

**CITY OF ROCK ISLAND
CITY COUNCIL STUDY SESSION
January 14, 2019 - 5:30 p.m.**

**City Council Chambers, City Hall, 3rd Floor
1528 Third Avenue, Rock Island, IL**

3/9/2020 - Minutes

PUBLIC WORKS - INTERGOVERNMENTAL SUPPORT AGREEMENTS

Public Works Director Mike Bartels presented information regarding an Intergovernmental Support Agreement with the Rock Island Arsenal. He introduced two staff members from the Arsenal, Colonel Marr, Garrison Commander of the Arsenal, and John Ramsdale, Chief of the Plans Analysis and Integration office. He explained what an IGSA is, or Intergovernmental Support Agreement, which is an agreement between the Army and a state or local government that serves the best interest of both parties and can be used to achieve a win-win partnership. He said IGSA's allow governments the ability to share installation support services over ten-year periods with the option to extend. He said the number of IGSA's currently in place is 55, and 76 percent of those are with municipalities. He said the City and the Arsenal have been working together for some time as well as Moline to provide refuse collection for homes on the Arsenal, which results in a cost-effective solid waste solution and an enhanced relationship with the Arsenal and surrounding communities.

He said in 2018 many local cities gathered to discuss the IGSA opportunities, and in 2019 along with Moline, did some facility tours. Throughout 2019 discussions took place to consider waste collection, water, sewer, and electrical maintenance. He said the current Water Treatment Supervisor came from the Arsenal and provides depth of knowledge on plant operations.

Mr. Bartels discussed the project summary, including the street light, traffic signal, and electrical maintenance portion of the proposal, as well as the waste water treatment. He said it would consolidate the agreements from 1968 and 1972 into one allow for all services to be billed on one invoice instead of two.

Mr. Bartels discussed the IGSA project details. He said the proposal would be a ten-year agreement, which could be extended in ten-year agreements. He detailed which services would be the City's versus the Federal government's responsibility. Mr. Bartels discussed the project timeline. He said the next step is to come to Council with project proposals for approval to move forward. If Council approved that step, Public Works would come back in the summer for final approval to start services no later than April 2021. He showed the benefits of the agreement on both sides. He said the benefits to the City include additional revenue, increased buying power for the enterprise and general funds, improvement of City operations and infrastructure, additional jobs, improved government and community relationships, and efficiencies. Specific City benefits would include 80 percent of the current maintenance electrician employee salaries would be paid, a cost savings to the general fund, additional revenue for the water and sewer enterprise fund, additional personnel to cover the IGSA agreement responsibilities, increased maintenance and inspections of lift stations, additional manpower for snow plowing and emergency situations.

Mr. Bartels summarized that providing infrastructure for the Arsenal has been a long-standing goal, but the opportunity has not been available. He said the proposal opens up an opportunity to bring in additional revenue and offset expenditures for the next decade and beyond. He concluded that the Arsenal is the second largest employer in the Quad Cities, and it would show

Rock Island residents a good story about collaboration, public partnerships, revenue generation, improvement of City operations, and economic benefits. He thanked Council and the Mayor for their time.

Alderman Hurt said the proposal was a great idea, and he welcomed the opportunity. He asked if there had been a study on projected revenue increases. Mr. Bartels said a study has been done, and about 20 percent would be revenue back to the City. Alderman Hurt thanked him for his work, and reiterated that it is a great opportunity. Alderman Spurgetis asked if all wages and benefits of new personnel were covered by the proposal. Mr. Bartels said yes, and the Arsenal would be billed the entire cost plus a markup. Alderman Spurgetis asked if the hired employees were tied to the length of the proposed contract. Mr. Bartels said that would be negotiated with the Union, and that would be the next step. Alderman Spurgetis asked how many employees might be hired. Mr. Bartels said there would be one electrician and three water operators. Alderman Parker asked if the proposal was about the infrastructure as well as water lines under the ground. Mr. Bartels replied yes and listed the number of items in the proposal. Mr. Bartels said in an emergency, the City would do the repairs and it would be an added cost to the contract. Alderman Parker asked if the Arsenal would still be responsible for capital improvements, and that the City was not taking on any federal government obligations, and Mr. Bartels confirmed yes.

Alderman Parker expressed concern that the City would be able to both perform the necessary work for the Arsenal and the City. Mr. Bartels said the first step toward ensuring that takes place is the proposal, and he listed some jobs that wouldn't be done by the City. Alderman Parker asked if there would be performance metrics included that holds the City accountable to the Arsenal. Mr. Ramsdale discussed the particular metrics the Arsenal would use. Alderman Parker asked if this proposal would assist in keeping the Arsenal in Rock Island. Col. Marr came to the front and thanked the Mayor and City Council for having the Arsenal there, and said it was a great opportunity for both themselves and the City. Col. Marr said each time Congress evaluates bases around the country, there are different evaluation standards. He said the government considers an installation more viable if it has local community support and finances involved. Alderman Parker said he would do all he could to BRAC-proof the Arsenal.

Mayor Thoms added that he has seen larger installations that saved millions doing this type of program, and it could bring new revenues to the City and show support for the Arsenal. Col. Marr said from the Arsenal's perspective, they are not asking for a break or be charged less than others, but would get relief not being subject to the Federal Acquisition Regulation decreases their overhead. He said his responsibility as Garrison Commander is to integrate services across the installation. He said they are looking at the ten-year time frame of the proposal as another way to minimize costs on both sides, which gives them flexibility. Mayor Thoms said the Arsenal needs to take into account the expenses on Arsenal Island, including dead overhead for empty buildings and more, which makes them non-competitive. Col. Marr said the waste removal program has been fantastic to date, and the service was better than the previous agreement they had.

Alderman Spurgetis asked Mr. Bartels asked for an estimate of the additional personnel and expenses proposed. Mr. Bartels said the materials are already included in the contract, and the equipment is owned by the City. He said the goal is to take some of the program revenues and improve the existing equipment. Alderman Poulos asked for clarification that the program would not cost Rock Island citizens money. Mayor Thoms asked if the Arsenal would be using their own infrastructure to be self-sustaining, and Col. Marr confirmed yes. Col. Marr said the City's responsibility would be preventative maintenance and not Arsenal infrastructure. Alderman Parker asked if there was a conflict between this proposal and the water services proposal from the previous study session. City Manager Randy Tweet said the contract to provide services with the Arsenal would still exist throughout the duration of said contract. Alderman Parker said he was concerned that the previously discussed water services proposal would null and void

this proposed contract. Mayor Thomś thanked Mr. Bartels and Col. Marr for their time.

CANNABIS CAFE UPDATE

Planning and Redevelopment Administrator Miles Brainard discussed the most recent developments in the discussion of cannabis lounges, clubs, and cafes. He recapped previous discussions, and said that Zoning has already approved State-licensed cannabis dispensing businesses with on-site consumption.

Mr. Brainard listed the definition of what a retail tobacco store is, or that 80% of the gross revenue every year comes from tobacco or tobacco-related products. He said the criteria was developed in 2008, and some businesses were grandfathered in with regards to needing a standalone space. He said these businesses cannot also have liquor, food, or restaurant licenses. He said the language is now the same for the Smoke Free Illinois Act & Cannabis Act. He discussed the verbiage in these acts, and said it is important to check the definitions section due to the interpretation of it.

Mr. Brainard provided an overview of examples found in different states regarding cannabis lounges. He said only one Illinois community has moved forward with approval of such a cafe in DeKalb. He said he had discussions with his counterpart in that city, and what type of dialogue and actions DeKalb had regarding the subject. He said DeKalb and the City Council did not have many questions about the issue, and passed the measure without many comments. Mr. Brainard said he has read DeKalb's ordinance, and their City Attorney took out the description of their indoor smoking regulations and crossed out any section that said 'not cannabis'. He commended Council for seeking out more information on the topic. He said this is the only example in Illinois, and he was not sure about the amount of work went into the decision making.

Mr. Brainard then discussed the ordinances in Denver, CO. That city began a three-year cannabis consumption pilot program in 2016 to analyze how consumption sites worked out. He said Denver utilized the program in violation of state law until 2019 when they passed a permanent Marijuana Hospitality Establishments Act. He described the type of establishments in Colorado, and required that local communities consent for the businesses to operate. He said these establishments set up outdoor patios for consumption of cannabis, as the law stated no indoor consumption was allowed.

Mr. Brainard discussed the code in Las Vegas, NV. He said their city code allows consumption lounges and site, but it technically violates Nevada state law. He said the only smoking lounge in the state is on sovereign tribal land, and not actually within the Las Vegas city limits. Mr. Brainard then discussed the code in San Francisco, CA. California prohibits consumption of cannabis in public, but lounges are accessory to dispensaries, which creates debate on the local level.

Mr. Brainard discussed insurance issues pertaining to lounges in Illinois. According to a local insurance company, they have interest in providing policies to this type of business, but the State has provided insufficient guidance for them to proceed. He said general liability insurance would continue for Retail Tobacco Stores, but would not cover cannabis-related incidents. He said there is no reason to think the City would be liable. City Attorney Dave Morrison said liability for lounges would be the same as any other establishment, with no additional threat than any other restaurant or bar.

Mr. Brainard discussed issues with enforcement regarding cannabis. He said the data is unclear to know if there is an increase or decrease in crime. He said Police Chief Jeff VenHuizen spoke with Denver law enforcement, and they said no incidents of note regarding cannabis came up,

but there is also insufficient guidance from the State. He said there are too few models in place that would assist police in creating policies for what they should be doing.

Chief VenHuizen came to the front and said the municipalities he contacted didn't currently have smoking lounges at the moment, and there was no data to provide. He said these municipalities did not have policies in anticipation of smoking lounges within their establishments. He concluded that there is very little information for them to use.

Mr. Brainard discussed the specifics on transporting cannabis legally. He said Staff took tours of local businesses GTI and NTI to observe what actually takes place there. He noted portions of the State law regarding transportation of cannabis, and how the local entities provided official seals and tracking. Mr. Morrison added that the legislature wants municipalities to specifically use the definitions listed in the law, which he read aloud. He discussed the process of receiving at dispensaries, sealed containers, and consumer carrying and how it relates to transportation of cannabis.

Alderman Spurgetis asked what the difference was between sealed and locked containers. Mr. Morrison explained the difference and said the local dispensary offers sealed containers for transport. Mayor Thoms said he spoke with GTI, the growers, who said everything they sell needs to be in a childproof container. He expressed concern over what would be considered a legal or illegal container.

Mr. Brainard discussed potential licensing fees for proposed cannabis lounges. He said the intention is to make sure that anything the City adopts matches similar policies for liquor and other regulated items. He provided a summary of the presentation to Council, and gave three options to move forward with the proposal. Alderman Parker asked if there were any regulations that would prevent the City from charging a 'per head' fee in addition to the licensing fee. Mr. Morrison said he did not think there was anything to prohibit that possibility. Alderman Parker asked who was in charge of enforcing the current Smoke Free Act. Mr. Brainard said he has been unable to reach the office in charge, but noted that it should be the Department of Health. Mr. Morrison answered questions for Alderman Parker regarding the possibility of stand-alone dispensaries. City Manager Randy Tweet said he would speak with the Aldermen individually to see if there would be a consensus opinion.

Josh Adams, Deputy Clerk