

WILL COUNTY METROPOLITAN EXPOSITION AND AUDITORIUM AUTHORITY

Date: April 26, 2023

Authority Memo Number **018-2023 April 26, 2023 Regular Meeting**

The April 26, 2023 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
Staff: Wade Welsh, Julie Quigley, Rafael Ramirez, Jack Ericksen, Leann Hoffrogge, Kelly Urquidi, Christine Sturm

Absent: Kathy Trizna (excused)

Others: H.R. Cook, Mike Piehl, VenuWorks; Kevin Sing, Lisa Dorothy, City of Joliet; Carol Mulvihill

APPROVAL OF MINUTES

Authority Memo Number **012-2022 March 22, 2023 Regular Meeting Minutes**

Discussion:

The Chairman asked if there were any changes to be made to the March 22, 2023 minutes. No corrections or changes were suggested. Filotto said he had several follow-up questions to last month's minutes. He asked Welsh if he looked into the issue of the tenant who was behind in rent payments. Welsh said that he did and the tenant is paid in full. Filotto said he noticed that line item #4900 is still labeled as 'miscellaneous income'. He asked Quigley if it can be changed to 'interest income' by next meeting. Quigley said she will make sure that happens. Filotto reminded Board members to review the proposed FY24 budget as he wants to approve it at the June meeting. Welsh said that he would like to start the search now for the Food & Beverage Manager so the person is ready to go for the holiday season. Condon asked if Welsh could explain more about the position. Welsh said the position was historically a part-time position that Leann Hoffrogge had taken over. By hiring someone full-time for the position, it will allow Hoffrogge to concentrate on her job duties. He would like to see the new F&B Manager drive additional revenue, take inventory, and be responsible for the hiring and firing of bartenders. Condon asked if the dance competitions bring in F&B revenue. Welsh said the last competition brought in around \$10,000. A third-party vendor is brought in to serve food and a percentage of that revenue goes to the theatre. Broderick asked if there was a description for the position. Welsh said he is working on it. Filotto asked about the Recruitment Committee's search for more volunteers. Welsh said there is a new president for the Volunteer Board. The committee went to three recruiting fairs over the past weekend.

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 B. Kent seconded approval of the March 22, 2023 minutes.

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

Absent: Trizna

Nays: None

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

FINANCIAL REPORTS

Authority Memo Number **013-2023 Operational Bills Paid, Payable and Payable Age Listing**

Discussion and Vote:

The Chair noted that there were a lot of large checks for performances on the Check Detail. The check for \$200,000 was money moved to Old National Bank for a new account. Welsh said that he and Mike Piehl will be moving more money from Midland to Old National Bank. Piehl said that Midland holds the Box Office account and will still be holding a substantial amount for the Authority. Filotto asked about the totals on the VW Check Detail. He said the numbers were not adding up but that the payments agreed with the total. Quigley said it was a typo and she would correct the figures. Filotto said that payables totaled \$220,000. He asked about the check for \$787.50 made out to Silverman & Cross. Welsh said it was for the work done on the bid process for the construction manager. On the Accounts Receivable Aging Report, Welsh said that Brauer & Associates, Simon Gledhill and Star Dance Alliance were all paid in full. Welsh told the Board that Brauer was not going to continue with his lease and was expected to be out of his unit in April.

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 the Operational Bills Paid, Payable and Payable Age Listing.

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

Absent: Trizna

Nays: None

Authority Memo Number **014-2023 Financial Statements**

Discussion and Vote:

The Chair said that YTD actual budget was up \$319,000 through March 31 as compared to budgeted YTD. He said that total expenses were ahead of budget by \$187,000 mainly because of line items #7000 Utilities and #7500 Repair/Custodial/Production. He said that since May and June will have less revenue, the budget will probably come in line during that time frame. Pierson asked if the Net Income increases are grants from the Foundation. Filotto said they were.

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 the Financial Statements into the minutes.

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

Absent: Trizna

Nays: None

NEW BUSINESS

Authority Memo Number **015-2023 Lisa Dorothy, Civil Engineer for the City of Joliet – Chicago Street Renovations**

Discussion:

The Chair introduced Lisa Dorothy, Civil Engineer for the City of Joliet to Board members. He said that she is in charge of the downtown work that will affect the Rialto. She was here to give a report on what will be happening. Dorothy told Board members that the City is reconstructing Chicago Street from Jefferson to Webster as well as a secondary project, the City Square, which will be across the street from the Rialto. In advance of these projects, the City is trying to stabilize the underground vaults that are located beneath the sidewalks in this area. The first section to be worked on will be the Van Buren Street Plaza which is currently

out for bid. The City hopes to award the contract on May 16th. Dorothy said the contractor will be told not to start the work until after New Orleans North and Star Wars Days are concluded. The work is expected to be done by Kids Fest or definitely by August 11th when USF goes back into session. The second section to be worked on will be the east side of Chicago Street from Jefferson to Van Buren. Dorothy is hoping to start the work in August as soon as the west side of the street is completed. Dorothy told Board members that Welsh asked the City to work on the Rialto vaults in January and February to minimize the impact on the theatre. She said she will continue to work with Welsh to ensure patrons can access the Chicago Street entrance to the theatre. The Rialto vaults are the largest in the project area at a size of two Olympic pools. Extensive water main work will have to be done before the Chicago Street reconstruction gets under way. Roadwork should begin in 2024. Construction will be staged to minimize impact to actual doorways as much as possible. Priorities are 1) public safety, 2) access and 3) cost. The design of the City Square is progressing. A lot of public input and survey work will determine what the final design will be. The City plans to put the work out for bids in the winter and funding sources have to be finalized by mid-2025. The project has to be finished by 2026 for the 100-year celebrations of the Rialto and Route 66.

Welsh said the Rialto vaults will be worked on in January and February of 2024. In a best-case scenario, it would take 3-4 weeks but realistically it could be 6-8 weeks of down time. The Van Buren Street entrance will probably have to be used to bring people in for events. It appears that Chicago Street will not be accessible to vehicle traffic for all of 2024. Welsh warned that it might not be feasible to use the theatre for weddings as names can't be put on the marquee and pictures could not be taken in front of the building. Nancy Lindmark is reaching out to weddings that are already booked in 2024. Welsh will be very proactive with promoters looking at dates during this time also.

Dorothy said that all downtown businesses will have to assess and stabilize their buildings. New water mains will be installed the whole length of the project and there will be a lot of jackhammering. She said the Rialto should hire someone to evaluate the façade of the building. Welsh said that Bulley & Andrews will be hired to do that as they have worked on the exterior of the building in the past. Welsh asked if the City pays for the inspection and any needed exterior work. Dorothy said it is the business owner's responsibility. She said that businesses using their vaults will have to assume the cost to stabilize them. The City will pay to fill in all unused vaults. Dorothy said she will continue to work with Welsh in regard to the design of the vaults. If any issues are brought to light during construction, she will contact Welsh as soon as possible. She informed the Board that she expanded the survey for the Chicago Street project to include the drainage problems in the alley on the north side of the theatre and will work with ComEd to get the issues addressed.

Authority Memo Number 016-2023 Presentation of Construction Manager RFQs

Discussion and Vote:

Condon said a Zoom meeting was held on April 24th with the evaluation team to review the Construction Manager RFQs. The two submissions that were considered were Bully & Andrews and R. Berti Building Solutions. Rod Tonelli, Bret Mitchell and Dan Malinowski strongly recommended R. Berti since they are a local company and have extensive experience in the Joliet area. Tonelli, Mitchell and Malinowski all have a good relationship with R. Berti and said they are a very reputable company. Welsh said that JLK recommended Bully & Andrews for their historical experience and their past work experience with the Rialto. Welsh said there was a need to select one so as to move quickly with negotiating costs and staying on track with the project. Broderick asked if this construction manager would only be for phase one of the renovations. Welsh said yes it would only be for the roofs and masonry work. Condon said that once phase one is completed, the Board could go back and reconsider a new construction manager for the next phase. Filotto asked if JLK would be willing to work with R. Berti. Welsh said they would. Broderick asked if any prices were discussed. Welsh said that would have to be negotiated after the selection is made. The evaluation group felt R. Berti may be cheaper since they are local.

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 awarding the Construction Manager contract to R. Berti Building Solutions for phase one of the renovation project.

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

Absent: Trizna

Nays: None

Authority Memo Number **017-2023 H.R. Cook, Regional Vice President, VenuWorks**

Discussion:

The Chair welcomed VenuWorks Regional Vice President, H.R. Cook, and introduced him to the Board. Cook started with VenuWorks in October of 2022. His territory covers the Rialto and his job is to evaluate staff and the building to make sure standards are being met or exceeded. He told the Board that the staff is doing a wonderful job and the building improvements keep getting better. He said that the Rialto is one of the top five VenuWorks venues. Cook also mentioned that John Siehl will be cutting back on travel due to health issues. Cook said he was here to announce some big news: President and CEO, Steve Peters, has sold the company to employees and VenuWorks is now an ESOP. Peters wanted to keep the business family oriented. All full-time employees will automatically have options in the Company. Peters is retiring and another CEO will be hired. Filotto commented that the Board's relationship with VenuWorks has been stellar. Cook said that VenuWorks continues to improve its services to its facilities, employees and communities.

OLD BUSINESS

Renovation Project Update: Welsh told Board members that a decision on roofing materials is needed. There are three options: Option 1 – Modified Bitumen is a multi-ply roofing system that has a 30 year warranty and is the best of the best, cost is \$1.03 million; Option 2 – Ketone Ethylene Ester (KEE) is a single ply membrane system that lasts longer than a PVC membrane, has a 30 year warranty and costs \$680,246, it was a second option by the company that suggested Option 1; and Option 3 – Polyvinyl Chloride (PVC) is also a single ply membrane system that has a 25 year warranty, is less durable and more susceptible to breakdown from ultraviolet light than KEE, the cost is \$559,853, it was a product suggested by local roofing company, Adler Roofing.

Pierson asked if there was a lot of foot traffic on the roof. Welsh said no but there are 18 HVAC units on the roof. Chestnutt and Filotto preferred Option 2 because of the warranty. Broderick said he would choose Option 3 if the roofers are confident in the material. Pierson agreed. Welsh said he will move forward with Options 2 and 3 for drawings. The roofs will go out for bid once a construction manager is chosen.

EXECUTIVE REPORTS

RSTF Report: Condon reported that the Foundation netted nearly \$14,000 from the Shamrockin' Good Time event. The three plaques honoring volunteers have been installed in the Lower Promenade. The Foundation is waiting on the name plates that will be attached to the plaques. There is a meeting scheduled for May 10th to discuss a Hispanic event scheduled for October 29th. Councilman Cesar Cardenas will join the committee to help in the planning. There is a meeting planned to start discussing Home for the Holidays in the second week of May.

Ericksen said that the Foundation will once again sponsor the wine bar for New Orleans North. There is also a cocktail event planned for sponsors on June 8th. Old National Bank and D'Arcy Motors will be

receiving the Lynne M. Lichtenauer Sponsor Award. Ericksen said that Board members will also be invited.

Executive Director's Report: Welsh informed Board members that Dr. Brauer will be moving out of his office in May. There will only be one tenant left on the second floor. All the theatre seats have been repaired and are now very solid. He also reminded members to review the proposed FY24 budget. He said the administrative office has been experiencing major server issues. A new server will be installed at the end of May along with new internet from Comcast and a new phone system. Condon asked Welsh if he had heard anything about the Will County ARPA grant money. Welsh said he did not.

Chairman's Report: Filotto informed Board members he will be unable to attend the next meeting. He said that Broderick attended the opening of Representative Lauren Underwood's Joliet office. Chestnutt said that she was there also and spoke with Representative Underwood. Broderick said he was also willing to reach out to Rachel Ventura's office. Filotto reminded Board members to submit their statements of economic interest. Filotto said there were two new Joliet City Councilmembers elected to office. He feels that Board members should meet with them for one-on-one meetings. Filotto mentioned that Bob Okon from the Herald News reached out to him for comment on the new mayor. He declined to comment but they had a nice discussion about what is happening at the Rialto.

Filotto said that several months ago, he and Steve Randich met with Kevin Sing, Finance Director for the City of Joliet. They discussed the budget and how the City supports the Rialto and the issue of the WCMEAA being a component unit. Filotto feels that the WCMEAA does not need to be a component unit as long as it doesn't affect the funding. He and Randich are exploring that further. The City is having discussions about that as well. Condon asked if he was looking to change the relationship with the City. He said no, just the way the WCMEAA is reported in their audit. Filotto also asked Sing to develop a quarterly report that can be presented to the City. Sing said he has done this for the other two entities that the City provides funding for and it has gone very well in the Finance Committee and Council. The goal is to have a more positive budget process. Filotto said he will discuss a new City Liason with Mayor D'Arcy.

Committee Reports: No reports.

City of Joliet Liaison's Report: No Report

Lobbyists' Report: No Report

PUBLIC TO BE HEARD: Marketing Manager, Kelly Urquidi, told Board Members that the Rialto Square Theatre Foundation won \$5,000 from Old National Bank's "Choose Your Charity" giveaway.

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, Kent and Pierson

Absent: Trizna

Nays: None

The meeting adjourned at 5:03 P.M.

Minutes respectfully submitted by Christine Sturm, Recording Secretary.

Kathy Trizna, Board Secretary

*Unapproved minutes distributed in Board Packets are subject to change.
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