

City Council
Regular Meeting

September 16, 2024
6:30 p.m.

PLEDGE OF ALLEGIANCE:

The Pledge of Allegiance to the American Flag was given by all that were present.

CALL TO ORDER:

Mayor Gottman called the regularly scheduled meeting of the Vandalia City Council to order at 6:30 pm.

ROLL CALL:

Aldermen Barker, Stunkel, Lester, Hubler, Brosman, Hobler and Bowen were present. Lewey was absent.

MOMENT OF SILENCE:

A moment of silence was held for Randy Bone, a former City employee.

**APPROVAL OF CITY COUNCIL
MEETING MINUTES DATED
SEPTEMBER 3, 2024:**

Motion was made by Stunkel and seconded by Hobler to approve City Council meeting minutes dated September 3, 2024. Motion carried.

TREASURER'S REPORT:

The Treasurer's report for period ending August 31, 2024 was reviewed. Motion was made by Stunkel and seconded by Barker to file the Treasurer's report for audit. Motion carried.

REGULAR BILLS:

Motion was made by Stunkel and seconded by Hobler to approve the regular bills. Motion carried.

SPECIAL BILLS:

Motion was made by Stunkel and seconded by Barker to approve the special bills as presented:
Sandberg-Phoenix in the amount of \$10,520.00 for legal fees;
Montgomery Plumbing and Heating in the amount of \$1,950.00 for moving pipe for demolition project;
Business Xpansion Consulting in the amount of \$1,695.00 for advertising fees; Due North Media Consulting in

the amount of \$7,200.00 for advertising fees; Saltus Technologies in the amount of \$2,635.00 for police software; CNH Industrial Capital America, LLC in the amount of \$2,141.11 for supplies; Midwest Tractor in the amount of \$3,440.00 for equipment rental; Mid-Illinois Concrete, Inc., in the amount of \$1,531.00 for supplies; Progressive Chemical and Lighting, Inc., in the amount of \$6,845.19 for supplies; Mac's Fire and Safety, Inc., in the amount of \$4,552.00 for supplies; Historical Vandalia, Inc., in the amount of \$4,806.51 for reimbursement; South Central FS in the amount of \$5,189.81 for gasoline at Lake; Ashok Patel in the amount of \$26,281.77 for TIF reimbursement; Ashley Clark in the amount of \$5,007.61 for TIF reimbursement; South Central FS in the amount of \$5,606.33 for gasoline; Milano and Grunloh Engineers in the amount of \$2,976.25 for engineering fees; Imco Supply in the amount of \$1,733.79 for supplies; Vandalia City Garage in the amount of \$2,543.00 for repairs; C and C Pumps and Supply in the amount of \$9,273.35 for maintenance to equipment; Brenntag Mid-South, Inc., in the amount of \$41,953.55 for supplies; Hawkins, Inc., in the amount of \$2,021.50 for supplies; Water Solutions Unlimited in the amount of \$1,760.00 for supplies; Homefield Energy in the amount of \$7,557.31 for sewer plant electric bill. Motion carried.

WATER AND SEWER RATES:

Gottman noted that water and sewer rates were presented by the City's auditing firm to the Water and Sewer Committee prior to the Council meeting. Brosman stated it was the recommendation of the Committee to

increase the water rates by 3.85% and sewer rates by 7.30%. Motion was made by Stunkel and seconded by Brosman to increase the water rates by 3.95% and sewer rates by 7.30%.

Roll call: Brosman, yea; Lester, yea; Hobler, nay; Stunkel, yea; Barker, nay; Hubler, yea; Bowen, yea. Lewey was absent. Motion carried 5-2.

**ACCEPTANCE OF TIF
ADVISORY COMMITTEE
MEETING MINUTES -
SEPTEMBER 11, 2024:**

Motion was made by Hobler and seconded by Barker to accept the TIF Advisory Committee meeting minutes dated September 11, 2024. Motion carried.

**ORDINANCE 2024-9-16-A:
AN ORDINANCE OF THE CITY
OF VANDALIA, FAYETTE
COUNTY, ILLINOIS,
AUTHORIZING TAX
INCREMENT FINANCING
ASSISTANCE IN CONNECTION
WITH A REDEVELOPMENT
PROJECT - MATTIE CARTER
D/B/A TRANSFORMING
PHYSICAL THERAPY AND
WELLNESS:**

Mattie Carter, owner of Transforming Physical Therapy and Wellness, introduced herself to the Council. She would like to renovate her current building, which would include removing the indoor pool to allow more space for patient care. She currently employs 3 Physical Therapy Assistants and 2 Physical Therapists along with a Building Manager. She noted her business attracts patients from surrounding communities. She is requesting 25% (\$13,801.75) of the total cost of the project (\$55,207.00).

Motion was made by Bowen and seconded by Stunkel to approve Ordinance 2024-9-16-A: An Ordinance of the City of Vandalia, Fayette County, Illinois, Authorizing Tax Increment Financing Assistance in Connection with a Redevelopment Project - Mattie Carter D/B/A Transforming Physical Therapy and Wellness.

Roll call: Hobler, yea; Hubler, yea; Brosman, yea; Barker, yea; Bowen, yea; Lester, yea; Stunkel,

yea. Lewey was absent. Motion carried.

ORDINANCE 2024-9-16-B:
AN ORDINANCE OF THE CITY
OF VANDALIA, FAYETTE
COUNTY, ILLINOIS,
AUTHORIZING TAX
INCREMENT FINANCING
ASSISTANCE IN CONNECTION
WITH A REDEVELOPMENT
PROJECT - TODD AND TINA
KINGERY:

Todd and Tina Kingery stated that they have recently purchased the building on 104 S. Third Street which is located next to their current business. They plan on opening 2 new businesses in that building. Todd Kingery said there is a lot of interior work that needs to be done, with a lot of that work being done by the Kingery's. The roof needs replaced and tuckpointing needs done. Electrical upgrades need to be made. They are requesting 40% (\$13,874.96) of the total project cost (\$34,687.40).

Motion was made by Lester and seconded by Barker to approve Ordinance 2024-9-16-B: An Ordinance of the City of Vandalia, Fayette County, Illinois, Authorizing Tax Increment Financing Assistance in Connection with a Redevelopment Project - Todd and Tina Kingery.

Roll call: Stunkel, yea; Lester, yea; Bowen, yea; Barker, yea; Brosman, nay; Hubler, yea; Hobler, yea. Lewey was absent. Motion carried 6-1.

ORDINANCE 2024-9-16-C:
AN ORDINANCE OF THE CITY
OF VANDALIA, FAYETTE
COUNTY, ILLINOIS
AUTHORIZING TAX
INCREMENT FINANCING
ASSISTANCE IN CONNECTION
WITH A REDEVELOPMENT
PROJECT - VANDALIA
LIBERTY THEATRE
FOUNDATION, LTD.:

Dana Leskera addressed the Council regarding her request for TIF funds for the renovation of the former Liberty Theatre building. She stated the building is in extreme disrepair. She stated the lobby is also a hazard. The building is going to need a complete transformation. The auditorium will be reimaged. She would like to be able to host events such as weddings, live plays, and dinner theaters. Leskera is requesting 50% (\$159,925.00) of the total project of phase I

(\$319,850.00). Matt Haake of the Vandalia Historical Society, spoke in favor of this project. Erika Givens also spoke on behalf of Vandalia Performing Arts Center. She stated they currently have to travel out of town for recitals because there is not a stage in Vandalia that enables them to host recitals. Rick Radliff spoke in favor of the project. Gottman stated his support of the project. The TIF committee recommended 25% (\$79,962.50) of the total project cost. Paslay reported there is currently \$127,198.06 in the TIF accounts, not including the reimbursements from the County. 50% reimbursement of total project cost would be \$159,925.00. Leskera projected the total cost of the entire project would be approximately \$2,000,000.00. Paslay stated 30% of the total project cost of Phase I would be \$95,955.00.

Motion was made by Barker and seconded by Hubler to approve Ordinance 2024-9-16-C: An Ordinance of the City of Vandalia, Fayette County, Illinois, Authorizing Tax Increment Financing Assistance in Connection with a Redevelopment Project - Vandalia Liberty Theatre Foundation, LTD. for 30% (\$95,955.00) of the total project cost of Phase I.

Roll call: Barker, yea; Brosman, nay; Hubler, yea; Bowen, yea; Lester, yea; Stunkel, yea; Hobler, yea. Lewey was absent. Motion carried 6-1.

RESOLUTION 2024-9-16-D:
A RESOLUTION AUTHORIZING
AN ECONOMIC DEVELOPMENT
ELIGIBLE ACTIVITY LOAN
TO DAGON MURRAY D/B/A

Dagon Murray, owner of Murray's Restaurant, LLC, has requested a revolving loan in the amount of \$48,300.00 for a term of 7 years at

MURRAY'S RESTAURANT,
LLC:

3.0% interest for equipment and working capital.

Motion was made by Barker and seconded by Hubler to approve Resolution 2024-9-16-D: A Resolution Authorizing an Economic Development Eligible Activity Loan to Dagon Murray D/B/A Murray's Restaurant, LLC.

Roll call: Brosman, yea; Hobler, yea; Stunkel, yea; Bowen, yea; Barker, yea; Hubler, yea; Lester, yea. Lewey was absent. Motion carried.

Hobler asked what happens if a business defaults on revolving loan payments. Connor said the business is required to pay the remaining amount immediately, and if the business fails to do so, the City has the right to sue the business. Connor said the likelihood of recovery would be low. He stated this is a loan risk with no credit application. Hobler stated he would like to rescind his vote. Hubler, who made the original motion, declined to rescind his motion. Therefore, the original motion stands.

RESOLUTION 2024-9-16-E:
A RESOLUTION AUTHORIZING
AN ECONOMIC DEVELOPMENT
ELIGIBLE ACTIVITY LOAN
TO TODD STAPLETON D/B/A
I-70 MEDIA, LLC:

Todd Stapleton, D/B/A I-70 Media, requested a revolving loan in the amount of \$183,183.00 for a term of 20 years at 3.0% interest for purchase of the WKRV/WPMB radio station. Paslay stated the original request was for \$200,000.00 but after Murray's request, the amount remaining in the revolving loan account was \$183,183.29. Connor stated this loan will not be collateralized in any way, just as all other revolving loans. Barker asked if different requirements

could be written into individual agreements, and Connor said any terms upon which the City sees fit to make these low interest loans are valid. Stapleton said the total cost is \$800,000.00 and a local bank has approved \$600,000.00. Joe Schaal, representing the bank, said it is the bank's position to keep radio ownership local, and feels the radio station is an asset to the community. Barker asked Schaal if the City could be added as a co-lienholder. Connor said the City could approve the loan subject to those provisions.

Motion was made by Stunkel and seconded by Hubler to approve Resolution 2024-9-16-E: A Resolution Authorizing an Economic Development Eligible Activity Loan to Todd Stapleton D/B/A I-70 Media, LLC, without the City being added as a co-lienholder with the bank.

Roll call: Barker, nay; Hubler, yea; Lester, yea; Brosman, nay; Hobler, nay; Stunkel, yea; Bowen, yea. Lewey was absent. Motion carried 4-3.

ORDINANCE 2024-9-16-F:
AN ORDINANCE AUTHORIZING
ECONOMIC INCENTIVE
AGREEMENT - CITY OF
VANDALIA AND BRYANBETS
VENTURES, LTD.
(TABLED) :

Bryan Hosick stated nothing has changed in the agreement presented tonight as originally presented except an inflation number was added based on comments he received from the City. He stated his business has to produce \$11,500.00 a month in tax revenue before anything gets rebated back to Hosick's. He met with Connor and he feels that he and the City are close in terms of the agreement. Hosick stated his attorney has not been able to review the agreement at this time.

Connor said there are 3 parts to this project: TIF Agreement,

Retailers Occupational Sales Tax Sharing Agreement and the third component is the Rebate Agreement for Real Estate Taxes. He said in no way is the City responsible for any other taxing bodies other than the City of Vandalia. Connor said in this particular instance, the City will get 100% of the amount that the City would get back from the Illinois Department of Revenue up to a certain threshold for the first 10 years (\$100,000.00). Beyond that, Hosick would get 100% of those taxes. Connor said this is a very low risk investment for the City but it is also a very low greater reward investment. There will be ancillary benefits to the City that will come from the agreement, but the City will not see additional sales tax revenue other than what is capped here. The City will have to track Hosick's sales. There is a portal available through the Illinois Department of Revenue that could be utilized by a City representative. Over the course of the next 30 years (2055), the first 10 years the City would receive \$100,000.00 annually; the second 10 years the City would receive \$120,270.00 annually and the third year the City would receive \$144,540.00 annually. It was suggested to authorize Danielle Caruso, City Treasurer, to access the IDOR portal to monitor the sales tax. Hosick said he does submit monthly reports but they are generated by Hosick's. Hosick said most of these agreements start at \$0, where this agreement is starting at \$100,000.00. Discussion was held regarding the terms listed in Section 6: Cancellation and Repayment of Tax Benefit. Under this Section, Connor explained if Hosick's were to leave Vandalia, the

City would receive a departure penalty for the City's investment. Connor asked if the City wanted to scale it to percentage to match terms of the TIF agreement. It was decided to change the term in Section 6 from 15 years to 5 years. Hosick will review the revised agreement with his attorneys. This will be tabled with a vote to be taken at the next Council meeting. There were no objections.

ORDINANCE 2024-9-16-F:
ORDINANCE AUTHORIZING
REDEVELOPMENT AND
INCENTIVE AGREEMENT -
CITY OF VANDALIA AND
BRYANBETS VENTURES,
LTD. :

Connor said this agreement was for refunding Hosick for his property taxes. Hosick said if the City's portion goes above \$37,380.00, it would freeze there. Connor said on the property tax bill, there is a line item for the City of Vandalia of \$81.26, and another line item for Vandalia TIF 1 of \$36,027.37. The City will be reimbursing Hosick the TIF money that the City would have gotten off of that property for the term of the agreement. Beyond that, the City would identify those monies and give those monies back to Hosick. Connor asked does the City consent to Bryan Hosick filing a tax challenge based on these numbers and this methodology. The City may not unreasonably withhold that consent if the City thinks there is an error in the calculation of Hosick's taxes. Brosman said the City spends a lot of TIF money, and that's the way the City gets the TIF money from that line item. He was not in favor of giving that increase back to Hosick. He thinks it should go back into the fund for future TIF projects.

Motion was made by Stunkel and seconded by Hubler to approve Ordinance 2024-9-16-F: An Ordinance Authorizing Redevelopment and

Incentive Agreement - City of Vandalia and Bryanbets Ventures, LTD.

Roll call: Brosman, nay; Stunkel, yea; Hobler, nay; Bowen, yea; Barker, yea; Hubler, yea; Lester, yea. Lewey was absent. Motion carried 5-2.

ORDINANCE 2024-9-16-G:
AN ORDINANCE AUTHORIZING
ECONOMIC INCENTIVE
AGREEMENT - CITY OF
VANDALIA AND MICHAEL
WEHRLE:

Mike Wehrle is requesting a 1% rebate of the sales tax on the gross sales that 2 potential businesses he is working with will bring in. Connor said the City can agree to share with the developer (Wehrle) any of the retail sales tax that occurs on the premises in order to facilitate the agreement. Wehrle said there are 3 entities involved: The developer, the builder and then the owner. Connor said then the City would be refunding to Wehrle 1% of the 6.25% retailer's occupational tax collected by the State of Illinois. Brosman stated the City also gets .5% earmarked for infrastructure. Wehrle stated he is asking for 1% of the sales tax revenue created on the gross sales generated by the 1, and possibly 2, new businesses. Gottman said the City gave back 1% of their sales up to a certain amount to the restaurant at Pilot Truck Stop. Bowen said the greater incentive is the property taxes, plus job creation and income tax. Connor said the City can refund a percentage of that which the City receives from the Illinois Department of Revenue. The City needs to choose what percentage that will be. Hubler suggested doing the same agreement the City did with Denny's. Paslay said the agreement with the Truck Stop was 100% sales tax, 100% TIF

combined for 20 years not to exceed \$2.208 million dollars.

Motion was made by Brosman and seconded by Lester to give Wehrle 50% of the City's 1% sales tax on the gross sales generated by 1, and possibly 2 new businesses, as an economic development tool since there is not a business district in place.

Roll call: Lester, yea; Bowen, yea; Brosman, yea; Hubler, nay; Stunkel, nay; Hobler, nay; Barker, nay. Lewey was absent. Motion failed 3-4.

Motion was made by Hobler and seconded by Stunkel to give Wehrle 100% of the 1% sales tax on the gross sales generated by 1, and possibly 2, new businesses on the gross sales generated for a term of 23 years.

Roll call: Hubler, yea; Barker, yea; Stunkel, yea; Hobler, yea; Lester, yea; Brosman, nay; Bowen, yea. Lewey was absent. Motion carried 6-1.

**ACCEPTANCE OF LAKE
COMMITTEE MEETING
MINUTES - SEPTEMBER 3,
2024:**

Motion was made by Hobler and seconded by Barker to accept the Lake Committee meeting minutes dated September 3, 2024. Motion carried.

**ACCEPTANCE OF TOURISM
COMMISSION MEETING
MINUTES - AUGUST 14,
2024:**

Motion was made by Hubler and seconded by Stunkel to accept the Tourism Commission meeting minutes dated August 14, 2024. Motion carried.

**FIRST READING OF VIDEO
GAMING LICENSE
APPLICATION FROM B2S
GROUP, LLC, D/B/A MAC'S
LIQUOR STORE:**

Sweeti Patel introduced herself to the Council. She is the new owner of Mac's Liquor (formerly Mach 21 Liquor). She discussed her plans for the store, and would like to offer video gaming. Barker thought a separate entrance from outside would

be needed for video gaming. Patel said a second option would be creating a separate entrance at the other side of the building with a separate room for video gaming. She will submit a revised floor plan. Since this is the first reading, no action was taken.

DIGITAL SIGN AT TOURISM CENTER:

Gottman stated the digital sign at the Tourism Center is sporadically working. It was decided to have specs drawn up for bid. There were no objections.

APPROVAL OF REAL ESTATE PURCHASE CONTRACT:

(TABLED)

Connor said the City received an inspection report on the former library building. He said there is going to be some asbestos abatement and other issues that the City will need to deal with inside of that building. 911 will pay for the renovations but will not pay for environmental issues. Lester suggested gathering the abatement costs and then ask the library to give the City a clean building. Connor said if the City has to abate an environmental hazard inside, the City will be responsible for paying for it. Beckman will arrange for a mechanical engineer to write an opinion on the HVAC system. Gottman will get a floor plan from Kevin Jenne. Gottman will meet with Chief Ray and set up a meeting with the Council, Library District Board and 911 Committee. Motion was made by Brosman and seconded by Barker to table discussion. There were no objections.

ACCEPT OR REJECT BIDS FOR FLOORING IN TRAINING ROOM AT POLICE DEPARTMENT:

Motion was made by Bowen and seconded by Lester to accept the bid submitted by Laack Flooring in the amount of \$6,938.90 to install new carpet in the training room at the

Police Department. There were no objections. Motion carried.

TEXT MY GOV PROPOSAL:

Huhn discussed the proposal submitted by Text My Gov. She said Text My Gov was developed to open lines of communication with City Hall and our citizens. There are 2540 households in Vandalia that could benefit from this tool. This is a budgeted item.

**RESOLUTION 2024-9-16-H:
A RESOLUTION APPROVING A
SERVICE AGREEMENT
BETWEEN THE CITY OF
VANDALIA, ILLINOIS AND
TEXT MY GOV:**

Motion was made by Stunkel and seconded by Lester to approve Resolution 2024-9-16-H: A Resolution Approving a Service Agreement Between the City of Vandalia, Illinois, and Text My Gov.

Roll call: Lester, yea; Bowen, yea; Brosman, yea; Hubler, yea; Stunkel, yea; Barker, yea; Hobler, nay. Lewey was absent. Motion carried.

**SEEK BIDS FOR ANNUAL
SIDEWALK REPLACEMENT:**

Motion was made by Barker and seconded by Hobler to seek bids for the annual sidewalk replacement. Sidewalks to be replaced are located at Second Street from Main to Madison Street; First Street from St. Clair to Jefferson Street; Fifth Street from St. Clair to Jefferson Street; and North Sixth Street from Garfield to Taylor Street. Motion carried.

UNFINISHED BUSINESS:

Lee Beckman provided an update on ongoing and pending City projects. He reported the Main Street Lift Station work is done. Dirt work will be completed this Fall. Beckman is waiting on specs from the contractor so the Lake Dam project can be bid out so work can begin on filling the voids under the concrete and then sealing. Postcards are being mailed out for the Lead Service Line Replacements in the next few weeks.

Safe Routes to School bid opening is Friday, September 20. The permit has been received for the water plant. This project will be advertised this week. Bid opening date to be held in 45 to 60 days. ITEP is at IDOT, and Beckman is anticipating this will be bid out this Fall. OSLAD grant - hopefully within the next 2 weeks, Beckman will have drawings for remodeling of the existing bathhouse at the Lake. Site Readiness grant is being worked through which will help construct a large portion of the infrastructure (street, water, sewer) at the City's Industrial Park. Public hearing on this will be held at 6 p.m. before the next Council meeting on October 7. Regarding the Interpretive Center, Beckman is concerned about the large cavity under the south wall of the building. He said his biggest concern was a natural drain right where the void is. He thought it could go straight north under the building. Jackson will run a snake through there to see where it goes.

PUBLIC COMMENT:

Shelley Dothager, who resides at 220 N. Fifth Street, addressed the Council. She said the last owner of the property had 2 shipping containers, one in front of the other where Dothager's container is currently positioned. Dothager found out that the shipping container was sitting on an unimproved alley. Neighbors were concerned about utility companies having access to their properties should the alley become vacated. After further discussion, it was decided Dothager will meet with Andy Vaughan and Paslay to discuss possible locations where the shipping container could be placed.

MAYOR'S REPORT:

Gottman reported the American Legion has purchased a container for disposing of the American flag properly. The container will be placed at the Evans Public Library. Gottman noted that an anonymous individual made a donation to the Paramedic program at Kaskaskia College in Vandalia. On September 19, country music singer Drew Baldridge will be filming a music video in downtown Vandalia. Demolition of the Clymer building is in progress.

CITY ATTORNEY'S REPORT:

Connor reported a default order was entered today for 419 Cypress Street.

CITY CLERK'S REPORT:

Huhn reported that Candidate packets for the 2025 Consolidated Election were available. Doug Knebel and Rickie Smith have picked up a packet for Mayor; Carla Huhn has picked up a packet for City Clerk; Steve Barker has picked up for Ward I, Kenny Lewey and Amber Daulbaugh for Ward II and Andy Lester, Sandy Michel, and Jeremy Curll for Ward IV. First day to file petitions is November 12. She also reported that 7 of the Aldermen have completed review of the Economic Development Director applications.

CITY ADMINISTRATOR'S REPORT:

Paslay reminded the Council of the Trick or Treat events. Lake campground Trick or Treat is October 25; downtown Trick or Treat is October 26 from 10 a.m. until 12:30 p.m., and City-wide Trick or Treat is October 26 from 6 until 8 p.m. SummerFest has been moved to June 27 and June 28, 2025. Fireworks will be on June 28.

**SAFETY CODE OFFICIAL'S
REPORT:**

Report will be provided in next Council meeting packet.

**STANDING COMMITTEE
REPORTS:**

Barker reported Streets Department has started oiling roads today. A map of the roads that are going to be oiled will be sent to local media. Brosman stated he received a notification about a water violation. Gottman said the City is now in compliance. Andy Gelsinger, Water Plant Superintendent, will send a letter to the EPA outlining what the City is doing to come into compliance. Gelsinger said the area that the violation was received in was not a high flow area and that more flushing would help with this. Gelsinger will meet with Jackson to discuss doing more flushing. He will also look into switching labs. Paslay will talk to the Director of the Senior Citizens Building regarding electrical and plumbing issues. Stunkel reported Lake campground will close on October 31. Workman will give Paslay the contact information of an individual who expressed interest in a possible restaurant near the Lake Marina.

**ANNOUNCEMENTS AND
CONCERNS:**

Brosman stated that he disagreed with the State statute that states Council members are not legally allowed to speak 1 on 1 with each other regarding City matters. He suggested setting up committees comprised of 5 members, so that 2 people would not be a majority of a quorum. Connor said a quorum would be 3, and majority of a quorum would be 2. Connor said we would need to expand to 7 committee members. Gottman said it was difficult getting even 4 members to serve on a Committee.

ADJOURNMENT:

Motion was made by Hubler and seconded by Stunkel to adjourn the meeting. Meeting was adjourned at 10:12 p.m.

Carla Huhm

City Clerk