

WILL COUNTY METROPOLITAN EXPOSITION AND AUDITORIUM AUTHORITY

Date: October 26, 2022

Authority Memo Number **065-2022 October 26, 2022 Regular Meeting**

The October 26, 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, Jane Condon, Bill Kent, Jeff Pierson, Kathy Trizna; City Liaison, Mayor Bob O’DeKirk

Staff: Wade Welsh, Rafael Ramirez, Jack Ericksen, Kelly Urquidi, Christine Sturm

Others: Steve Peters, John Siehl, H.R. Cook, Mike Piehl, Venuworks; David Silverman, Legal Counsel; Jack Simpson, Carol Mulvihill

Absent: Donnie Chestnutt (excused)

APPROVAL OF MINUTES

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

**Discussion:**

The Chairman asked if there were any changes to be made to the September 28, 2022 minutes. No corrections or changes were suggested. The Chair invited further discussion and, hearing none, he called for a voice vote. No opposing votes were expressed. Motion passed unanimously.

**Motion:** T. Broderick moved and J. Condon seconded approval of the September 28, 2022 minutes.

AYES: Members Filotto, Broderick, Condon, Kent, Pierson and Trizna

Nays: None

Absent: Chestnutt

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

**Discussion and Vote:**

The Chairman told members that Tom Lancaster looked over the section of the August 24, 2022 minutes involving the audit report. The only change that he suggested was to use the term Authority instead of Board. The Chair invited further discussion and, hearing none, he called for a voice vote. No opposing votes were expressed. Motion passed unanimously.

**Motion:** J. Pierson moved and T. Broderick seconded approval of the August 24, 2022 minutes as amended.

AYES: Members Filotto, Broderick, Condon, Kent, Pierson and Trizna

Nays: None

Absent: Chestnutt

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

FINANCIAL REPORTS

Authority Memo Number **060-2022 Operational Bills Paid, Payable and Payable Age Listing**

**Discussion and Vote:**

The Chair asked about the check made out to Cosgrove Construction for \$9000. Welsh said it was for the painting of the store fronts.

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

**Motion:** B. Kent moved and T. Broderick seconded approval of the September 2022 Operational Bills Paid, Payable and Payable Age Listing.

AYES: Members Filotto, Broderick, Condon, Kent, Pierson and Trizna

Nays: None

Absent: Chestnutt

#### Authority Memo Number **061-2022 Financial Statements**

##### **Discussion and Vote:**

The Chair told board members that the accounts receivables is showing a negative number due to USF prepaying their rent. He said he had no questions with the open payables as there was nothing unusual listed. He noted that the P&L Summary shows that the numbers continue to get better. The total income line is showing \$33,000 better than budgeted. Total expenses are \$112,000 better than budgeted. Net income was budgeted for a \$427,872 loss, it is currently only a \$31,364 loss. Pierson asked about line #7300 Credit Card Fees. He said \$1800 was budgeted but it is showing \$6700 actual. Piehl said it was due to people using credit cards at the sold out shows.

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 accepting the September 2022 Financial Statements into the minutes.

AYES: Members Filotto, Broderick, Condon, Kent, Pierson and Trizna

Nays: None

Absent: Chestnutt

#### OLD BUSINESS

##### **Renovation Project Update**

##### **Discussion:**

Welsh told Board members that he will be providing a renovation project update at every meeting until the completion of the projects. He said there was a Zoom meeting with JLK on October 19<sup>th</sup>. JLK will be providing the Board with an estimated cost analysis of the entire project – roof, HVAC and sprinkler system. The cost analysis will be emailed to him before November 11<sup>th</sup>. The HVAC crew will be back in the building to get some more numbers for the cost estimate. JLK hopes to be at the next board meeting to talk over the numbers. Welsh said that if the grants do not cover everything, a decision will have to be made on which projects to go forward with and which to set aside. JLK recommends holding off on the bathroom remodel until the roof is done. The roof is in such disrepair that JLK is concerned the new renovations could be damaged by the water leaks. Once the roof is repaired, the bathroom project will move forward concurrently with the HVAC installation. Welsh said that a meeting is planned every other week with JLK on Zoom until the projects are complete. The Review team is still involved and attending the meetings. He said Board members are welcome to join in if they are interested.

#### Authority Memo Number **062-2022 Rialto Property Insurance**

##### **Discussion and Vote:**

The Chair told Board members that he reached out to an independent third party agent to review the current insurance policy, the previous policy and the VenuWorks policy. It was recommended to switch to a quote provided by National Historic Trust for an insurance policy from Chubb which will save \$26,000 a year. The

Board has until November 15<sup>th</sup> to hold the quote. Welsh said the agent, Michael Alesia, commented that the 2022 property appraisal was done by a non-historical appraisal firm. He said the 2019 appraisal was done by a historical appraisal firm. The replacement cost from the 2019 appraisal with factoring in inflation would be around \$83 million. Welsh said Chubb quoted off the 2019 appraisal. He felt that the Board should plan for an appraisal to be done every five years with a historical firm. The next appraisal should be done in 2023.

Alesia also suggested purchasing a public official liability policy. Silverman strongly recommended getting the additional policy. He said it would protect the Board members if the Board were to get sued. Filotto asked Welsh to get some quotes. Alesia also recommended getting an employment practice liability policy. Filotto said this was not the WCMEAA's issue. Welsh said it was covered under Paychex, the payroll provider for VenuWorks. It was recommended that a volunteers' accident policy also be purchased. Welsh said the volunteers are covered under the VenuWork's policy. The other recommendations were to look into flood insurance and earthquake insurance. The current policy does not cover either. Filotto asked Welsh to look into the costs for those policies as well.

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

**Motion:** J. Condon moved and B. Kent seconded a motion to terminate the Cincinnati insurance policy and designate National Trust Services as the insurance agent for the WCMEAA and authorize them to obtain the insurance policy with Chubb as outlined.

AYES: Members Filotto, Broderick, Condon, Kent, Pierson and Trizna

Nays: None

Absent: Chestnutt

#### NEW BUSINESS

Authority Memo Number **063-2022 Steve Peters and John Siehl of VenuWorks Introduce New Regional VP**

##### **Discussion:**

Steve Peters, President/CEO of VenuWorks, introduced the new regional VP, H.R. Cook. Cook lives in Dubuque, IA. He managed the first Rapp & Rapp building, the Five Flags Theatre, in Dubuque. Cook spent 23 years at his last position but said he always had interest in working with VenuWorks. He said he was very impressed with the Rialto. He managed six facilities in smaller communities. He added that he looks forward to seeing more of Joliet and working with the Board and Rialto staff.

Authority Memo Number **064-2022 2023 WCMEAA Regular Meeting Schedule**

##### **Discussion and Vote:**

The Chair directed Board members to look over the meeting schedule for 2023. He pointed out that the meetings in November and December would be held a week earlier than usual as was customary during the holidays.

The Chair invited further discussion and, hearing none, he called for a voice vote. Motion passed unanimously.

**Motion:** T. Broderick moved and J. Pierson seconded approval of the 2023 WCMEAA regular meeting schedule.

AYES: Members Filotto, Broderick, Condon, Kent, Pierson and Trizna

Nays: None

Absent: Chestnutt

## EXECUTIVE REPORTS

**RSTF Report:** Condon said all three Merry Little Soiree shows were sold out. Both seatings of Teddy Bear Tea were almost sold out also. She said that everything for the Christmas events was going along well. Ericksen said that sponsorships were better than ever. He said that Rialto sponsors are very dedicated and the Home for the Holidays events look to be very successful for the Foundation. Ericksen introduced new Foundation Board member, Jack Simpson. He said that Simpson would be a great addition to the Foundation Board. Other new members include: Jen Hannon from Citgo, Ana Rocha-Gray from Busey Bank and Katie Meehan from the Herritage Corridor CVB, who took over for Bob Navarro. Ericksen said that all positions on the Foundation Board are now filled.

Condon said that the artists are starting to paint the panels for the mural. She said that the mural may be finished in early November and could be installed in late November. She reminded board members that the dinner for the volunteers was scheduled for Thursday, November 3<sup>rd</sup> at 6:00 pm.

Piehl told Board members that Steve Randich wanted them to know that the Foundation would be paying off the Cy-Pres loan this month.

**Executive Director's Report:** Welsh reported that new locks have been installed on all exterior doors. The rekeying will be starting on the interior doors now that the exterior doors are completed. Security cameras have been installed at some entrances around the building. He said that these were the first steps in securing the building and other things were being planned. The cooling towers have been winterized and are off for the season. He told Board members that the current system is either all on or all off and this is the reason that the new HVAC system is paramount. He said that there may be days that get warm in the upcoming weeks but there will not be a way to cool the theatre down if needed.

A request for bids for new laptops for employees was posted. Welsh said the computers the employees are using are all very old. He said he wanted laptops for them so they had the ability to work from home when needed. He said that requests for bid documents were coming in from all over the country. He should have many bids to choose from and should have a recommendation by the next Board meeting.

Welsh also informed the Board that the GFWC women's group that rents an office on the second floor will be downsizing. They will be moving to one of the smaller offices. Welsh wanted to make the Board aware that the three open offices really need to be renovated before they could be rented out. Filotto thought that the other issues in the building should be addressed first before renovating the offices. He said that he needed to see what the costs of the other projects ended up being. Condon asked if Welsh was developing a plan to address the repairs needed in the building. Welsh said he is working on a capital project plan and should have that done in the next cycle. Condon said it was refreshing to hear of the projects being done in the building. Filotto said that the Board could come up with an internal "catch up" plan. Pierson thought it should be done in the next six months and should include the City.

Welsh finished by saying that Piehl was working with the banks used by the Boards to get better interest rates and lower banking fees. Welsh said that while Piehl is not closing any accounts, he will move money around to where it is more profitable.

**Chairman's Report:** Filotto welcomed H.R. Cook. He said he has enjoyed working with Steve Peters and John Siehl and those at VenuWorks and feels it has really benefited the Rialto. He told members that recently Welsh, Ramirez and he met with the new police chief. He complimented the Chief on the police coverage in the downtown area. He said he feels that it has made a difference. He said that the Chief will also help Ramirez arrange active shooter training for the Rialto staff and volunteers.

**Committee Reports:** No reports.

**City of Joliet Liaison's Report:** Mayor O'DeKirk did not have anything to report. He did ask Welsh if he was being kept informed on the downtown improvement plans. Welsh said he was as he is on the committee.

**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, Condon, Kent, Pierson and Trizna

Nays: None

Absent: Chestnutt

The meeting adjourned at 4:39 P.M.

Minutes respectfully submitted by Christine Sturm, Recording Secretary.

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Kathy Trizna, Board Secretary

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