

WILL COUNTY METROPOLITAN EXPOSITION AND AUDITORIUM AUTHORITY

Date: December 21, 2022

Authority Memo Number **075-2022 December 21, 2022 Regular Meeting**

The December 21, 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, Jane Condon, Bill Kent, Jeff Pierson, Kathy Trizna
Staff: Wade Welsh, Julie Quigley, Rafael Ramirez, Leann Hoffrogge, Kelly Urquidi, Christine Sturm
Others: Mayor Bob O'DeKirk, Carol Mulvihill

APPROVAL OF MINUTES

Authority Memo Number **069-2022 November 16, 2022 Regular Meeting Minutes**

Discussion:

The Chairman asked if there were any changes to be made to the November 16, 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 J. Pierson seconded approval of the November 16, 2022 minutes.

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

Nays: None

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

FINANCIAL REPORTS

Authority Memo Number **070-2022 Operational Bills Paid, Payable and Payable Age Listing**

Discussion and Vote:

The Chair asked about the negative amounts listed in the check detail on page 3 for sales tax payments on 11/18. Quigley said that sales tax is collected at every event but then not payable until the month after. She is uncertain as to why it is showing up as a negative amount but she is looking into clarifying and simplifying the financial reports.

Filotto said on the Accounts Receivable Aging Report, there are three open receivables totaling about \$28,000. He said that all are current and not past 30 days. He was not concerned and did not see an issue.

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

Motion: B. Kent moved and D. Chestnutt seconded approval of the November 2022 Operational Bills Paid, Payable and Payable Age Listing.

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

Nays: None

Authority Memo Number **071-2022 Financial Statements**

Discussion and Vote:

The Chair said that in the first five months of operation we are exceeding total income by \$25,000 YTD. Total expenses are under budget by about \$224,000, mainly due to lack of maintenance repairs. He expects the numbers will come into line as we enter into the third and fourth quarters. Welsh agreed that the numbers are really good but there are a few expenses that haven't registered yet: \$18,000 is still to be paid for the financial audits and \$20,000 was budgeted for the purchase of new computers. Filotto said that NET ordinary income is exceeding budget by \$245,000. Net income was budgeted for a loss of \$584,000 but is a positive \$41,000. Welsh said that most of that ties into the Foundation paying off the Cy-Pres loan. He said we have to recognize that as income in the line statement but when it gets paid, it is outside of the financials. The last payment on the loan was made in November for \$115,000. Filotto commented that the other good news is that there continues to be a positive cash flow. He also wanted to point out that \$475,000 was budgeted from the City of Joliet, but \$375,000 was approved. He said that we need to see how that impacts us moving forward. He needs to see if any significant changes need to be made as a result.

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

Motion: T. Broderick moved and J. Condon seconded approval of accepting the November 2022 Financial Statements into the minutes.

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

Nays: None

OLD BUSINESS

Authority Memo Number **072-2022 Selection of Renovation Project Options as Presented by JLK**

Discussion and Vote:

Filotto asked Welsh to speak about the renovation project. Welsh said that JLK presented an overview of the costs of the project at the last meeting. The total project would be around \$13 million to do everything that was needed – roof, HVAC, sprinkler system and other odd jobs. The issue became the gap in funds with only \$5 million available from the grant. The Board asked JLK to come back with options on what could be accomplished with the \$5 million in a phased approach. Two options were presented, both totaling around \$5 million. Option one is taking care of the roof and all the masonry work to secure the outside of the building. It does not include any of the HVAC work or the sprinkler system. Option two looks at taking care of the roofs that JLK feels are the most deteriorated, replacing the chillers for the air conditioning system but not the boilers. Neither option covers the sprinkler system because, based off the new insurance policy, we are no longer in danger of losing coverage due to the lack of a sprinkler system. Chubb did provide a quote with and without the sprinkler system. It would be a savings of about \$30,000-\$35,000 a year if there was a system in place. JLK sent a letter providing their recommendation for moving forward on the project. They recommend option one as they feel strongly that securing the shell of the building is the best plan of action. There would still be a need to quickly find the remaining funds to cover the HVAC work and the other repairs. If approved this month, the roof and masonry work could still go on as scheduled. Work would start in mid to late summer with completion in early fall. Any HVAC work to be done would be pushed to the summer of 2024 due to supply chain issues. If option two is chosen, the chillers still could not be replaced until 2024.

Filotto asked what is needed from the Board today. Welsh said he needs a green light to go forward with either option one or two to get the wheels in motion on the project. Condon asked if anyone felt that some

of the HVAC work should be done. Pierson said that if we can't get the equipment until 2024, why wouldn't we dedicate the funds for use now? Chestnutt added that if the roof work doesn't get done, we risk any work that we do on the interior. Filotto agreed that it would hold up the bathroom project. Broderick said he struggled with not working on the HVAC system but determined that by securing the building, we will have the ability to move forward with the bathrooms. Welsh agreed that the bathroom project could begin once the roof is secured. He could notify DLR to begin construction possibly by early fall of next year. Chestnutt asked how conservative JLK was with the numbers. Welsh said JLK couldn't guarantee anything but he feels they attempted to account for as many factors as possible. He said he received a bill for the pre-schematic work that was done and it was substantially under what was budgeted.

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

Motion: J. Pierson moved and T. Broderick seconded approval of accepting option one as presented by JLK Architects.

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

Nays: None

Renovation Project Update: Welsh told Board members that approval to move forward with the project was needed by December 2nd to stay on schedule. He will contact JLK tomorrow morning to let them know that option one was approved by the Board and to get a revised schedule for the project in January.

NEW BUSINESS

Authority Memo Number **073-2022 Presentation of Computer Bids and Selection of Vendor**

Discussion and Vote:

Welsh gave Board members a spreadsheet of all submitted computer bids. He said that they varied from \$18,000 to \$59,000. Bid #2 from Eastern Data was the recommended bid. Welsh said that Mike Piehl from VenuWorks looked over the bids and felt that the Eastern Data bid was the best. The new laptops will be a business level and not a home level. It will allow staff to work from home. The computers in the office are currently 13 years old and needed to be updated. Almost all of the computers are desktop models. Welsh said that he would like to make the acceptance of the bid contingent on delivery in 60 days. Pierson asked if there was a second option of the submitted bids. Welsh said that bid #2 by Premier Technology would be the backup option. Pierson asked Welsh if the computers could not be delivered in 60 days would he then go to option two. Welsh said yes.

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

Motion: D. Chestnutt moved and B. Kent seconded the motion to approve a purchase of computer equipment from Eastern Data, Inc. contingent upon a 60 day delivery from the date of purchase, otherwise approval to purchase from Premier Technology, bid #2.

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

Nays: None

Authority Memo Number **074-2022 Will County Comeback Economic Development Grant**

Discussion:

Welsh thanked Board member Broderick for sitting in on meetings and phone calls pertaining to the grant. He said that WCMEAA would have to apply on behalf of the Rialto Square Theatre Foundation Board because the recipient of the funds must be a non-profit or small business. It could not be a government

entity. The funds would be awarded based on need caused by the pandemic. Welsh said that we will ask for the gap between funding of the capital projects. Broderick agreed that we should ask for the full \$8 million. Condon asked how much money was available from the grant. Welsh said a total of \$10 million was available. Chestnutt felt that the relationship between the Foundation and the Authority should be explained and how the Authority impacts the Foundation. Welsh told Board members that the deadline for applications is December 30th. Applications will be considered in January and rewarded in February.

Welsh said that he will be meeting with state and local reps to give them a tour of the building on January 19th at 10:00 am. The meeting was organized by the lobbyists contracted by the Board and will include State Senator, Meg Cappel; State Reps Natalie Manley & Larry Walsh; and Will County Executive Jennifer Bertino-Tarrant. The purpose of the tour is explain the need for funding to maintain the building. Welsh said he would appreciate any available Board members to be present. Filotto asked if there could be a luncheon to follow. Welsh said he would see if it was possible.

EXECUTIVE REPORTS

RSTF Report: Condon told the Board that Home for the Holidays was hugely successful and was the best ever. She said the movies had more attendance than previous years; there were over \$100,000 in sponsorships; baskets were well received, many patrons complimented the variety and presentation of the baskets; basket tickets sales were \$15,800, a total of \$10,000 was made last year. There were several nights where \$1,000 in raffle tickets were sold.

She said that a meeting was held to begin the planning of A Shamrockin' Good Time for 2023. The event will be held on Thursday, March 16th. Tim Placher will once again be providing the entertainment. She said that the mural is still in the painting stages and will be put into place in the spring. She thanked the Rialto staff for their work on making Home for the Holidays so successful.

Executive Director's Report: Welsh thanked the Rialto staff for their dedication and hard work during Home for the Holidays. He told Board members that December 3rd was the only day off for many of the staff during the events. He added that the season was long but very successful. Not only was the holiday season successful, but the show season was strong as well: Motown Christmas was sold out; Rat Pack was almost sold out; The Nutcracker sold out faster than it ever had, even after raising prices for the first time. He said there are two upcoming weddings scheduled, one on New Year's Eve and one on January 2nd; and five shows scheduled for January whereas there were no shows scheduled in January of 2022. The office and box office will be closed from Monday, December 26th until Monday, January 2nd and reopen on January 3rd. Tickets for all events will still be available on TicketMaster.

Welsh said that he is looking to have the marquee maintained as there are hundreds of bulbs that are burnt out. He added that he believes that no work has ever been done on it since it was put up in the 80's. Rafael Ramirez has been tasked with getting sign companies in to look at it and figure out what needs to be taken care of immediately and what can be put on a maintenance schedule. Welsh said he is trying to be proactive to make sure that it keeps working properly.

Chairman's Report: Filotto told Board members that he received a thank you card from Alice Malloy of the Volunteer Board thanking Board members for the Volunteer dinner. He said that the Rialto received \$375,000 from the City of Joliet. He feels that the Board needs to get involved with the City budgeting process earlier and meet with every City councilmember. He told Mayor O'DeKirk that he and Welsh tried to meet with each City councilmember and emailed them all twice but was unsuccessful. He would like to stress the economic impact that the Rialto has on the City. He will request the full \$475,000 in next year's budget. Welsh said VenuWorks will have the Rialto's budget prepared by March.

Committee Reports: No reports.

City of Joliet Liaison's Report: Mayor O'DeKirk assured the Board that he has noticed all the activity going on at the theatre. O'DeKirk said he is not surprised that the councilmembers did not respond. Filotto said that he would like to meet with each member before the city budget meetings so he knows where they stand and he does not put them on the spot. O'DeKirk said that as a councilmember, ever since the marquee issue, it is a hyper-sensitive subject. Whatever you say or whatever you do, you are going to get criticized by someone. Filotto responded that he hopes that a city of this size would take a stand and support the arts. Chestnutt said she is very thankful for everything the City has done for the Rialto and she hopes that they can recognize what the Rialto means to Joliet and the surrounding communities.

Welsh told the Mayor that he would like to commend the new Joliet Police Chief and all the officers who are on duty around the theatre on a show night. He said they have all been outstanding and are making people feel more comfortable in being in downtown Joliet. The Mayor thanked Welch and said that the City rarely has problems with the crowds coming to the Rialto.

The Mayor said that he feels the County should also help out the Rialto. Filotto agreed and said the Board should look into getting on the agenda at future County Board meetings.

PUBLIC TO BE HEARD: Carol Mulvihill commented to the Mayor that of the other three people that asked for money at the last City Council meeting, the Rialto had the most events that brought people to the City.

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

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

Nays: None

The meeting adjourned at 5:00 P.M.

Minutes respectfully submitted by Christine Sturm, Recording Secretary.

Kathy Trizna, Board Secretary

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