

WILL COUNTY METROPOLITAN EXPOSITION AND AUDITORIUM AUTHORITY

Date: May 24, 2023

Authority Memo Number **023-2023 May 24, 2023 Regular Meeting**

The May 24, 2023 regular meeting of the Will County Metropolitan Exposition and Auditorium Authority Board was held at 15 E. Van Buren Street, Joliet, Illinois 60432. Vice Chairman Jeff Pierson 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: Tim Broderick, Jane Condon, Bill Kent, Jeff Pierson, Kathy Trizna

Staff: Wade Welsh, Julie Quigley, Rafael Ramirez, Jack Ericksen, Leann Hoffrogge, Christopher Smith, Ed Krzanik, Christine Sturm

Absent: Bob Filotto, Donnie Chestnutt (excused)

Others: Legal Counsel, David Silverman

APPROVAL OF MINUTES

Authority Memo Number **018-2022 April 26, 2023 Regular Meeting Minutes**

**Discussion:**

The Vice Chairman asked if there were any changes to be made to the April 26, 2023 minutes. No corrections or changes were suggested.

Condon had a follow up question regarding the comments made by Lisa Dorothy at the last meeting. She said that Dorothy had mentioned that if there was any damage to the building during the Chicago Street renovations, that it would be the responsibility of the property owners. Condon asked Silverman if the City could be held responsible for any damages. Silverman said if the contractors were at fault, the City may possibly be liable. Welsh said that Dorothy asked the WCMEAA to get a study done to make sure the terra cotta on the building is stable. Welsh said the inspection will be done.

The Vice Chair invited further discussion and, hearing none, he directed roll to be called. No opposing votes were expressed. Motion passed unanimously.

**Motion:** K. Trizna moved J. Condon seconded approval of the April 26, 2023 regular meeting minutes.

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

Absent: Filotto, Chestnutt

Nays: None

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

FINANCIAL REPORTS

Authority Memo Number **019-2023 Operational Bills Paid, Payable and Payable Age Listing**

**Discussion and Vote:**

The Vice Chair asked if there were any questions regarding bills paid or accounts receivable.

Condon asked if the payment made out to Chubb Insurance on April 27<sup>th</sup> for \$11,613 was a quarterly payment. Welsh said it was a monthly payment.

The Vice 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 the Operational Bills Paid, Payable and Payable Age Listing.

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

Absent: Filotto, Chestnutt

Nays: None

Authority Memo Number **020-2023 Financial Statements**

**Discussion and Vote:**

The Vice Chair asked if there were any questions regarding the financial statements.

Welsh noted that while revenues were down, expenses were also down. Since the budget was done in June of 2022, it forecasted more shows than were actually booked. While the budget missed on revenue for the month, it hit on budget at the end of the month.

Pierson asked Welsh if there was any word yet on the ARPA funds and if they could only be used for operations or capital improvements. Welsh said he requested \$6 million but got word that the theatre will be receiving \$149,300. He has not received the official grant letter yet. The grant will not be awarded in cash but reimbursements for work done. Welsh said that since the grant was for the HVAC work, he will use it to get JLK started on drawings for the HVAC project.

The Vice 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 Financial Statements into the minutes.

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

Absent: Filotto, Chestnutt

Nays: None

**NEW BUSINESS**

Authority Memo Number **021-2023 Presentation of Fire Escape Bids and Award of Contract**

**Discussion and Vote:**

Welsh said only one bid was submitted for work on the fire escapes. That bid was from Bulley & Andrews for a cost of \$65,480. Ramirez said that three companies showed interest in the project but only Bulley & Andrews submitted a formal bid. Out of the eight fire escapes, six were deemed to be safe during a recent inspection. Two were deemed to be unsafe and needed repairs but not replacement. Welsh said the other six fire escapes will have general maintenance done on them during phase one of the renovation project. Broderick asked how long it would take to do the repairs. Ramirez said about two weeks.

The Vice 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 bid from Bulley & Andrews for work on the fire escapes and to award them the contract.

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

Absent: Filotto, Chestnutt

Nays: None

## Authority Memo Number **022-2023 HVAC System Discussion**

### **Discussion:**

Welsh said that there was nothing to vote on regarding the HVAC system, but he needed to bring to the Board's attention that the HVAC system is struggling. He said the engineers have had some major issues with the chiller and air handler over the last few weeks. He is gravely concerned with how much longer they will continue to operate. Welsh reminded the Board that JLK was very clear in their initial overview that it would take 12-18 months lead time to get new HVAC equipment and get it installed. Engineer Ed Krzanik believes the current system will make it through the summer. Welsh said that the Board has to come up with a way to move forward with phase two of the project and find the additional \$6-7 million needed. Condon asked if the remaining SVOG money could be used and if the Board could borrow the rest. Silverman said that the Board could talk to a bank about a loan. Pierson suggested a bond issue. Silverman said that the Board could find a way to raise the funds through an intergovernmental agreement. Welsh said the grant writer has possibly found three more grants for which the WCMEAA is qualified. He added that Filotto was in favor of using part of the remaining SVOG money on the new HVAC system but not all of it. Welsh asked if the Board was OK with him approaching JLK and asking them to find savings with the HVAC system as they did with the roofs. Board members said he could.

Krzanik passed around a picture showing the condition of the air handler in question. He said that the air handler is at the end of its useful life after decades of neglect. At some point, it will be unable to be fixed and will need to be replaced or there will not be any air conditioning or heat in the theatre. He said the cooling tower is structurally unsafe and is 10 years past its usable life. It needs to be replaced and can't be repaired anymore. Silverman asked if the tenant space was affected or just the theatre. Krzanik said the air handler and chiller are for the Rotunda and theatre only, everything else has its own independent rooftop unit. Welsh said the tenant units are also coming upon their useful lives within the next three to four years. Pierson said that it was great to have the grant writer to be able to look for more grant money. Condon agreed and said that if they had to approach the City for money, it is necessary to show them all that we are trying to do.

### **OLD BUSINESS**

**Renovation Project Update:** Welsh met with R. Berti and City officials to discuss the upcoming project. R. Berti will be coming to look at the vaults on May 25th. JLK had some minor changes to the drawings. They will be done by May 26<sup>th</sup>. Once R. Berti has the drawings, they can put the job out to bid. The project is currently behind by a couple of weeks. There is no final price for the job yet and it won't be known until the entire scope of the project is known. Welsh will forward the costs to the Board once he has the numbers. The Construction Manager costs are outside of the JLK costs. Welsh expects to pay R. Berti from the savings on the roof.

### **EXECUTIVE REPORTS**

**RSTF Report:** Condon said that the committee planning the Hispanic event fundraiser met for the first time a couple of weeks ago. The event will be October 29<sup>th</sup>. They will meet again on June 14<sup>th</sup>. Condon told the Board that the Rialto Square Foundation will now cover the shortfall for the Joliet Legion Band concert that is not covered by the Wadsworth endowment. The interest generated by the endowment was not enough to cover the cost of the concert and the WCMEAA was paying the remaining amount. Condon said the Foundation will now pay this cost and it will become a Foundation event.

Erickson said the donor appreciation event is planned for June 8<sup>th</sup> from 5-7 pm. It will be held onstage with cocktails and appetizers being served. Old National Bank and D'Arcy Buick will be receiving the Lynne M. Lichtenauer Sponsor Award. He expects 50-60 people at the event.

**Executive Director's Report:** Welsh told the Board that the Dave Mason show scheduled for May 24<sup>th</sup> was cancelled due to illness within the band. It has been rescheduled for June 19<sup>th</sup>. He asked all Board members to review the proposed FY24 budget as it will be voted on at the June meeting. The 1926 Campaign fundraiser for the Rialto's 97<sup>th</sup> birthday has had 155 donors and raised \$8063 to date. The largest total previously was \$1500. The increase is due to an online marketing campaign put together by Marketing Director, Kelly Urquidi.

Welsh informed Board members that the theatre is now having issues with lighting on stage. The system that controls the lighting is over 20 years old and is operating on a floppy disk system. Technical Director, Christopher Smith, got a quote to replace the lightening for \$84,000. Welsh said that another option to deal with the issue would be to rent a lighting system for shows. That option would cut into the profit margin. Broderick asked about a time frame for getting and installing the lights. Smith said it would take less than a week to install but he was unsure of how long it would take to get the equipment. He thought such equipment should be more readily available. He also pointed out that the quote was for equipment only and not installation. Welsh said he will get the process going for putting the lighting project out for bid.

**Chairman's Report:** No report.

**Committee Reports:** No reports.

**City of Joliet Liaison's Report:** No report.

**Lobbyists' Report:** Welsh said there was no lobbyist report. He said he told them about the HVAC system and they would be supportive in helping to draft legislation to develop a continuous revenue stream. They are also willing to help get it passed. Welsh told the Board that they need to revisit the contract with the lobbyists if they are unable to secure any more grant dollars.

**PUBLIC TO BE HEARD:** No Response

**Motion:** The Vice Chairman requested a motion to adjourn the regular meeting. T. Broderick moved and K. Trizna seconded the motion.

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

Absent: Filotto, Chestnutt

Nays: None

The meeting adjourned at 4:46 P.M.

Minutes respectfully submitted by Christine Sturm, Recording Secretary.

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Kathy Trizna, Board Secretary

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