Lawn city council and the City of Berwyn board of trustees had enacted ordinances attempting to transfer to themselves the power to appoint municipal officials away from the respective mayors. Id. at 580. In fact, in the Berwyn case, the council had enacted an ordinance to remove incumbent officials who had been properly appointed by the mayor. Id. Oak Lawn's village board had attempted to take over the village manager's appointment powers and remove the mayor as local liquor commissioner. Id. 588.

The Supreme Court ultimately ruled that the board's and council's attempt to infringe upon the executive's powers, absent a referendum changing their form of government, was an impermissible encroachment upon the executive's authority and the respective ordinances were invalid. Id. at 587. In considering Oaklawn's efforts to modify the authority and position of liquor commissioner the Court went even further. There it found it not even necessary to address the constitutional question regarding a referendum under Section 6 of Article VII, holding "...it is unnecessary to reach this constitutional issue, since the ordinance is invalid because it constitutes another effort on the part of the members of the board of trustees...to inject themselves into the matters of administration by taking upon themselves the authority to appoint... those who are to constitute the...commission...". Id. at 590. The Court in considering the issue of attorney's fees stated "We agree with the plaintiffs that this litigation was brought about by the illegal conduct of the individual members of two legislative bodies.". Id. at 592.

The Illinois Supreme Court reached a similar conclusion in Dunne v Cook County, 108 Ill.2d 161 (Ill. 1985). There the Cook County Board, utilizing home rule authority, attempted to modify the vote requirement to override a veto by the president of the Board of Commissioners. The Court considered the legislative history behind the 1970 Constitution and specifically a portion that indicated that what is meant by a change in the form of government includes modification of the relative powers of the board and chief executive officer. Id. at 166. The Court went on to opine that a reduction in the statutory vote required to override a veto clearly alters the powers between the legislative and executive branches. Id. Therefore, the ordinance adopted impermissibly altered the form of government without the required referendum. Id.

The First Appellate Court considered another challenge between the same parties in Dunne v Cook County, 164 Ill.App.3d 929 (1st Dist. 1987). There the county board adopted seemingly reasonable resolutions that allowed them to appoint and remove members of their own staffs. However, the power to appoint and remove employees and officers had been vested in the president of the board. Id. at 931. Ultimately, the Appellate Court relied on the aforementioned Pechous and Dunn cases to find that "...any alteration in the relative powers of the executive and legislative branches of the government constitutes a change in the form of government requiring referendum approval..." Id. at 936.

The aforementioned cases affirm the proposition that neither the legislative branch (the Council) nor the executive branch (the Mayor) may invade upon the authority or powers granted the other absent a change in the form of government which, pursuant to the 1970 Constitution, requires referendum approval. Any resolution or ordinance which invades upon the powers of the executive, absent a proper referendum, is unconstitutional.

Section 3.1-15-10 of the Illinois Municipal Code (65 ILCS 5/3.1-15-10) provides that the mayor is the Chief Executive Officer of the City. Section 3.1-35-5 provides that the mayor shall perform all duties prescribed by law, including ordinances. It further requires the mayor to recommend to the corporate authorities "...for their consideration measures which the mayor or president believes expedient". 65 ILCS 5/2.1-35-5.

If the mayor is statutorily vested with the responsibility and authority to recommend measures to the corporate authorities for their consideration, and is designated as the chief executive of the city, the mayor is similarly authorized to take such actions necessary to accomplish those goals and requirements. For example, the mayor is authorized to consider, propose and have drafted such ordinances or resolutions that he believes expedient for the council's consideration. The mayor is authorized and required to consider, draft and research necessary purchases or other measures necessary for the operation of the city including, but not limited to fire apparatus, property, and even the retention of employees and consultants. This includes, seeking proposals, communicating with and in many cases negotiating with potential vendors or third parties.

Possible development and annexations are no different. The mayor is vested with the responsibility to recommend measures to the city council which he believes expedient. 65 ILCS 5/2.1-35-5. This would include the possible growth and extension of the city and its tax base as well as potential job growth etc. This requires the ability to discuss such possible development and even negotiate potential terms with third parties. Council interference with this responsibility and authority constitutes an unconstitutional action under Pechous and Dunn.

The mayor's authority to discuss possible development with third parties, negotiate terms for submission to the city council and direct the activities of those employees under the mayor is not just supported by the Illinois Municipal Code. The City of Belvidere's own municipal code vests in the mayor the authority to "..review all annexation agreements..." and to "...negotiate with the property owners and make recommendations to the city council." (Belvidere Municipal Code §15-21). Section 15-21 also restates the state law rule that the mayor is prohibited from actually entering into any annexation agreement and cannot bind the city on the mayor's own volition, such authority being strictly reserved to the full city council. Further, the City's Municipal Code restates the aforementioned state laws that the mayor shall be "...the chief executive officer of the city..." and further grants him the "...supervision over all of the executive officers and employees of the city..." (Belvidere Municipal Code §2-176).

Application of the Illinois Constitution of 1970, together with the aforementioned cases, statutes and ordinances reveals that any action taken by the city council to deprive the mayor of statutorily granted powers, or authority (both explicit and those necessary to accomplish the explicit powers), absent a lawful change in the form of government after a referendum, would be an unconstitutional action. What is equally clear is that the mayor cannot unilaterally take action to bind the city with regard to any annexation or annexation agreement, that authority being reserved to the full city council. Similarly, the mayor cannot obligate the city to the expenditure of funds (exceeding his discretionary spending authority granted by ordinance) nor make other obligations of the city (e.g., the acquisition of property, the construction of public facilities, nor even most intergovernmental agreements) without council approval.

CONCLUSION:

The resolution before the City Council seeking to "...explicitly direct the mayor and city administration to cease all negotiations, discussion or meetings with Data Watt..." represents an unconstitutional infringement upon the authority of the mayor, absent compliance with Article VII of the Illinois Constitution of 1970. The reality is this is an academic exercise and analysis. First, the council is not

able to actually enforce any prohibition on who any person, much less a mayor, speaks with and has discussions with. Second, it does not matter how much the mayor speaks with or "negotiates" with any third party. The mayor cannot bind the City. Only the full city council can approve, or not approve, of any annexation or annexation agreement. Third, approval of any annexation agreement requires a supermajority vote of 8 aye votes (including the mayor). At least at the Committee of the Whole meeting of October 26, 2026, the committee clearly articulated its position on the matter.

Mike Drella

From: David Halligan <dhalligan@datawattenergy.com>
Sent: Thursday, October 29, 2026 11:30 AM
To: Clint Morris; Mike Drella
Cc: Conor Mullady
Subject: Letter to City of Belvidere
Attachments: Letter to the City of Belvidere 10.29.26.pdf; 20 Year Tax Estimates - Datawatt - 10.28.26 - Half Cost Comparison - Long.pdf; 20 Year Tax Estimates - Datawatt - 10.28.26 - Comparison - Long.pdf

This message originated from an **External Source**. DO NOT click links or open attachments unless you recognize the sender and know the content is safe.

Dear Mayor Morris and Mike,

I am sharing the attached letter with you and Members of City Council to provide information from Datawatt regarding the status of Project Hawkeye.

Also attached are preliminary property tax estimates for Project Hawkeye based on different cost assumptions. These estimates are preliminary and subject to change based on actual construction costs, the scale of the campus and the timing of project build.

Best regards, David

David Halligan
Datawatt Energy
1-617-513-8893
dhalligan@datawattenergy.com
www.datawattenergy.com
171 N. Aberdeen Street, Suite 4000
Chicago, IL 60607

DATAWATT ENERGY

October 29, 2026

Mayor Clinton Morris and Members of the City Council
City of Belvidere
401 Whitney Boulevard
Belvidere, Illinois 61008

Re: Project Hawkeye

Dear Mayor Morris and City Council of Belvidere:

Over the past two months, residents of Belvidere have come to City Hall to speak about Project Hawkeye. We hear and respect the concerns of all residents.

We want you, the Council and the community to understand why we have not presented the project publicly before now. Our most critical priority has been to establish whether ComEd and PJM can deliver power to this location to support the project; without that answer there is no Project Hawkeye. At the same time, we have been working through details that determine whether a project like Hawkeye would be a benefit to the people of Belvidere rather than a burden on them: electricity rates, water use, noise, financial commitments the project would make to the City and the schools, and the other matters residents have raised.

Our intention has always been to bring the project to the City in the normal course – annexation, zoning and a special use permit – with complete supporting materials that the Mayor, the Council and residents could evaluate for themselves. To date, no applications have been filed with the City and no requests for financial commitments have been or will be asked of the City.

We understand why learning about the project from news reports and records requests, rather than from us, has caused concern.

What we can say now, in plain terms, is this. The campus would use a closed-loop cooling system that minimizes water use. ComEd's tariffs and PJM's policies are designed to ensure that Project Hawkeye carries the cost of powering and energizing its operations – not the residents of Belvidere. Noise limits and setbacks from homes would be written into any agreement and enforceable by the City. The project could become among the largest property taxpayers in Belvidere, with revenue going to support Belvidere's schools, park district and public works, and to Boone County. Datawatt Energy will not ask the City for tax incentives.

Residents of Belvidere should have the information to judge for themselves whether Project Hawkeye is right for them and for the City. Datawatt Energy will hold an open public forum in Belvidere, to which the Council and all residents are invited, where the project can be explained and questioned directly.

Thank you to you and the Council for the courtesy of reading this letter.

Respectfully,

David Halligan

David Halligan
Founder and Chief Executive Officer
Datawatt Energy

cc: Mike Drella, Attorney, City of Belvidere

20 Year Tax Estimates
Datawatt Project
Belvidere, Illinois
(PINs: Multiple)

Estimated Taxes Based on:
Comparable Land Value + 50% Hard Core/Shell Construction Costs (P/MW)
Compared to
Current Market Value (Farmland)

Tax Year	2025 Tax Rate	2025 Multiplier	Estimated Effective Tax Rate*
2029	7.965%	1.0000	7.965%
2030	7.965%	1.0000	7.965%
2031	7.965%	1.0000	7.965%
2032	7.965%	1.0000	7.965%
2033	7.965%	1.0000	7.965%
2034	7.965%	1.0000	7.965%
2035	7.965%	1.0000	7.965%
2036	7.965%	1.0000	7.965%
2037	7.965%	1.0000	7.965%
2038	7.965%	1.0000	7.965%
2039	7.965%	1.0000	7.965%
2040	7.965%	1.0000	7.965%
2041	7.965%	1.0000	7.965%
2042	7.965%	1.0000	7.965%
2043	7.965%	1.0000	7.965%
2044	7.965%	1.0000	7.965%
2045	7.965%	1.0000	7.965%
2046	7.965%	1.0000	7.965%
2047	7.965%	1.0000	7.965%
2048	7.965%	1.0000	7.965%

Comparable Land Value + 50% Hard Core/Shell Construction Costs (P/MW)

Estimated Market Value	Assessment Level	Estimated Assessed Value	Estimated Tax (Total)	School District 100 Portion (59.8%)	City of Belvidere Portion (12.00%)	County Portion (10.06%)	Belvidere Park District (5.8%)	Belvidere Township (1.61%) + Belvidere Township Road (2.1%)
$71,634,902	33.33%	$23,875,933	$1,886,718	$1,387,174	$257,240	$148,971	$33,943	$59,390
$222,284,902	33.33%	$74,087,558	$5,855,829	$4,305,455	$648,501	$466,166	$106,215	$218,921
$415,884,902	33.33%	$138,614,438	$11,540,183	$7,853,065	$1,213,316	$872,174	$198,723	$409,591
$603,934,902	33.33%	$201,291,503	$16,032,204	$11,113,524	$1,761,639	$1,266,544	$288,580	$594,795
$792,084,902	33.33%	$264,001,635	$21,028,000	$14,575,933	$2,310,864	$1,661,124	$378,484	$780,067
$980,184,902	33.33%	$326,695,635	$26,020,229	$18,037,223	$2,858,823	$2,055,596	$468,364	$965,350
$1,024,644,902	33.33%	$341,514,146	$27,200,475	$18,855,369	$2,988,332	$2,148,838	$489,609	$1,009,138
$1,024,644,902	33.33%	$341,514,146	$27,200,475	$18,855,369	$2,988,332	$2,148,838	$489,609	$1,009,138
$1,024,644,902	33.33%	$341,514,146	$27,200,475	$18,855,369	$2,988,332	$2,148,838	$489,609	$1,009,138
$1,024,644,902	33.33%	$341,514,146	$27,200,475	$18,855,369	$2,988,332	$2,148,838	$489,609	$1,009,138
$1,024,644,902	33.33%	$341,514,146	$27,200,475	$18,855,369	$2,988,332	$2,148,838	$489,609	$1,009,138
$1,024,644,902	33.33%	$341,514,146	$27,200,475	$18,855,369	$2,988,332	$2,148,838	$489,609	$1,009,138
$1,024,644,902	33.33%	$341,514,146	$27,200,475	$18,855,369	$2,988,332	$2,148,838	$489,609	$1,009,138
$1,024,644,902	33.33%	$341,514,146	$27,200,475	$18,855,369	$2,988,332	$2,148,838	$489,609	$1,009,138
$1,024,644,902	33.33%	$341,514,146	$27,200,475	$18,855,369	$2,988,332	$2,148,838	$489,609	$1,009,138
$1,024,644,902	33.33%	$341,514,146	$27,200,475	$18,855,369	$2,988,332	$2,148,838	$489,609	$1,009,138
$1,024,644,902	33.33%	$341,514,146	$27,200,475	$18,855,369	$2,988,332	$2,148,838	$489,609	$1,009,138
$1,024,644,902	33.33%	$341,514,146	$27,200,475	$18,855,369	$2,988,332	$2,148,838	$489,609	$1,009,138
Total Estimated Taxes (2029 to 2048)		**$482,712,681**	**$320,752,430**	**$60,852,124**	**$36,564,302**	**$8,328,618**	**$17,166,640**	

Current Tax Generation (Farmland)

Estimated Market Value****	Assessment Level	Estimated Assessed Value	Estimated Tax	School District 100 Portion (59.8%)	City of Belvidere Portion (12.00%)	County Portion (10.06%)	Belvidere Park District (5.8%)	Belvidere Township (1.61%) + Belvidere Township Road (2.1%)
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
Total Estimated Taxes (2029 to 2048)			**$491,774**	**$340,898**	**$54,048**	**$38,860**	**$8,862**	**$10,979**

Additional Tax Generation Over 20 Years	**$482,712,681**	**Additional Projected School District 100 Taxes**	**$320,411,532**	**Additional Projected City of Belvidere Taxes**	**$50,511,225**	**Additional Projected County Taxes**	**$36,515,452**

Additional Projected Belvidere Park District Taxes	**$8,319,976**	**Additional Projected Belvidere Township & Belvidere Township Road Taxes**	**$17,166,067**

Notes:

* The tax rate from a nearby City of Belvidere property was utilized (see enclosed)
** The taxing body percentages were also pulled from the same nearby City of Belvidere property (see enclosed)
*** The 2025 Effective Tax Rate (the 2025 tax rate x the 2025 multiplier) was used. It does not take into account any increases or decreases in the Effective Tax Rate between 2025 and 2048.
**** Properties are re-assessed every four (4) years in Collar Counties, and in general values don't fluctuate much in non-reassessment years unless there's some significant change at the site. For the estimate, I included the additional yearly spend per year, not on the quadrennial reassessment cycle, so timing will vary.
***** The following taxes bodies were included in the above: IDA Library, County Conservation & Historical Museum
****** 'Market Value' is based on the farmland assessments. In reality, farmland is assessed at a lower value. Thus actual market value may vary.

The above estimates are speculative, and should be treated as such.

20 Year Tax Estimates
Dataweit Project
Belvidere, Illinois
(PINs: Multiple)

Estimated Taxes Based on:
Comparable Land Value + Hard Core/Shell Construction Costs (P/MW)
Compared to
Current Market Value (Farmland)

Tax Year	2025 Tax Rate	2025 Multiplier	Estimated Effective Tax Rate*
2029	7.965%	1.0000	7.965%
2030	7.965%	1.0000	7.965%
2031	7.965%	1.0000	7.965%
2032	7.965%	1.0000	7.965%
2033	7.965%	1.0000	7.965%
2034	7.965%	1.0000	7.965%
2035	7.965%	1.0000	7.965%
2036	7.965%	1.0000	7.965%
2037	7.965%	1.0000	7.965%
2038	7.965%	1.0000	7.965%
2039	7.965%	1.0000	7.965%
2040	7.965%	1.0000	7.965%
2041	7.965%	1.0000	7.965%
2042	7.965%	1.0000	7.965%
2043	7.965%	1.0000	7.965%
2044	7.965%	1.0000	7.965%
2045	7.965%	1.0000	7.965%
2046	7.965%	1.0000	7.965%
2047	7.965%	1.0000	7.965%
2048	7.965%	1.0000	7.965%

Comparable Land Value + Hard Core/Shell Construction Costs (P/MW)

Estimated Market Value	Assessment Level	Estimated Assessed Value	Estimated Tax [Total]	School District 100 Portion (59.8%)	City of Belvidere Portion (12.00%)	County Portion (10.86%)	Belvidere Park District (5.8%)	Belvidere Township (1.61%) + Belvidere Township Road (2.1%)
$102,384,902	33.33%	$34,124,[illegible]	$2,717,935	$1,624,972	$296,701	$214,717	$46,923	$100,835
$404,884,902	33.33%	$134,948,138	$10,748,174	$7,450,834	$1,181,224	$849,108	$193,487	$398,757
$792,084,902	33.33%	$264,001,898	$21,026,690	$14,575,833	$2,310,854	$1,661,124	$378,484	$780,097
$1,168,184,902	33.33%	$389,356,025	$31,010,923	$21,496,772	$3,408,100	$2,449,883	$558,197	$1,150,565
$1,544,484,902	33.33%	$514,776,818	$41,000,278	$28,421,390	$4,505,930	$3,239,022	$738,005	$1,521,110
$1,923,884,902	33.33%	$640,184,278	$50,966,972	$35,344,168	$5,603,468	$4,027,971	$917,765	$1,891,617
$2,009,604,902	33.33%	$669,801,314	$53,347,464	$36,960,462	$5,862,888	$4,214,450	$960,254	$1,979,191
$2,009,604,902	33.33%	$669,801,314	$53,347,464	$36,960,462	$5,862,888	$4,214,450	$960,254	$1,979,191
$2,009,604,902	33.33%	$669,801,314	$53,347,464	$36,960,462	$5,862,888	$4,214,450	$960,254	$1,979,191
$2,009,604,902	33.33%	$669,801,314	$53,347,464	[illegible]	$5,862,888	$4,214,450	$960,254	$1,979,191
$2,009,604,902	33.33%	$669,801,314	$53,347,464	$36,960,462	$5,862,888	$4,214,450	$960,254	$1,979,191
$2,009,604,902	33.33%	$669,801,314	$53,347,464	$36,960,462	$5,862,888	$4,214,450	$960,254	$1,979,191
$2,009,604,902	33.33%	$669,801,314	$53,347,464	$36,960,462	$5,862,888	$4,214,450	$960,254	$1,979,191
$2,009,604,902	33.33%	$669,801,314	$53,347,464	$36,960,462	$5,862,888	$4,214,450	$960,254	$1,979,191
$2,009,604,902	33.33%	$669,801,314	$53,347,464	$36,960,462	$5,862,888	$4,214,450	$960,254	$1,979,191
$2,009,604,902	33.33%	$669,801,314	$53,347,464	$36,960,462	$5,862,888	$4,214,450	$960,254	$1,979,191
$2,009,604,902	33.33%	$669,801,314	$53,347,464	$36,960,462	$5,862,888	$4,214,450	$960,254	$1,979,191
$2,009,604,902	33.33%	$669,801,314	$53,347,464	$36,960,462	$5,862,888	$4,214,450	$960,254	$1,979,191
$2,009,604,902	33.33%	$669,801,314	$53,347,464	$36,960,462	$5,862,888	$4,214,450	$960,254	$1,979,191
Total Estimated Taxes (2029 to 2048)		**$904,355,658**	**$626,889,342**	**$89,388,887**	**$71,444,097**	**$18,278,402**	**$33,561,595**	

Current Tax Generation (Farmland)

Estimated Market Value****	Assessment Level	Estimated Assessed Value	Estimated Tax	School District 100 Portion (59.8%)	City of Belvidere Portion (12.00%)	County Portion (10.86%)	Belvidere Park District (5.8%)	Belvidere Township (1.61%) + Belvidere Township Road (2.1%)
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
$926,259	33.33%	$308,722	$24,589	$17,045	$2,702	$1,943	$443	$529
Total Estimated Taxes (2029 to 2048)		**$481,774**	**$340,898**	**$54,046**	**$38,886**	**$8,852**	**$10,573**	

Additional Tax Generation Over 20 Years	**$804,355,658**
Additional Projected School District 100 Taxes	**$626,558,445**
Additional Projected City of Belvidere Taxes	**$99,047,789**
Additional Projected County Taxes	**$71,405,247**
Additional Projected Belvidere Park District Taxes	**$16,289,550**
Additional Projected Belvidere Township & Belvidere Township Road Taxes	**$33,541,022**

Notes:

* The tax rate from a nearby City of Belvidere property was utilized (see enclosed)
** The taxing body percentages were also pulled from the same nearby City of Belvidere property (see enclosed)
*** The 2025 Effective Tax Rate (the 2025 tax rate x the 2025 multiplier) was used. It does not take into account any increases or decreases in the Effective Tax Rate between 2025 and 2048.
**** Properties are re-assessed every four (4) years in Collar Counties, and in general values don't fluctuate much in non-reassessment years unless there's some significant change at the site. For this estimate, I included the additional yearly spend per year, not on the quadrennial reassessment cycle, so timing will vary.
***** The following taxes bodies were included in the above: IDA Library, County Conservation & Historical Museum
****** 'Market Value' is based on the farmland assessments. In reality, farmland is assessed at a lower value. Thus actual market value may vary.

The above estimates are speculative, and should be treated as such.