

WILL COUNTY METROPOLITAN EXPOSITION AND AUDITORIUM AUTHORITY

DATE: 24 August 2016

AUTHORITY MEMO NUMBER 076-2016

RE: **Minutes of Regular June and July Meetings** (held concurrently on 27 July 2016)

The regular June and July 2016 meetings of the Will County Metropolitan Exposition and Auditorium Authority Board were held concurrently on 27 July 2016 at 15 E. Van Buren Street, Joliet, Illinois 60432. Board Chair Daniel Vera called the meeting to order at 4:02 P.M. with a quorum present and directed the body rise for the Pledge of Allegiance led by Mary Beth Gannon.

► New Board Member's Oath of Office: David Thornton, administered the oath of office to new member, Michael Murray. The Chair welcomed Murray to the Board and notarized the document(s).

► Board Chair welcomed all in attendance and directed roll be called.

Present: Mary Babich, Mary Beth Gannon, Vicki Murphy, Mike Murray, Dave Thornton, Cindi Tyler, Dan Vera and Council Liaison, Pat Mudron

Absent:

Others: City Manager Jim Hock; RSTF President Tricia Simpson, Vice President Steve Randich and members, Lynne Lichtenauer and Tim Shanahan; Local 124 President, Ed Rachel, Business Manager, Lorin Lynch; and approximately 20 members of the public

Staff: Jack Ericksen, Dale Evans, Jan Gilligan, Leann Hoffrogge, Annette Parker

AUTHORITY MEMO NUMBER **056-2016 April and May 2016 Meetings Held Concurrently on 25 May 2016**

**Motion:** Babich moved and Murphy seconded approval of minutes of the regular April and May meetings held concurrently on 25 May 2016, as submitted.

AYES: Babich, Gannon, Murphy, Murray, Thornton, Tyler, Vera

NAYS:

**Note:** The Chair invited questions and corrections to the minutes. Hearing none, he invited a motion and, with the motion on the floor, directed roll be called. The motion passed with a unanimous vote.

AUTHORITY MEMO NUMBER **057-2016 1 June 2016 Special Meeting Minutes**

**Motion:** Gannon moved and Thornton seconded approval of minutes of the 1 June 2016 special meeting, as submitted.

AYES: Babich, Gannon, Murphy, Murray, Thornton, Tyler, Vera

NAYS:

**Note:** The Chair invited questions and corrections to the minutes. Hearing none, he invited a motion and, with the motion on the floor, directed roll be called. The motion passed with a unanimous vote.

AUTHORITY MEMO NUMBER **058-2016 8 June 2016 Special Meeting**

**Motion:** Babich moved and Tyler seconded approval of minutes of the 8 June special meeting minutes, as submitted.

AYES: Babich, Gannon, Murphy, Murray, Thornton, Tyler, Vera

NAYS:

**Note:** The Chair invited questions and corrections to the minutes. Hearing none, he requested a motion. With the motion on the floor roll call was directed. The motion passed unanimously.

AUTHORITY MEMO NUMBER **059-2016 15 June 2016 Special Meeting Minutes**

**Motion:** Thornton moved and Murphy seconded approval of minutes of the 15 June 2016 special meeting minutes.

AYES: Babich, Gannon, Murphy, Murray, Thornton, Tyler, Vera

NAYS:

**Note:** The Chair invited questions and corrections to the minutes. Hearing none, he invited a motion and, with the motion on the floor, directed roll be called. The motion passed with a unanimous vote.

PUBLIC TO BE HEARD:

► Sam Ambrosini referenced a City Council member's suggestion of a fundraiser to benefit the Theatre and offered to donate an auction item in support of that effort. The Chair said donations would be accepted by Interim GM Ericksen.

AUTHORITY MEMO NUMBER **060-2016 Department Reports, to place on file**

**Motion:** Tyler moved and Gannon seconded approval to place June and July 2016 departmental reports on file.

AYES: Babich, Gannon, Murphy, Murray, Thornton, Tyler, Vera

NAYS:

**Note:** Staff had nothing to report. The Chair invited a motion to place A.M. 060-2016 on file. With the motion on the floor he directed roll be called.

AUTHORITY MEMO NUMBER **061-2016 Operational Bills Paid and Payable, May 2016**, to place on file

**Motion:** Gannon moved and Thornton seconded approval of May bills paid and payable in the amount of \$220,031.79.

AYES: Babich, Gannon, Murphy, Murray, Thornton, Tyler, Vera

NAYS:

**Note:** In response to Murphy's questions, Evans reported that Wermer, Rogers et al billed finance charges before audit fees were paid; finance charges are being accrued at this time. Credit card finance charges are received in the amount of approximately \$400 per month. The Chair invited further questions. Hearing none, he requested a motion for the approval of May payables in the amount of \$220,031.79. With the motion on the floor he directed roll be called. The motion passed unanimously.

AUTHORITY MEMO NUMBER **062-2016 Operational Bills Paid and Payable, June 2016**, to place on file

**Motion:** Gannon moved and Murphy seconded approval of July bills paid and payable in the amount of \$328,585.27.

AYES: Babich, Gannon, Murphy, Murray, Thornton, Tyler, Vera

NAYS:

**Note:** In response to Murphy's question, Evans stated that Mid-American Energy Company was the Authority's electric energy supplier until opting to close the agreement due to non-payment. \$60,000 was assessed in termination fees. ComEd now provides electric service. The Chair invited further questions and, hearing none, requested a motion for the approval June payables in the amount of \$328,585.27. With the motion on the floor he directed roll be called. The motion passed unanimously.

AUTHORITY MEMO NUMBER **063-2016 Capital Repairs, Expenses**

**Note:** No action is required as there were no capital repairs or expenses In May.

AUTHORITY MEMO NUMBER **064-2016 Capital Repairs, Expenses**

**Note:** No action is required as there were no capital repairs or expenses in June.

AUTHORITY MEMO NUMBER **065-2016 Financial Statements**, to place on file

**Motion:** Murphy moved and Thornton seconded placing May financial statements on file.

AYES: Babich, Gannon, Murphy, Murray, Thornton, Tyler, Vera

NAYS:

**Note:** Evans said there was nothing to add to the report. The Chair invited a motion and, with the motion on the floor, directed roll be called.

AUTHORITY MEMO NUMBER **066-2016 Financial Statements**, to place on file

**Motion:** Thornton moved and Gannon seconded placing June financial statements on file.

AYES: Babich, Gannon, Murphy, Murray, Thornton, Tyler, Vera

NAYS:

**Note:** Evans had nothing to add to the report. No questions were asked. The Chair invited a motion and, with the motion on the floor, directed roll be called.

AUTHORITY MEMO NUMBER **067-2016 July and 068-2016 August Calendars of Events**, to place on file

**Motion:** Babich moved and Tyler seconded placing July and August Calendars on file.

AYES: Babich, Gannon, Murphy, Murray, Thornton, Tyler, Vera

NAYS:

**Note:** With the motion on the floor, the Chair directed roll be called. The July and August 2016 calendars were placed on file.

OLD BUSINESS:

AUTHORITY MEMO NUMBER **034-2016 New Tenant Lease (Prairie States Legal Services)**

**Motion:** Babich moved and Tyler seconded approval of the revised Prairie States Legal Services-WCMEAA lease agreement submitted for review and signed on 15 June 2016.

AYES: Babich, Gannon, Murphy, Murray, Thornton, Tyler, Vera

NAYS:

**Note:** Evans explained that the original motion [Regular March Meeting held 6 April 2016] approved the Authority's standard lease language and terms. Prairie States Legal Services' attorney reviewed, revised and returned the document, whereupon legal counsel for the Authority was asked to review it. Each party's legal counsel approved the lease and, on 15 June 2016, the revised lease document was submitted, reviewed and signed, however Authority procedure requires the final lease document have official Board approval. The Chair invited

questions and, hearing none, requested a motion. With the motion on the floor he directed roll call. The motion passed with a unanimous vote.

NEW BUSINESS:

AUTHORITY MEMO NUMBER **069-2016 Foundation Board Appointment**

**Motion:** Murphy moved and Thornton seconded approval of the appointment of the Authority Board Chair to the Rialto Square Theatre Foundation Board in place of James V. Smith who vacated that position upon his resignation from the Authority Board.

AYES: Babich, Gannon, Murphy, Murray, Thornton, Tyler, Vera

NAYS:

**Discussion:** The Chair reported he had discussed the RSTF appointment with the Vice Chair and with Foundation President Simpson. He is willing to serve as the Authority's appointee to the RSTF Board. The Chair invited discussion and, hearing none, requested a motion. With the motion on the floor he directed roll be called. The motion passed with a unanimous vote.

AUTHORITY MEMO NUMBER **070-2016 Real Estate Committee Appointment**

**Motion:** Vera moved and Babich seconded approval of the appointment of Michael Murray to the Real Estate Committee replacing James V. Smith as Committee Chair.

AYES: Babich, Gannon, Murphy, Murray, Thornton, Tyler, Vera

NAYS:

The Chair informed the Board Murray, who has real estate background, had agreed to serve on the Committee. He will serve in the position of Committee Chair. With the motion on the floor the Chair directed roll be called. The motion passed unanimously.

AUTHORITY MEMO NUMBER **071-2016 Third Party Management**

The Chair reported the following management companies had responded to the Authority's RFQ/RFP for third party management services: Caesar's Entertainment, Las Vegas, NV; Onesti Entertainment Corporation, St. Charles, IL; Pinnacle Venue Services, Virginia Beach, VA; SMG Worldwide Corporation, West Conshohocken, PA; and VenuWorks, Ames, IA. Professional Facilities Management, Providence, RI, asked for information, but did not participate. Star Plaza Theatre, Merrillville, IN, expressed interest, but the invitation had closed. ▪ The Chair announced a committee charged with reviewing and rating proposals will consist of the Authority Board, RSTF President, Tricia Simpson and member, Lynne Lichtenauer; City Liaison, Pat Mudron and Finance Manager, Dale Evans. Proposals will be attached and submitted to committee members in three emails and the matrix proposal evaluation form in a fourth email, to this advisory committee. ▪ Public meetings will be scheduled at which committee observations will be discussed. No public input will be heard at these meetings. ▪ Tyler suggested unnecessary delays could be prevented if members' questions about the proposals were answered before the meeting. The Chair said each company had invited questions and he would get and return their responses. He recommended Evans be consulted, as well. Answers could be forwarded to other committee members. The Chair invited comments on this topic from those present: City Manager Hock suggested that Evans distribute responses to members and reminded members of governmental boards and their subsidiary bodies to avoid using "Reply All." Murray suggested, and the Chair agreed, reviews should be completed within 10 days in order to meet during the week of 8 August; members will be polled to determine the date. The Chair expects the evaluation will determine the two strongest candidates and those candidates would be invited to address the committee.

#### AUTHORITY MEMO NUMBER **072-2016 Sale of Two Rialto Square**

**Motion:** Murray moved and Tyler seconded authorizing the WCMEAA to seek sealed bids from anyone interested in purchasing the property generally known as Two Rialto Square in the City of Joliet.

AYES: Babich, Gannon, Murphy, Murray, Thornton, Tyler, Vera

NAYS:

**Report:** The Chair reported legal counsel has prepared necessary documents to seek sealed bids from anyone interested in purchasing the property generally known as Two Rialto Square in the City of Joliet and to authorize David Silverman, Attorney at Law, to put this out in the public domain for a 45 day period during which interested parties may tour the property, examine leases and speak with Biedron and Evans. With, possibly, one component to be received, it is expected that bids would be publically opened in mid-September. Tyler verified that, upon receipt of bids, the Board could reject all bids. In response to the question asked of him the City Manager said, unless a minimum bid is set and met, all bids may be rejected. The 45 day period was suggested by legal counsel to allow tours and information garnering as a matter of buyers' due diligence. The Chair invited further questions from the Board and, hearing none, invited questions from the public. No further questions were asked and the Chair requested a motion. With the motion on the floor he directed roll call. The motion passed unanimously.

#### AUTHORITY MEMO NUMBER **051-2016 Committee and Executive Reports**

**Finance Committee:** Thornton had nothing to report. Gannon would like the Finance Committee to meet following the third party management committee meeting. ▪ In response to Gannon's question, Evans stated payroll had been met for the month of July, however the three-pay-period month of August is in question. In response to Gannon's question, the Chair said a decision on requesting remaining City funds would be a topic for the finance committee.

**Personnel & Insurance Committee:** No report.

**Real Estate Committee:** No report.

**Rialto Square Theatre Foundation:** Simpson reported Bylaws are being reviewed. Gannon asked for monthly reports of Foundation donations. Simpson advised the Board that Evans has those numbers.

**Interim General Manager:** Ericksen said, in addition to dance recitals and weddings, this summer 110 YMCA children came out for a hands-on stage experiences; another group of approximately 30 children visited the theatre to see and hear the pipe organ. Amazon TV rented the theatre to film segments of a show; future filming at the Rialto is under consideration. ▪ The Wizard of Oz, a sponsored movie, was attended by 356 people; many wore costumes; prizes were awarded. ▪ The Will County Center for Economic Development is celebrating their 35<sup>th</sup> Anniversary at the Rialto on 6 October with 300, or more, expected to attend.

**Board Chair:** About two months ago, Vicki and Jim Murphy invited the Chair to a meeting with a gentleman associated with IHeartRadio, a major Chicago radio group. Simpson, Ericksen and Murphy will meet with that individual tomorrow regarding bringing a couple of shows representing diversity to the Rialto's fall season.

#### BOARD AND PUBLIC TO BE HEARD

##### Board Member Comments

- ▶ Gannon commended Ericksen on the Wizard of Oz movie event.
- ▶ Murphy said everything the Board is doing is moving the theatre forward.
- ▶ Babich wishes the best for the Rialto.

##### Public Comments

- ▶ In response to the question, Erickson said the School Matinee series will be presented in 2016-17.
- ▶ City Manager Hock said a City road project will begin in a couple of weeks. The contractor will be authorized to raise the soil to the level of the sidewalks, but the parking lot will be needed at that time. In response to the City Manager, the Chair and Ericksen both responded that it was their impression the lot was intended for parking. Hock said gravel would be reserved to top the area in preparation for blacktop. The Chair thanked City Manager Hock and asked him to convey our thanks to the Mayor and City Council.
- ▶ The theatre calendar should be posted on the website.
- ▶ Steve Randich of First Community Bank corrected a mistaken assumption: publicly held property cannot be used as collateral. Neither Two Rialto Square nor the Theatre is held as collateral. He said it is the Bank's position to help the Rialto.
- ▶ Regarding a Herald News article speculating the City's purchase of the Theatre the Chair reported that the Theater, including the Rialto North and South buildings and the parking area cannot be sold. Any such action would require an act of the State Legislature and the Governor.

#### EXECUTIVE SESSION

Executive session was not required.

#### ADJOURNMENT:

**Motion:** Murphy moved and Babich seconded adjournment.

AYES: Babich, Gannon, Murphy, Murray, Thornton, Tyler, Vera

NAYS:

The Chair requested the motion and hearing no dissenting vote, he declared the meeting adjourned at 5:03 P.M.

Minutes submitted by Jan Gilligan, recording secretary.

---

David Thornton, Secretary