

WILL COUNTY METROPOLITAN EXPOSITION AND AUDITORIUM AUTHORITY

Date: April 24, 2024

Authority Memo Number **022-2024 April 24, 2024 Regular Meeting**

The April 24, 2024 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, Donnie Chestnutt, Jane Condon, Bill Kent, Jeff Pierson, Kathy Trizna

Staff: Wade Welsh, Rafael Ramirez, Kathleen Drozd, Jack Ericksen, Leann Hoffrogge, Shane Richards, Lisa Murphy, Christine Sturm

Absent: Bob Filotto (excused)

Others: Mike Piehl, VenuWorks; David Silverman, Legal Counsel; Peter Bohler, R. Berti; Sabrina Bohler, R. Berti

APPROVAL OF MINUTES

Authority Memo Number **018-2024 March 27, 2024 Regular Meeting Minutes**

**Discussion and Vote:**

The Vice Chairman asked if there were any changes to be made to the March 27, 2024 minutes. No corrections or changes were suggested. On page three of the minutes, under RSTF Report, Chestnutt said that Filotto mentioned that he volunteered to help at *A Shamrockin' Good Time*. Chestnutt requested that it be noted there were four additional Board members who also volunteered that night: Jane Condon, Jeff Pierson, Tim Broderick and Donnie Chestnutt. She thought the Board was well represented.

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

**Motion:** T. Broderick moved and K. Trizna seconded approval of the March 27, 2024 regular meeting minutes.

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

ABSENT: Filotto

NAYS: None

Public to be Heard Re: Agenda Items – None.

FINANCIAL REPORTS

Authority Memo Number **019-2024 Operational Bills Paid, Payable and Payable Age Listing**

**Discussion and Vote:**

The Vice Chairman asked if there were any questions regarding the check detail, accounts payable by vendor or the accounts receivable aging report. Board members had no questions or comments.

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

**Motion:** D. Chestnutt moved and J. Condon seconded approval of the Operational Bills Paid, Payable and Payable Age Listing.

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

ABSENT: Filotto

NAYS: None

Authority Memo Number **020-2024 Financial Statements**

**Discussion and Vote:**

The Vice Chair commented that the profit and loss statement is still trending in the right direction. Welsh said he looked up the final numbers from June 2023. Last year food and beverage sales totaled \$567,000. Through March 2024 with three more months to go in this fiscal year, food and beverage sales are currently \$608,000. Food and beverage sales were budgeted at \$651,000 for fiscal year 2024 but could end up being between \$700,000 and \$750,000. Broderick commended Welsh on the increase and asked how it was achieved. Welsh said that there were more shows which led to more revenue; hiring a full-time Food and Beverage manager put more focus on F&B sales; and being smarter with expenses and costs of the products. Welsh said the new POS systems with the tap and go ability also helps move concession lines faster.

Pierson said that the Net Ordinary Income totals are very notable. The current budgeted total was a negative \$362,000. Currently it is at a positive \$87,000. Welsh said that while April and May will be strong also, June will not have as many shows scheduled. He said that the bill for the new transformer which came to over \$40,000 will have to be paid next month and will affect the bottom-line number.

Condon asked about an explanation for account #7800 Professional Services. Piehl said it was fees from VenuWorks for his services while he filled in as Business Manager. Condon also questioned account #8260 Grant Revenue. Piehl said it is the payment to VenuWorks for the work they did on the Employee Retention Tax Credit paperwork. Chestnutt noted that the price was reduced from \$15,000 to \$10,000.

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

**Motion:** D. Chestnutt moved and J. Condon seconded approval of accepting the Financial Statements into the minutes.

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

ABSENT: Filotto

NAYS: None

**OLD BUSINESS**

**Renovation Project Update:**

Welsh said that work is being done on the roof above the theatre and some tuck-pointing issues were found with the brick in that area. Pete Bohler said that once the tuck-pointing is done, the roofers will only need five full days to complete the work on the roof. Bohler also said that new roof access doors were installed and his is still waiting on one ladder for the grotto.

Welsh told Board members that the bid process for the bathroom renovation has begun and bids are due on April 30<sup>th</sup>. He said that there have been several walk-throughs for the project and the contractors had quite a few questions. He believes that the bid due date may have to be pushed back to address these issues. One of these issues is asbestos removal. It is not currently part of the quote. Contractors will have to come up with a remediation plan and include it in the bid package. Welsh said the goal is still to get the bathroom project done while the theatre is closed in July and August. Welsh told the Board members that the initial estimate from DLR for the bathroom project was \$500,000. Now, two years later, it is around \$800,000 and does not include asbestos removal. He thinks that about \$800,000 in savings from Phase I of the renovation project may be able to be used on the bathroom project. He is waiting for final approval from the State. Welsh also informed the Board that some of the materials

originally planned for the bathroom renovation are no longer in stock and comparable materials will be used. It will not cause any dramatic changes to the renovations.

Welsh said there was nothing new to report on the HVAC project. He is waiting to get revised documents from JLK and Calor. A hot water system is no longer being considered for the building. The plans are reverting back to a steam system. Welsh is concerned that the water and steam pipes that run above the theatre could leak and ruin the decorative ceiling. He has asked if it is possible to abandon the original pipes above the theatre and use a gas forced air system to heat the area above the theatre. This could potentially save hundreds of thousands of dollars in scaffolding and labor costs. Calor is still working on the plans to make sure it is feasible. Welsh is hoping that the new plan will keep the HVAC project costs in the seven million dollar range rather than eight million. Condon asked if the Board would have to get bids for the asbestos removal. Welsh said yes, once the final drawings are received. He expects them to be ready by mid-May. Condon asked about Calor's thoughts on the forced-air system. Bohler said that, at first, they weren't in favor of it. They changed their minds after learning about the asbestos above the theatre ceiling and agreed that this is probably the best solution, long-term.

#### NEW BUSINESS

#### Authority Memo Number **021-2024 Approval of Construction Manager Contract for Bathroom Renovation Between R. Berti Building Solutions and the WCMEAA**

##### Discussion and Vote:

Welsh said that he is seeking approval to move forward with the approval of the contract to hire R. Berti Building Solutions as the construction manager for the bathroom project. Board members were given copies of the proposal from R. Berti and a list of general conditions and costs for the project. Welsh said that the compensation to R. Berti for this project would be eight percent of the actual costs. He explained that smaller projects get higher compensation, usually eight to ten percent. Condon asked if the costs listed were real costs. Bohler said they are estimated costs and the Board would be billed for actual costs.

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

**Motion:** J. Condon moved and T. Broderick seconded motion to approve the Proposal of Services from R. Berti Building Solutions.

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

ABSENT: Filotto

NAYS: None

#### EXECUTIVE REPORTS

**RSTF Report:** Condon reported that the Foundation Board met and reviewed the numbers from *A Shamrockin' Good Time*. The Foundation netted about \$12,000. Condon praised Ericksen for the sponsorship dollars that he was able to secure for the fundraiser. She said the Foundation is looking for a day in November to have the Day of the Dead event. Chestnutt recommended marketing the Day of the Dead event more. She said many people did not know about it. Condon said the Foundation Board is also beginning to discuss the 100<sup>th</sup> year anniversary celebration. She said that they may host a big event if it is decided not to go forward with a capital campaign. She said that Foundation Board President, Steve Randich, has determined that the Foundation Board events are netting \$150,000 yearly for the theatre, mainly through sponsorships.

**Executive Director's Report:** Welsh told Board members that the cost to replace and install the new transformer that went down was \$46,000. He said the total will be a bit less because taxes were included and he will get that taken off.

He introduced Board members to the new Finance Manager, Kathleen Drozd. He said she started on April 22nd. He said that he is in the process of trying to get the signers on the Midland Bank accounts up to date. Signers on the account are still Valerie Devine and Nicole Hernandez. He needs to get them changed to himself and Kathleen Drozd.

He informed the Board that the building engineers will be starting up the chiller soon. He said it costs about \$10,000 to start the chiller each year with \$7,500 for refrigerant alone. He believes that by next spring, the new system should be in place.

Welsh told Board members that he does not have the first draft of the FY25 budget done yet. He will have it for the May meeting so it can be voted on in the June meeting.

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

**Committee Reports:** No report.

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

**Lobbyists' Report:** Broderick said that things are moving forward very well with the lobbyists. He is expecting some feedback on the two bills: the budget implementation bill, which is the hotel/motel tax, and the supplemental bill, a one-time capital bill. The Spring session ends on May 24th. He believes the progress on the bill is heading in the right direction under good leadership and with no problems.

**PUBLIC TO BE HEARD:** None

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

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

ABSENT: Filotto

NAYS: None

The meeting adjourned at 4:33 P.M.

Minutes respectfully submitted by Christine Sturm, Recording Secretary.

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Kathy Trizna, Board Secretary

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