

WILL COUNTY METROPOLITAN EXPOSITION AND AUDITORIUM AUTHORITY

Date: September 28, 2022

Authority Memo Number **059-2022 September 28, 2022 Regular Meeting**

The September 28, 2022 regular meeting of the Will County Metropolitan Exposition and Auditorium Authority Board was held at 15 E. Van Buren Street, Joliet, Illinois 60432. Chairman Bob Filotto called the meeting to order at 4:00 pm with a quorum present. Board members and staff were invited to rise for the Pledge of Allegiance to the Flag.

Present: Bob Filotto, Tim Broderick, Donnie Chestnutt (arrived at 4:05 pm), Jane Condon, Kathy Trizna; City Liaison, Mayor Bob O'DeKirk (arrived at 4:35 pm)

Staff: Wade Welsh, Julie Quigley, Rafael Ramirez, Kelly Urquidi, Christine Sturm

Others: David Silverman, Legal Counsel; Mike Piehl, VenuWorks; Loren Lynch

Absent: Bill Kent, Jeff Pierson (excused)

The Chairman told those in attendance that he was holding off on approving the minutes since Chestnutt was on her way. He said the meeting would move forward on items that did not have to be voted on. He asked if there was any public to be heard.

Public to be Heard Re: Agenda Items – No response.

The Chairman asked Wade Welsh to give the Executive Director's report.

Executive Director's Report: Welsh reported that there were five weddings in September. There were six on the schedule but one cancelled and they forfeited their deposit. The Englebert Humperdinck concert was cancelled due to a Covid outbreak among his band members. It was rescheduled for April of 2023. The Charlie Berens show sold out. The Gordon Lightfoot concert had 1322 in attendance. There are seven weddings scheduled in October, it was originally eight but one cancelled, and six shows: The Fab Four, Rachel Hollis, Lyle Lovett & John Hiatt, Blue's Clues, Theresa Caputo and Tommy James and the Shondells. The Lyle Lovett and Theresa Caputo shows are sold out.

Welsh said that he was very happy to report that all full-time staff positions have now been filled. Rafael Ramirez was hired as Director of Operations; Christopher Smith was hired as Technical Director and Julie Quigley was hired as Business Manager. She started on September 22nd. Welsh also said that Manager of Event Services, Leann Hoffrogge, was due back from her medical leave tomorrow. He added that Event Manager, Nancy Lindmark, would be going on a medical leave in November. He said that he was very excited about the team that has been put together. He has been getting very positive feedback from volunteers and promoters.

(D. Chestnutt arrived at 4:05 pm)

On October 4th, JLK and Bully & Andrews will be on-site to take some roof samples. JLK engineers will be back on-site on October 29th to do some more testing. On Wednesday, October 5, the bi-weekly updates with JLK are scheduled to begin. They will be held at 11:00 am via ZOOM. Welsh said that if any board members are interested in attending the meetings to let him know. He said that the building engineers will be winterizing the cooling towers in mid-October.

Welsh told the Board that he is officially a board member with the Joliet City Center Partnership. He is going to be a part of the committee that is planning the open space across the street from the Rialto. He missed the first meeting but Jack Ericksen went on his behalf.

Welsh said that Ramirez is working on getting multiple quotes for rekeying the exterior doors of the building. The Board is aware of this and has money budgeted for it. Ramirez expects to get three quotes for the job and they should be under \$10,000. Welsh said that Ramirez had Homeland Security in the building today to do a free security assessment. The report will be sent to Ramirez in a couple of weeks. It will list areas where security should be improved. Lastly, he said that a dedicated JPD officer is now on-site for every show and well as officers who are outside doing routine patrols. He said the cost for the on-site officer is written into a contract and the promoters pay for it. There is no additional cost to us.

Chestnutt asked if it was possible to budget for cameras on the exterior doors or at very least to have them at entry points. Welsh said that Ramirez was working on that. He said he may get some inexpensive cameras for the short-term to cover those areas.

APPROVAL OF MINUTES

Authority Memo Number **054-2022 August 24, 2022 Regular Meeting Minutes**

Discussion:

The Chairman said that he would like to hold off voting on the minutes until Tom Lancaster from WRDR had a chance to look over the agenda item regarding the audit. He said that he knows it is a very difficult topic to take minutes on and he would like to have Lancaster look it over. Silverman said it could be approved at next month's meeting. Board members agreed to table approving the minutes until the next meeting.

FINANCIAL REPORTS

Authority Memo Number **055-2022 Operational Bills Paid, Payable and Payable Age Listing**

Discussion and Vote:

The Chair pointed out the check for \$56,281 in the Check Detail. He said it was for money paid back to the Foundation that the Board held in escrow for an energy contract that was voided in 2017. The amount was reversed and the books adjusted for it and the Board is now paying it back. He also said the check for \$195,281 to the RST Endowment Fund reflects a correction of monies from 2021. Welsh explained that when money comes in for sponsorships, solicitations and STAR memberships, it should go directly into the Foundation account but there hasn't been a review put in place to do it monthly, quarterly, bi-annually or annually. Because of this, money hasn't been getting transferred to the Authority. Welsh said that when monies come in it is important to record them correctly on the front end as opposed to having to go back to correct it later. He said that income from these sources will be reviewed on a quarterly basis. Right now, only income from 2021 will be reviewed. He said he was not sure how far back that records should be reviewed. Chestnutt said only going back to 2021 made sense as the theatre was closed in 2020. Filotto said that he was uncertain also but knows that the records have been cleaned up as best as possible and now the Board should just move forward. Welsh added that the Foundation is in a very good financial position so they are wanting to pay down the Cy-Pres loan. Moving forward, the Board needs to make sure the finances are being credited correctly. Broderick asked if the auditors were ok with this. Welsh said he would follow up with them.

Filotto said the check for \$64,215 to Holmes Murphy is a payment to VenuWorks' insurance company. He also noted that the Accounts Receivable Aging Report on page 5 has been extensively cleaned up.

The Chair invited further discussion and, hearing none, he directed roll to be called. Motion passed unanimously.

Motion: T. Broderick moved and D. Chestnutt seconded approval of the August 2022 Operational Bills Paid, Payable and Payable Age Listing.

AYES: Members Filotto, Broderick, Chestnut, Condon and Trizna

Nays: None

Absent: Kent, Pierson

Authority Memo Number **056-2022 Financial Statements**

Discussion and Vote:

The Chair said the numbers were very good for the month. Item #8200 under the Profit & Loss Summary was for non-operating income of \$241,600 to pay the \$195,281 to the Foundation. Broderick noted the \$34,483 under Food & Beverage Income. Welch said a lot of beer was sold at the Travis Tritt concert and just under \$20,000 was made.

The Chair invited further discussion and, hearing none, he directed roll to be called. Motion passed unanimously.

Motion: T. Broderick moved and D. Chestnutt seconded approval of the July 2022 Financial Statements.

AYES: Members Filotto, Broderick, Chestnut, Condon and Trizna

Nays: None

Absent: Kent, Pierson

OLD BUSINESS

Authority Memo Number **040-2022 VenuWorks Food & Beverage Upgrade Proposal**

Discussion and Vote:

Welch said that from the previous proposal, there did not seem to be any interest in the Grab & Go coolers. Board members said it did not fit the theme and décor of the theatre. He said there is a need for five new bars and a new POS system. The bars can come in either bronze or copper. The money will be coming from the new management agreement with VenuWorks in the form of a loan not to exceed \$75,000 to be paid back at an amount of \$7,500 per year for ten years. Welch said new stanchions will also be purchased. Board members expressed a preference for the bronze coolers. Silverman said an addendum should be added to the agreement with VenuWorks to pay an additional \$7,500 per year for 10 years.

The Chair invited further discussion and, hearing none, he directed roll to be called. Motion passed unanimously.

Motion: T. Broderick moved and D. Chestnutt seconded a motion to authorize the Chairman to enter into an addendum with VenuWorks, not to exceed \$75,000, for the purchase of new bar equipment.

AYES: Members Filotto, Broderick, Chestnut, Condon and Trizna

Nays: None

Absent: Kent, Pierson

Silverman asked to make a short report on old business regarding the estate of George Tyus. He said it would cost about \$1,500 to prepare and file the estate. Because the Board doesn't control the estate or know who the heirs are, a search for heirs would have to be done and then a public administrator would have to be appointed to open the estate which would cost about \$5,000. From the search that his office had done, it appears that all the properties are held in trust. A way to penetrate the trust would have to be found which would cost about \$15,000 - \$25,000 in fees. The Board came to a consensus to not pursue this matter any further. Condon thanked Silverman for looking into the costs.

Authority Memo Number **057-2022 Approval of Contract to DLR for Bathroom Renovation Project**

Discussion and Vote:

Welsh told the Board that DLR was only contracted for the design phase of the bathroom renovation project. He had approached JLK to include the project in with the other projects. They declined because they were not comfortable working off of someone else's plans. They would be happy to take over the project but they would have to charge for making sure the plans were correct. Welch said it did not make sense from a financial standpoint to pay for the planning a second time. He was asking for approval to have DLR take the project from the bidding phase all the way through the construction phase and completion. The fee to have DLR do this would be \$14,000. He added that DLR and JLK have worked on concurrent projects in the past so they are familiar with one another.

The Chair invited further discussion and, hearing none, he directed roll to be called. Motion passed unanimously.

Motion: J. Condon moved and T. Broderick seconded approval of a contract with DLR for the bathroom renovation project.

AYES: Members Filotto, Broderick, Chestnut, Condon and Trizna

Nays: None

Absent: Kent and Pierson

(Mayor O'DeKirk arrived at 4:35 pm)

NEW BUSINESS

Authority Memo Number **058-2022 Presentation of the Twin Centennial Mural Design**

Discussion:

Condon spoke on behalf of Rialto Square Theatre Foundation President, Steve Randich, who was unable to attend the meeting. Condon told Board members that she is looking for approval from the Board on the design of the mural to date. She said that the process for the mural project started over two years ago. Many meetings have taken place to get to where the project is today. She said that the goal of the mural is to highlight 100 years of Rialto history. Randich has spearheaded the project and assembled a committee of Foundation Board members, Rialto staff members, artist Dante DiBartolo and architect Brett Mitchell. The committee has been meeting regularly over the last few months. She said that after much discussion, contemplation and refinement, the significant events and important groups that have impacted and supported the theatre are represented on the mural. A window cling will be placed on the windows below the mural to identify the different elements and provide a brief description. The committee hopes to reveal the mural in November during Home for the Holidays. She asked board members if they had any questions or comments.

Filotto said it appears to have expanded beyond its original concept. Condon said it had since the committee was trying to cover 100 years of history and not leave anything out. Broderick asked if there was going to be any lighting on the mural. DiBartolo said he did not know the specifics of it yet and would have to talk to the architect. Filotto asked if a vote was needed to approve the mural since an agreement was already signed with the Foundation to allow it to be placed on the building. Silverman said a vote was not needed. Board members said they were supportive of the design. Condon said they would be able to voice any objections to the final design once it is presented.

EXECUTIVE REPORTS

RSTF Report: Condon said the Foundation is looking for five to six more raffle baskets for Home for the Holidays. They also need more volunteers. Merry Little Soiree tickets will go on sale Friday, September 30th. Teddy Bear Tea tickets are on sale now. The dinner to honor the volunteers will be held November 3rd. Board members will help by being servers. Chestnutt asked for name tags to be provided to board members. Condon said that the Foundation has three new board members: Jen Hannon from Citgo; Anna Rocha-Gray from Busey Bank and John Simpson who is retired from Burla & Sons.

Chairman's Report: Filotto told board members that he has received two more quotes for commercial insurance. One is \$6,000 less and the other is \$26,000 less than the current policy. They cover commercial property only. He expressed concern about gaps in coverage that would occur with VenuWorks' policy if the current insurance policy was cancelled. He said that he is going back to VenuWorks' insurance carrier, Holmes Murphy, to see how much they would charge to cover these additional gaps. This may increase the cost of the quoted policies as much as \$32,000-\$33,000 and erase any possible savings. Filotto said that Silverman recommended contacting Michael Alesia of Alliant Insurance, to do an independent review of the current policy, previous policy and VenuWork's policy. Alesia specializes in local government insurance. Filotto is hoping for some savings after the policies get reviewed.

Committee Reports: No reports.

City of Joliet Liaison's Report: No reports.

PUBLIC TO BE HEARD: None

Motion: The Chairman requested a motion to adjourn the regular meeting. T. Broderick moved and J. Condon seconded the motion.

AYES: Members Filotto, Broderick, Chestnutt, Condon, and Trizna

Nays: None

Absent: Kent, Pierson

The meeting adjourned at 4:53 P.M.

Minutes respectfully submitted by Christine Sturm, Recording Secretary.

Kathy Trizna, Board Secretary

*Unapproved minutes distributed in Board Packets are subject to change.
Approved minutes shall be posted on www.rialtosquare.com /Public Information/Approved Minutes.*