

WILL COUNTY METROPOLITAN EXPOSITION AND AUDITORIUM AUTHORITY

Date: May 22, 2024

Authority Memo Number **033-2024 May 22, 2024 Regular Meeting**

The May 22, 2024 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, Jeff Pierson

Staff: Wade Welsh, Rafael Ramirez, Kathleen Drozd, Jack Ericksen, Shane Richards, Christine Sturm

Absent: Bill Kent (excused), Kathy Trizna (excused)

Others: Sherri Reardon, City Liaison; David Silverman, Legal Counsel; Steve Randich; Rich Berti, R. Berti; Peter Bohler, R. Berti; Sabrina Bohler, R. Berti

The Chairman announced that Jane Condon would be arriving in ten to fifteen minutes. He said to proceed with the non-voting items.

Public to be Heard Re: Agenda Items – None.

OLD BUSINESS

Renovation Project Update:

Pete Bohler informed Board members that roof six is almost finished. Some masonry and asbestos issues were found on the south-facing wall and had to be addressed. There is still one ladder that needs to be put on the building. All work should be done by the end of May. Welsh said that the masonry repairs and asbestos removal on roof six was an additional \$150,000. The total for the roof project has totaled \$4.1 million dollars. Welsh has been told by the grant manager that the remaining \$900,000 can be used on the bathroom project. He is uncertain if any unused money could go to other projects not in the grant system of the State. He is working to get an answer on that.

Welsh said that the HVAC project is still moving along. He has not gotten an updated cost sheet yet. He expects to have 100% drawings and bid documents on June 21st. The notice for asbestos removal bids has been posted. The building will be closed down in July and August for the bathroom project, asbestos removal and to do the prep work for the HVAC project. All obsolete equipment will be removed to make room for the new equipment to be installed next summer. Welsh said that the two new hatches the City put in the alley will allow for the large equipment to be easily taken out of the basement. Now that the project has been delayed until next summer, non-custom air-handlers should be able to be purchased, which will save a lot of money. The plans for the area above the theatre were also changed to a gas forced air system. This is a cheaper option and eliminates the possibility of steam pipes leaking on the ceiling above the theatre. This will also eliminate the need for an elaborate scaffolding system to install a new steam system above the theatre, saving an additional \$400,000. The gas forced air system will blow around dust and debris in the attic area, thus, making it necessary to remove or encapsulate the asbestos above the theatre ceiling. A steam system will still be used for the rest of the building. The piping above the theatre ceiling will be abandoned. Welsh feels that the new plans allow for a good cost and time savings. He is hoping costs will be back in the \$6.8 million dollar range.

(Jane Condon arrived at 4:08 pm.)

APPROVAL OF MINUTES

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

Discussion and Vote:

The Chairman asked if there were any changes to be made to the April 24, 2024 minutes. No corrections or changes were suggested.

The Chair invited further discussion and, hearing none, he directed for a voice vote to be called. No opposing votes were expressed. Motion passed unanimously.

Motion: T. Broderick moved and D. Chestnutt seconded approval of the April 24, 2024 regular meeting minutes.

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

ABSENT: Kent, Trizna

NAYS: None

FINANCIAL REPORTS

Authority Memo Number **023-2024 Operational Bills Paid, Payable and Payable Age Listing**

Discussion and Vote:

The Chairman said that 76% of the check total went to three vendors: VenuWorks, \$107,000 for programming related expenses; Busey Bank, \$22,000; and Chubb, \$13,000. Condon asked about the \$10,000 paid to The Princess Bride and \$5,000 paid to Ashley McBryde. Welsh said it was cash paid out to the shows.

The accounts payable total for the month of April was \$492,000. The largest checks were made out to the following: VenuWorks - \$165,000; NiteLite - \$159,000; Elliott Electric - \$46,000; auditing firm, Lauterbach & Amen - \$16,000; ComEd - \$21,000; Busey Bank - \$22,000; and Chubb - \$13,000. Filotto said these vendors accounted for 92% of the total.

The Chair asked Ericksen if he had spoken to Adler Roofing regarding the \$10,000 listed on the Accounts Receivable Aging Report. Ericksen said he reached out to Chris Adler but has not heard back from him. Adler had asked that the original sponsorship agreement of \$20,000 a year for three years to sponsor the Rialto stage be extended to a five-year period for \$10,000 per year. The sponsorship with the extension would still total \$60,000. Condon said she felt that the contract should be modified. Silverman suggested to rewrite the contract to reflect the five years at \$10,000 per year. Welsh said it needs to be determined if the Board was going to hold Adler to the original contract or write off the remaining \$10,000 for this year. The Board agreed and told Welsh to write off the remaining \$10,000 for FY24.

Filotto asked if the dance competitions were paid in full. Welsh said all but Star Dance Alliance was and he was confident in getting the payment from them.

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

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

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

ABSENT: Kent, Trizna

NAYS: None

Authority Memo Number **024-2024 Financial Statements**

Discussion and Vote:

The Chair stated that the Profit and Loss Statement remains strong. Total income after April exceeds the budget for the entire year. Total income for the annual budget was anticipated to be \$3.5 million. It is

currently \$3.7 million. Filotto thought there might be a little softening in May and June. Welsh said that May will be on budget but June will fall short. Overall, he said, the financials were extremely strong. Filotto pointed out that total expenses were over budget but inline given the over budgeting of total income. He felt that the budget would basically break even with a depreciation of \$307,000. He said that some cash flow is being generated.

The 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 J. Condon seconded approval of accepting the Financial Statements into the minutes.

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

ABSENT: Kent, Trizna

NAYS: None

NEW BUSINESS

Authority Memo Number **025-2024 Approval of Restroom Demolition Bid and Award of Contract**

Discussion and Vote:

Welsh said that he had to cancel the special meeting in early May because he did not know the BEP percentage of minority owned businesses needed to satisfy the grant agreement. He has finally gotten that number from the State which is 28% of the project. There were three BEP bids received for the project: Midway Contracting Group, Elliott Electrical and Jameson Sheet Metal. Those three totaled 24% of the \$500,000 grant. Welsh asked to have the BEP percentage lowered and was told no. He said that the State will allow contractors who were not BEP to use BEP suppliers. With the help of R. Berti, Omega Plumbing and Heintz Construction will purchase supplies in excess of \$15,000 to get to the 28% total. This has been approved by the State. Welsh provided a document with all the low bids to the Board. Lowest bids were: demolition, Midway Contracting Group - \$17,500; carpentry, Heintz Construction - \$217,130; flooring, Urban Tile & Carpet - \$108,570; plumbing, Omega Plumbing - \$185,000; electrical, Elliott Electric - \$55,050; painting, Arno Decorating - \$29,600; HVAC, Jameson Sheet Metal - \$49,900. He is looking to get the bids approved and notify the contractors so that work can begin on July 1st. He said it is a possibility that the work will not be finished by August 31st. He does have a contingency plan for additional bathrooms if needed which includes renting portable restroom trailers. Filotto asked if all bids could be approved at once. Silverman said they could.

Authority Memo Number **026-2024 Approval of Restroom Carpentry Bid and Award of Contract**

Authority Memo Number **027-2024 Approval of Restroom Flooring Bid and Award of Contract**

Authority Memo Number **028-2024 Approval of Restroom Plumbing Bid and Award of Contract**

Authority Memo Number **029-2024 Approval of Restroom Electrical Bid and Award of Contract**

Authority Memo Number **030-2024 Approval of Restroom Painting Bid and Award of Contract**

Authority Memo Number **031-2024 Approval of Restroom HVAC Bid and Award of Contract**

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

Motion: J. Pierson moved and D. Chestnutt seconded motion to accept the low bids of the contractors on record and to award the contracts.

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

ABSENT: Kent, Trizna

NAYS: None

Authority Memo Number **032-2024 Lease Agreement Extension Between Midland Bank and the WCMEAA**

Discussion and Vote:

Welsh told Board members that the original lease with Midland Bank dates back to 2009. It has a final 5-year lease extension option that they would like to exercise. They want to extend their lease for a period of five years at an increase of 2.5% per year rather than a 3% increase. It would extend their lease until December 31, 2029. Filotto said that he spoke to Nick Weis at Suburban Real Estate Services and has been told that this is a fair deal.

The 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 T. Broderick seconded motion to approve the lease extension of Midland Bank for a period of five years at an increase of 2.5% per year.

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

ABSENT: Kent, Trizna

NAYS: None

EXECUTIVE REPORTS

RSTF Report: Condon reported that the Foundation Board did not meet in May. Foundation Board President, Steve Randich, came before the Board seeking permission to move forward with a mural project on the east side of the theatre. He said the Foundation received a \$48,000 grant to put a mural honoring the Rialto and Route 66 on the back of the theatre. The Foundation was told that they would have to get State approval for the new mural since there is a ghost mural on the back of the building. A mural painted on the back of the building which reads "Rialto Theatre, A Great States Company" is still faintly visible. The Foundation originally wanted to put the new mural at the top of the building which would cover the ghost mural. They were told they could not do that. The Foundation then got quotes to repaint and restore the original mural but were told they could not use State or Federal money for the restoration. The State is now saying that since there is an identical ghost mural on the south side of the building, a mural can be put on the east side of the building as long as it is not attached directly to the brick. Randich is waiting for a price on a 100-foot by 20-foot sign. The sign could not be mounted to the brick. The brackets would have to be drilled into the mortar. Randich said that he would like the Board's approval to move forward with the mural project. At the same time, the Foundation would like to repair the wood siding on the east end of the building. They would paint it maroon and put a three-foot by four-foot message board on it near the sidewalk which would explain what the mural means as well as talk about the ghost murals. The project would be paid for with the money from the mural grant. The Foundation is working on the project with Bob Navarro of the Heritage Corridor Bureau and Navarro believes that he may be able to get some additional dollars for the project.

Randich said the Foundation has an additional project that it would also like to get approved. He said that the Authority Board just recognized stagehand, Lorin Lynch, for celebrating 50 years with the Rialto. Randich said that Lynch's father and grandfather were also stagehands at the Rialto. The Foundation would like to honor the Lynch family with a 36-inch by 30-inch sign over the stage door that reads, "Lynch Stage Door". The stage door sign would be paid for by the Foundation. Filotto said he does not see an issue with it and thinks it is well deserved.

Ericksen said that in conjunction with the stage door sign, the Foundation will also be putting up a 24-inch by 24-inch sign above the stage door sign recognizing Old National Bank. Old National Bank has extended their sponsorship of the theatre for two years to continue through the 100-year anniversary. They asked that they be recognized on the east side of the building.

Ericksen said that he has been contacted by VenuWorks about the roll-out for Home for the Holidays in July. He asked that it be done at the end of July so he can finalize sponsorships to put on the window cling.

Randich said that the 1926 Campaign is approaching \$10,000 in donations. He asked the Board to continue to promote it.

Executive Director's Report: Welsh said that he has submitted a FY25 budget to VenuWorks and will present it to the Board soon.

Chairman's Report: Filotto asked Silverman if progress has been made in getting the furniture pieces from Bob Rubens. Silverman said he wants the insurance policy to include the furniture before the pieces are brought into the building. Filotto said that he will contact Rubens to give him an update.

Filotto said that he, Jeff Pierson, Wade Welsh, Rafael Ramirez, Mike Piehl, HR Cook and John Jiminez met to discuss the Authority Board assuming more risk for shows in terms of sharing more profits with VenuWorks. A new agreement would not take effect until FY26. He felt the meeting went very well.

Committee Reports: No report.

City of Joliet Liaison's Report: No report.

Lobbyists' Report: No report.

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, Chestnutt, Condon, Pierson

ABSENT: Kent, Trizna

NAYS: None

The meeting adjourned at 4:48 P.M.

Minutes respectfully submitted by Christine Sturm, Recording Secretary.

Kathy Trizna, Board Secretary

*Unapproved minutes distributed in Board Packets are subject to change.
Approved minutes shall be posted on www.rialtosquare.com /Public Information/Approved Minutes.*