

The Rock Island City Council met in Study Session at 6:00 p.m. in the Human Resources Conference Room of Rock Island City Hall. Present were Mayor Mike Thoms presiding, and Aldermen Ivory D. Clark, James Spurgetis, Dylan Parker, and Dave Geenen. Also present were Interim City Manager Randy Tweet, Interim Public Works Director Larry Cook, Community and Economic Development Director Chandler Poole, other City staff, and City Attorney Dave Morrison. Alderman Virgil J. Mayberry, Stephen L. Tollenaer, and Joshua Schipp were absent.

**PUBLIC WORKS and COMMUNITY AND ECONOMIC DEVELOPMENT: OLD MILL STREET RECONSTRUCTION**

Interim Public Works Director Larry Cook stated the reconstruction of Old Mill Street is a joint project with the Community and Economic Development Department. The project had been anticipated to be completed in 2019, but due to the growth of PakSource and Crawford Company at the location, the need to re-do the street became a greater priority. Mr. Cook stated that none of the infrastructure (storm water, water or sanitary) will be affected; it is a total street reconstruction and storm water project-over surface. From PakSource's entrance, there will be a complete reconstruction south-southwest to Crawford Company. The very southern part of Crawford's parking lot will be re-done to add for additional drainage. The intent is to capture the flow of storm water through curbing, bring it through the southern end of the parking lot and recreate the natural drainage, rather than adding an additional catch basin. Mr. Cook stated the City is well within the ordinance not to need another new catch basin. The project will take approximately four to six weeks, dependent upon the weather. Mr. Cook said that Community and Economic Development Director Chandler Poole has spoken with all the businesses that would be affected. There is an Iowa Interstate railroad crossing which will be an addendum to the bid package and which will be completed later; probably four to six months after the completion of the project; and after the railroad gives permission. The railroad crossing is not an active spur; it is disconnected. Interim City Manager Randy Tweet said the railroad will not give up the right-of-way even though the modern railroad cars can't make the curved turn.

Community and Economic Development Director Chandler Poole said the project will be paid for with HUD-CDBG funds. The location is in a HUD zone. One of the businesses, PakSource recently got three contracts which will double their workforce, adding fifty jobs. Mr. Poole said Old Mill Street used to constantly flood; the goal is to create a street that doesn't flood. Another company, Crawford Company, is outgrowing their current location and needs to expand. It is hoped that one of Crawford's many divisions will relocate to the south of the current business location. Alderman Geenen asked if there were issues with flooding this year. Mr. Cook said there has not been a major flood this year. Mr. Poole said the project meets national HUD objectives of job creation and retention benefitting low to moderate income population. The estimated cost of the project is \$500,000. The funds for the project have not been programmed for other projects; they are left-over funds and monies rolled over that have been accumulating. In other words, they are not taking funds from any other projects to pay for this project.

Mr. Poole also explained that HUD has a requirement that funds are spent in a timely manner. The City will need to spend the funds to meet the timeliness test of HUD. Alderman Geenen asked about the impact; what is the benefit for low to moderate income persons. Mr. Poole replied it is through the job creation at PakSource which is in a HUD zone. The funds must be

spent by December 31, 2017. The funding speeds up a project to help another company grow and possibly keep another division of Crawford Company in Rock Island.

Mr. Tweet said the project was not budgeted; therefore, a budget adjustment will be required by the Council; and it will be for the exact amount of the project. Mr. Cook said the bid opening for the project is Wednesday, June 7 at 9:00 a.m. After the bid opening, then the City will have a better idea of the time frame and cost for the project. Mr. Cook said he expects the cost to be less than the estimate of \$500,000. Mr. Tweet said Cobham, an engineering firm, is also looking to expand; but the road is so rough they can't bring their sensitive instruments from their location in Davenport. Mr. Poole said that area will see tremendous growth in the future. He also said the City is accountable to HUD for the funds and will monitor the job creation at PakSource and Crawford Company for the next couple of years. Alderman Geenen asked about job training funds; Mr. Poole said there are no job training funds with HUD.

In another matter, Mr. Cook reported on the weekend situation with the slough emptying that impacted Augustana College. There was a critical failure in the slough that drained the entire slough, resulting in flooding on campus and a collapse of part of the roadway north of 7<sup>th</sup> Avenue. The Public Works Department has been onsite and will continue to be as the investigation is ongoing trying to determine the reason why the slough failed. They need to determine if it was an infrastructure failure or if there was some other cause. Mr. Cook stated it was a total ecological loss and two and a half years of research by Augustana professors is gone. Some flooding occurred on the football field during the Senior Olympics on Saturday. ServPro decontaminated the area.

Mr. Cook said the Waste Water Treatment Plant showed a spike of 600,000 gallons for several hours on Saturday which would have indicated there was a problem somewhere. Mr. Cook said they need to have improved communications between the departments during these occurrences. Langman Construction will be onsite tomorrow. Mayor Thoms reported that Augustana College President Steve Bahls was very happy with the communication between the City and the college. In response to a question from Alderman Geenen about refilling the slough, Mr. Cook said it would be refilled naturally with rainwater.

## **ADJOURNMENT**

There being no other business, the Study Session adjourned at 6:20 p.m.

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Judith H. Gilbert, City Clerk

Rock Island City Council met in regular session at 6:45 p.m. in Council Chambers of Rock Island City Hall. Present were Mayor Mike Thoms presiding, and Aldermen Ivory D. Clark, James Spurgetis, Stephen L. Tollenaer, Dylan Parker, Joshua Schipp, and Dave Geenen. Also present were Interim City Manager Randy Tweet and City Attorney Dave Morrison. Alderman Virgil J. Mayberry was absent.

#### Introductory Proceedings

Mayor Thoms called the meeting to order and led in the Pledge of Allegiance. A moment of silence was held instead of the usual invocation.

#### Agenda Item #5

##### **Minutes of the meeting of May 22, 2017 and Minutes of the special meeting of May 26, 2017.**

It was moved by Alderman Clark and seconded by Alderman Spurgetis to approve both sets of Minutes as printed. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Spurgetis, Alderman Tollenaer, Alderman Parker, Alderman Schipp, and Alderman Geenen; those voting No, none.

#### Agenda Item#6

##### **Minutes of the Executive Session of May 22, 2017.**

It was moved by Alderman Spurgetis and seconded by Alderman Tollenaer to approve the Executive Session Minutes. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Spurgetis, Alderman Tollenaer, Alderman Parker, Alderman Schipp, and Alderman Geenen; those voting No, none.

#### Agenda Item #7

##### **Update Rock Island by Mayor Mike Thoms.**

Downtown Streetscapes – DIY Downtown is a new series of events that will kick off this Wednesday, June 7<sup>th</sup> from 6 pm to 7:30 pm. The first topic for discussion will be about downtown's streetscapes and how they can be improved. Alderman Dylan Parker will be a part of the conversation and will work towards realistic solutions. Over the next several months, other topics for discussion will include downtown housing, food, health, entrepreneurship, education, arts, and much more. This series was created by Erik Reader, the new Downtown Partnership Executive Director, and will be held in his office at 1821 2<sup>nd</sup> Avenue.

2017 Citizen of the Year – Do you have your nominations in for Rock Island's Citizen of the Year? If not, you will have until Friday, June 9 to nominate someone that you think deserves to be recognized for what they do for the community. You can nominate businesses, professionals, education, individuals, city employees and other categories. We now have an easy to use online nomination form, which can be submitted by visiting [www.rigov.org](http://www.rigov.org) under the Popular Links section of the City's homepage. If you have any questions, please contact the City Clerk, Judith Gilbert, at 732-2010.

Walk for Freedom & Cultural Festival – The Walk for Freedom celebrating World Refugee Day will take place Saturday, June 17, from 11:00 am to 12:00 noon at Black Hawk State Historic Site, 1510 46<sup>th</sup> Avenue. The start of the walk will be at the Singing Bird Center and will wind its way through 1 mile of the Black Hawk Forest trail. Following the walk, there will be a Cultural Festival from 12:00 noon to 2:00 pm with food, games and a chance to learn about other cultures. For more information please call (309) 764-2279.

Ward Meeting – Virgil Mayberry, 2<sup>nd</sup> Ward Alderman, will hold a meeting this Thursday, June 8, from 11:00 a.m. to 2:00 p.m. at Jumer’s Casino and Hotel, 777 Jumer Drive. The focus of the meeting will be on senior scams and fraud and Bernice Martinez, Community Outreach Liaison, Attorney General’s Office will be attending, along with City staff members. The meeting is open to the public. If you have additional questions, please contact Alderman Mayberry at 309-230-8081.

Mayor Thoms announced Habitat for Humanity will be dedicating its 102<sup>nd</sup> home and 24<sup>th</sup> home in Rock Island on Saturday, June 10 at 10:00 a.m. The home is at 1004 24<sup>th</sup> Avenue.

Agenda Item #8

**Presentation of the Financial Management Report for the First Quarter 2017.**

Finance Director Stephanie Masson started her presentation with a review of CY 2016 financials. The audit presentation by the auditors will be on June 19. The City collected \$21.3 million or 98.2% of the budgeted tax revenues or \$395,000 less than what was budgeted. Both the Income tax and Replacement tax (PPRT) missed the budget targets. Last April, The City was notified that the state had overpaid the PPRT by \$330,000; \$170 million statewide. These two tax revenues will need to be monitored closely as well as the Illinois Municipal League projections which have been lowered from previous estimates issued.

Ms. Masson said Sales tax came in well over budget, but that was due to a one-time event of a large distribution in July. The Sales tax budget for CY 2017 was set conservatively flat due to the closing of Kmart in 2016. The Use tax came in better than the budgeted amount. This is a form of sales tax designed to distribute the tax burden fairly and equalize taxes among the states. The State of Illinois has been more aggressive and proactive about collection of the Use tax.

Ms. Masson reported that the Municipal Utility Tax came in at \$373,000 less than the budget. It is at the statutory limit of 6%, but it has been declining. In 2008, the Municipal Utility Tax was \$2.3 million and has since declined 23%. The Telecom and Food and Beverage tax revenues have also declined. Gaming tax revenues were short \$96,000 from the budget. The CY 2016 Gaming tax revenues were \$4.8 million and are used to fund the CY 2018 Capital Improvement Plan (CIP).

Ms. Masson explained revenues, expenditures, and net position for the first quarter of 2017 (ending March 31, 2017). A benchmark would be 25% of revenues and expenditures. The City is reporting 14% of budgeted revenues and 14% of expenditures for all of its funds. Expenditures exceeded budgeted revenues by \$2.7 million and cash available is \$25.3 million. This is similar to where the City was at this point last year. General Fund revenues are at 14% of budget and

General Fund expenditures are 22% of budget. Ms. Masson stated that in general, Governmental Fund revenues are below 25% at this time as property tax distributions do not begin until after June and Debt Service payments are scheduled in June and December. Proprietary Funds of Waterworks and Wastewater Treatment both have IEPA funded capital projects budgeted this year. Parks is at 9% of revenues and 14% of expenditures due to the timing of their seasonal operations.

Ms. Masson presented a State and Local Tax Revenue analysis for CY 2017 through the first quarter. A total of 26.6% of revenues were collected although it is early in the year and Ms. Masson remains concerned about the trends. Income tax revenues are running behind budget and in line with Illinois Municipal League revised projections. The state has a new accounting system and there was a 2014 legislative change that removed the \$100,000 cap for realizing corporate operating losses; so carry forwards were recognized and the cap was removed. The Replacement tax is ahead of last year's, but this tax is not distributed monthly. Ms Masson is optimistic that this tax is on track to exceed the budget.

Ms. Masson explained that since Sales and Local Option Sales taxes are running below budget and below last year's distributions, those will need to be monitored. The Use tax budget was raised and the first quarter distributions are more than the same period last year. She also said the Utility tax budget was lowered to be conservative and the first quarter distributions are more than the same period as last year. The City is at the statutory limit for the Telecom tax, but it continues to decline as well. The Gaming budget was reduced, but the current year's distributions are not far off from last year's.

Ms. Masson gave a Capital and Major Project report for CY 2017. Twelve percent (12%) of the projects are complete. Public Works has the largest share with \$35.8 million of the \$38.7 million in projects. Water and Long Term Control Plan projects are a big portion of Public Works. Street and Street Maintenance projects total \$5.9 million. Ms. Masson said the monthly investment total (cash balances) has been relatively even over the last few months at \$25 million. There were no questions from Council.

Agenda Item #9

**Claims**

- a. Report from the Human Resources Department regarding payment in the amount of \$21,718.54 to Dave Morrison of Rock Island, IL for legal services rendered for the month of May.

It was moved by Alderman Tollenaer and seconded by Alderman Clark to accept the report and authorize the payment as recommended. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Spurgetis, Alderman Tollenaer, Alderman Parker, Alderman Schipp, and Alderman Geenen; those voting No, none.

Agenda Item #10

**Claims for the weeks of May 19 through May 25 in the amount of \$564,720.43 and May 26 through June 1 in the amount of \$232,939.44 and payroll for the weeks of May 8 through May 21, 2017 in the amount of \$1,466,867.85.**

It was moved by Alderman Clark and seconded by Alderman Tollenaer to allow the claims and payroll. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Spurgetis, Alderman Tollenaer, Alderman Parker, Alderman Schipp, and Alderman Geenen; those voting No, none.

Agenda Item #11

**Purchase Card Claims for the period from March 28 through April 27, 2017 in the amount of \$51,943.59.**

It was moved by Alderman Spurgetis and seconded by Alderman Tollenaer to approve the purchase card claims. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Spurgetis, Alderman Tollenaer, Alderman Parker, Alderman Schipp, and Alderman Geenen; those voting No, none.

Agenda Item #12

**Report from the Community and Economic Development Department regarding a Programmatic Agreement with the Illinois Historic Preservation Agency and the Advisory Council on Historic Preservation.**

It was moved by Alderman Parker and seconded by Alderman Geenen to approve the agreement as recommended and authorize the Mayor to execute the agreement.

Alderman Parker asked what role the City's Preservation Commission has in this agreement. Community and Economic Development Director Chandler Poole responded that this agreement allows the department to do Section 106 reviews when HUD funds are used or for any HUD programs. He said the Preservation Commission does not get involved with these projects.

The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Spurgetis, Alderman Tollenaer, Alderman Parker, Alderman Schipp, and Alderman Geenen; those voting No, none.

Agenda Item #13

**Report from the Community and Economic Development Department regarding a Memorandum of Agreement between the Community and Economic Development Department and the Martin Luther King Center for the Program Year 2017 HUD - CDBG allocation.**

It was moved by Alderman Clark and seconded by Alderman Schipp to approve the Memorandum of Agreement as recommended and authorize the Mayor to sign the Memorandum of Agreement. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Spurgetis, Alderman Tollenaer, Alderman Parker, Alderman Schipp, and Alderman Geenen; those voting No, none.

Agenda Item #14

**Report from the Community and Economic Development Department regarding a multi-year funding agreement with the Development Association of Rock Island (DARI) to assist with the promotion and expansion of commercial businesses.**

It was moved by Alderman Spurgetis and seconded by Alderman Parker to approve the terms of the agreement as recommended and authorize the City Manager to execute the funding agreement. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Spurgetis, Alderman Tollenaer, Alderman Parker, Alderman Schipp, and Alderman Geenen; those voting No, none.

Agenda Item #15

**Report from the Community and Economic Development Department regarding a lease agreement with Christopher Rudsell for farming on City-owned property on Big Island for a total of \$6,400.00 for 2017.**

It was moved by Alderman Schipp and seconded by Alderman Tollenaer to approve the lease terms as recommended, direct CED staff to work with legal counsel to create the lease subject to minor attorney modifications, and authorize the City Manager to execute the contract documents.

City Attorney Dave Morrison asked Community and Economic Development Director Chandler Poole to update Council on the latest developments with the lease. Alderman Geenen asked if the lease amount was the same as previous farming leases. Mr. Morrison said it was. Mr. Poole said Mr. Morrison has put together a standard lease agreement with indemnification clauses. Mr. Rudsell's insurance company has declined to provide insurance for indemnification to the City. The insurance company is the same as for the previous farmer. Mr. Morrison said indemnification was customary for these leases in case of an accident or a spill. Mr. Rudsell did not want to take on the indemnification obligation. Mr. Morrison was asked to look for alternatives; however, this is a standard clause and professionally, he could not recommend to the City to enter into the lease without the indemnification language due to the risk exposure. Mr. Rudsell has said he cannot assume the indemnification obligation if there was an accident; so that is where it stands.

Aldermen Schipp and Tollenaer withdrew their motion and second. Alderman Geenen commented that it is late in the growing season. Mr. Poole said this is the second or third farmer who had an issue with the indemnification clause. Alderman Tollenaer asked who is the farmer farming the Ridgewood office park property. Interim City Manager Randy Tweet said it is not being farmed this year; the City is expanding the wetlands.

It was moved by Alderman Schipp and seconded by Alderman Tollenaer to postpone consideration of the matter until June 12.

The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Spurgetis, Alderman Tollenaer, Alderman Parker, Alderman Schipp, and Alderman Geenen; those voting No, none.

Agenda Item #16

**Report from the Public Works Department regarding a request from the Coast Guard Auxiliary to use the parking lot at Sunset Marina from 8:00 a.m. to noon on June 18, July 16, and August 20, 2017 for their annual fundraising breakfasts and a request to hang a banner at the marina entrance.**

It was moved by Alderman Spurgetis and seconded by Alderman Tollenaer to approve the requests as recommended. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Spurgetis, Alderman Tollenaer, Alderman Parker, Alderman Schipp, and Alderman Geenen; those voting No, none.

Agenda Item #17

**Report from the Mayor regarding the appointment of Randall Tweet as City Manager.**

It was moved by Alderman Schipp and seconded by Alderman Clark to approve the appointment as recommended and authorize the Mayor to execute the contract documents.

Discussion followed. Alderman Schipp said Mr. Tweet is a straightforward, honest man of integrity and a native of Rock Island. Mr. Tweet worked his way up through the ranks and Alderman Schipp thinks the City is in very capable hands with Mr. Tweet. Alderman Schipp is grateful to Mr. Tweet for taking the job in the interim status and believes the City is now in a better spot than previously. Alderman Tollenaer said Alderman Schipp's comments were well said. Mayor Thoms said Mr. Tweet is an outstanding employee and is very committed to the City. Mayor Thoms believes Mr. Tweet will do a very good job; he has done a good job so far. Mayor Thoms also said the City staff is very excited to be working with Mr. Tweet; the trust and respect they have for Mr. Tweet has been outstanding. Mayor Thoms thanked Mr. Tweet.

The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Spurgetis, Alderman Tollenaer, Alderman Parker, Alderman Schipp, and Alderman Geenen; those voting No, none.

Mr. Tweet was applauded by Council and the audience.

Agenda Item #18

**Report from the Mayor regarding appointments to the Preservation Commission.**

It was moved by Alderman Schipp and seconded by Alderman Clark to approve the appointments as recommended. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Spurgetis, Alderman Tollenaer, Alderman Parker, Alderman Schipp, and Alderman Geenen; those voting No, none.

John Daley was appointed to the Preservation Commission with a term to expire March 31, 2020.

Margaret Morse was appointed to the Preservation Commission with a term to expire March 31, 2020.

Linda Anderson was appointed to the Preservation Commission with a term to expire March 31, 2020.

Robert Braun was appointed to the Preservation Commission with a term to expire March 31, 2020.

Agenda Item #19

**Report from the City Clerk regarding a request from Junior's Tap (aka Dee's Place) for outdoor entertainment with sound amplification and the consumption of alcohol outside on Saturday, June 17, 2017 from 1:00 p.m. to 11:00 p.m. at 2536 5<sup>th</sup> Avenue.**

It was moved by Alderman Tollenaer and seconded by Alderman Clark to approve the event and request as recommended, subject to complying with all liquor license regulations, and subject to being closed down early if noise complaints are received. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Spurgetis, Alderman Tollenaer, Alderman Parker, Alderman Schipp, and Alderman Geenen; those voting No, none.

Agenda Item #20

**Report from the City Clerk regarding a Plaza Activity/Event Application from Steve's Old Time Tap for the 6<sup>th</sup> Annual CCKMA Car & Bike Show fundraiser on Sunday, August 20, 2017 from 2:00 p.m. to 5:00 p.m. with street closures of 17<sup>th</sup> Street between 2<sup>nd</sup> Avenue and 3<sup>rd</sup> Avenue and 3<sup>rd</sup> Avenue between 17<sup>th</sup> Street and 18<sup>th</sup> Street; with the consumption of alcohol in the enclosed area including the Stern Center parking lot; with sound amplification of music; and a waiver of the permit fee.**

It was moved by Alderman Parker and seconded by Alderman Schipp to approve the event and requests as recommended, subject to complying with all liquor license regulations, and subject to being closed down early if noise complaints are received. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Spurgetis, Alderman Tollenaer, Alderman Parker, Alderman Schipp, and Alderman Geenen; those voting No, none.

Agenda Item #21

**Other Business**

Alderman Schipp acknowledged Interim Public Works Director Larry Cook and City Manager Randy Tweet for acting so quickly with the situation at Augustana College with the draining of the slough.

Alderman Spurgetis has had a few phone calls with requests for street repairs.

No one signed up to address Council to speak on a topic.

Agenda Item #22

**Adjourn**

**CITY OF ROCK ISLAND  
CITY COUNCIL MEETING**

**June 5, 2017  
MINUTES**

A motion was made by Alderman Schipp and seconded by Alderman Spurgetis to adjourn the meeting to 6:45 p.m., Monday, June 12, 2017. The motion carried by the following Aye and No vote; those voting Aye being; Alderman Clark, Alderman Spurgetis, Alderman Tollenaer, Alderman Parker, Alderman Schipp, and Alderman Geenen; those voting No, none. The meeting was adjourned at 7:24 p.m.

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Judith H. Gilbert, City Clerk