

Vermillion County Council
Meeting Minutes

June 10, 2024

6:30 P.M.

Commissioner's Courtroom, 2nd Floor, Courthouse

- I. Call to Order
- II. Pledge Allegiance to the Flag
- III. Roll Call
 - All Present
- IV. Approval of Minutes for 05.13.24
 - Weir makes the motion to approve the 05.13.24 meeting minutes. Mr. Brown seconds the motion. All in favor, motion carried.
- V. Monthly Treasurer Report
 - The council acknowledged the monthly treasurer report.

VI. Transfer of Funds

TRANSFERRING FROM FUND/ACCOUNT	TRANSFERRING TO FUND/ACCOUNT	AMOUNT TRANSFERRED	1 ST /2 ND
21180 Janitor & Election Services	32402 Travel Absentee Voters	\$1,000.00	Weir/Bose
James explains the clerk is needing to transfer money from janitor & election services to travel absentee voters she doesn't have enough money to cover her expenses during the general election for travel. Weir makes the motion to approve the \$1,000.00 transfer from janitor & election services to travel absentee voters. Bose seconds the motion. All in favor, motion carried.			

- Council acknowledges the other transfers which didn't require to be approved.

VII. Additional Appropriations

ACCOUNT/DEPT	AMOUNT REQUESTED	AMOUNT APPROVED	1 ST /2 ND
ADDITIONALS FOR 1000 GENERAL FUND			
35300/Thrive West Central	\$18,000.00		TABLED ON 05.13.24 Weir made the motion but it died.
Commissioner Luther explains that about a year ago Thrive had done a study regionally which included 7 counties. It was a high-level comprehensive plan for housing. Along with this study, the counties were offered for \$18,000.00 a drilled down version of this plan which would show what Vermillion County would require as far as housing developers. This study will allow developers to take these plans and help them get loans for the projects. This is basically going to reset the market for the county, so builders would possibly build here. Ryan Keller (CEO of Thrive) explains what the county would get for the \$18,000.00. Weir made the motion to approve the additional for the \$18,000.00 however with no second the motion died.			
ACCOUNT/DEPT	AMOUNT	AMOUNT	1ST/2ND

	REQUESTED	APPROVED	
ADDITIONALS FOR 1149 ECONOMIC DEVELOPMENT FUND			
30570/Professional Services	\$36,500.00	\$36,500.00	Weir/Mr. Brown
James explains that this additional is for the professional services for the I-74 Corridor project. This will cover the fees for BCS-management services. Weir makes the motion to approve the \$36,500.00 additional. Mr. Brown seconds the motion. All in favor, motion carried.			
ACCOUNT/DEPT	AMOUNT REQUESTED	AMOUNT APPROVED	1ST/2 ND
ADDITIONALS FOR 9104 PUBLIC SAFETY FUNDS			
33202/Programs	\$50,000.00		TABLED
James explains that this money is for the Get the Lead Out Program which is a joint program between Soil & Water, Health Department, and the Commissioners. Commissioner Yocum explains that this program is to help promote the dangers of having lead in the water pipes. Currently Soil & Water does do well testing yearly but it is only for wells. This program is wanting to include not only wells but city/town water too. It is to focus on the water sitting in the pipes overnight. Summerville makes the motion to table this additional. Mr. Brown seconds the motion. All in favor, motion carried. The Council would like to know a timeline for this program and if they have strategic plan?			
James also mentions that Soil & Water will have a booth set up at the county fair where well testing kits can be picked up and be returned by Wednesday June 19 th .			
31800/Ambulance Service	\$275,000.00	\$275,000.00	Summerville/Mr. Brown
James explains that this additional is for putting the money back in from where we had paid for the first ambulance out of. In order to pay for our ambulance service this money has to be put back into the budget. Summerville makes the motion to approve the additional. Summerville seconds the motion. All in favor, motion carried.			
ACCOUNT/DEPT	AMOUNT REQUESTED	AMOUNT APPROVED	1ST/2 ND
ADDITIONALS FOR 9103 CERTIFIED SHARES			
33202/Programs	\$50,000.00		TABLED
40000/Capital Outlays	\$360,000.00	\$0.00	TAKEN OUT OF FUND 4950
ACCOUNT/DEPT	AMOUNT REQUESTED	AMOUNT APPROVED	1 ST /2 ND
ADDITIONALS FOR 4950 IMPROVEMENT FUNDS			
33202/Programs	\$50,000.00	\$0.00	TABLED
40000/Capital Outlays	\$360,000.00	\$275,000.00	Weir/Bose

- O’Heir explains that the first ambulance the county purchased was \$260,000.00. When they were originally looking for a second ambulance the one they found was going to be more expensive however they found a cheaper one for \$272,084.00. The other part of this additional was for supplies and equipment to be purchased from Illiana EMS. The council decided they would table the supplies and equipment portion of the additional. Weir makes the motion to approve the \$275,000.00 additional for the second ambulance. Bose seconds the motion. All in favor, motion carried.

VIII. Old Business

- NONE

IX. New Business

- a. 2024 – 03 Ordinance: Approving the Purchase of Land by the Board of Commissioners
 - James states that this ordinance is approving the commissioners to purchase the 216 N Cayuga property where the current ambulance facility. The council decided to table this to set a special meeting with the commissioners.
- b. Annual TIF Presentation: Jon Moore
 - Moore explains that the annual TIF presentation. It is now required to present the annual report to council & commissioner. Moore goes through the report.
- c. 2024-05 Resolution: Approving a Lease Between Vermillion County Economic Development and Vermillion County Redevelopment (Elanco Bonds): Tom Pittman (Barnes & Thornburg), Andy Mouser (Bakery Tilly), & Scott Craig (Council Attorney)
 - Craig explains that this is for the purpose of the financing of the bonds we’ve been working on for some time that are part of an economic development agreement between the County and Elanco. He also states that Tom Pitman from Barnes & Thornburg law firm (video conference) and Andy Mouser from Baker Tilly are attending the meeting as well to give a better explanation, go over the documents and the numbers, and to answer any questions you may have. Both Tom and Andy are experts in this area and have been instrumental in assisting us in figuring out a way to do this. Elanco has committed to investing \$150 million for new equipment in their Clinton facility and, in exchange, the County has agreed to issue TIF bonds that will generate something around \$6 to \$7 million in cash for Elanco, depending on interest rates. The bond issue would actually be more like \$9 million because we have to pay for bond issuance costs, a debt service reserve, and some other costs. The funds used to pay this debt will come from money paid into the TIF District by Elanco from their property taxes on the new equipment, backed by a pledge from Elanco to make the payments if there is some shortfall in the property taxes, and finally backstopped by a pledge of other County funds if all else fails. Only 80% of the anticipated new taxes paid by Elanco will go toward the bonds, leaving the remaining 20% to the TIF District to be used by Redevelopment on other projects in or serving the area. Over the next 25 years, the County’s 20% share is estimated to be over \$6 million. Late last year (or maybe early this year) the Council approved an amendment to the original bond resolution to allow for a higher interest rate. We thought that would be enough to get the bonds issued but we ran into another snag. In order to sell these bonds, we wanted to get them rated by S&P Global. A rating is an evaluation of the credit of the borrower and has a big impact on the interest rate we will receive from bidders. We originally had the bonds rating back in 2023

and got a solid rating – an “A+” rating. That isn’t quite as good as it sounds because AAA is the best rating, then AA, then A, then BBB, and so on. But still a very good rating for a County of our size. When we went back to have the bonds rated in 2024, S&P didn’t like the way the deal was structured as much and indicated that we were likely to receive a lower rating than before which would significantly impact the interest rate and, in turn, the amount of cash generated by the bonds. However, their primary issue was with the way the deal was structured and it was indicated that if the structure of the deal could be altered a bit, we would get a better rating. To finance a deal like this you need to have some assets that are being leased. It is really convoluted, but essentially you have assets that are leased (and in some cases subleased and sub-subleased) between various entities so that you have some basis to justify payments. In this case, the plan was to use Elanco’s equipment as the asset being leased. The first time we went through the rating process, S&P didn’t have any issue with that concept, but this time they did. They were concerned about the mobility of the assets and that something could happen to the assets (like a natural disaster) that would result in their destruction. They expressed a preference that the asset involved be something (a) owned by the County; and (b) less mobile, longer life-cycle, less susceptible to damage, etc. With that background in mind, the new concept is to have County roads be the asset being leased. I realize this sounds crazy, but it is fairly common and, the way it works, it is just a big circle with the roads going from the County, to the VCEDC, then leased to Redevelopment, and then back to the County. The roads are owned and maintained by the County the entire time, and no one is going to start charging tolls or anything. This is similar to what we had to do to finance the jail improvement project. Technically, the jail was conveyed to a building corporation which, in turn, is leasing the jail back to the County for 20 years. It is just a vehicle to do the financing and avoid issues with the County’s Constitutional debt limit. We’re only selling and leasing the roads in the same way we sold and are leasing the jail. James explains that they are asking that the 2024-05 resolution to be passed. This resolution is a resolution is for the Vermillion County Council approving a lease between the Vermillion County Economic Development Corporation as lessor and the Vermillion County Redevelopment Commissioner as lessee and approving related matters. Summerville makes the motion to approve resolution 2024-05. Weir seconds the motion. All in favor, motion carried.

X. Public Comment

- NONE

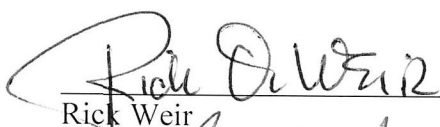
XI. Adjourn

- Bose makes the motion to adjourn. Mr. Brown seconds the motion. All in favor, motion carried.

AYE:

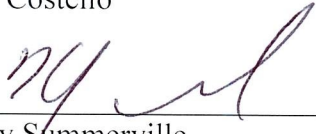
NAY:


Ashley James


Rick Weir



Neil Costello

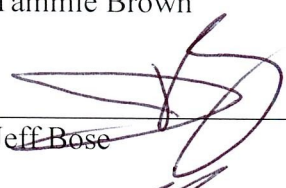


Kelly Summerville

~~~~ Signed in Wrong place Key



Tammie Brown



Jeff Bose

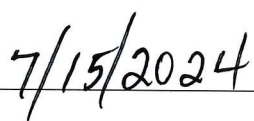


Martin Brown

ATTEST:



Brenda J. Furry, Auditor



Date