

WILL COUNTY METROPOLITAN EXPOSITION AND AUDITORIUM AUTHORITY

Date: August 28, 2024

Authority Memo Number **055-2024 August 28, 2024 Regular Meeting**

The August 28, 2024 regular meeting of the Will County Metropolitan Exposition and Auditorium Authority Board was held at 203 N. Ottawa Street, Suite 100, 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 (arrived at 4:13 pm), Jane Condon, Bill Kent, Jeff Pierson

Absent: Kathy Trizna (excused)

Staff: Wade Welsh, Rafael Ramirez, Leann Hoffrogge, Shane Richards, Christine Sturm

Others: HR Cook, VenuWorks; Steve Randich

APPROVAL OF MINUTES

Authority Memo Number **046-2024 July 24, 2024 Regular Meeting Minutes**

Discussion and Vote:

The Chairman asked if there were any changes to be made to the July 24, 2024 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 and J. Pierson seconded approval of the July 24, 2024 regular meeting minutes.

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

ABSENT: Chestnutt, Trizna

NAYS: None

Authority Memo Number **049-2024 August 19, 2024 Special Meeting Minutes**

Discussion and Vote:

The Chairman asked if there were any changes to be made to the August 19, 2024 special meeting 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 and J. Pierson seconded approval of the August 19, 2024 special meeting minutes.

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

ABSENT: Chestnutt, Trizna

NAYS: None

Public to be Heard Re: Agenda Items – None.

FINANCIAL REPORTS

Authority Memo Number **050-2024 Operational Bills Paid, Payable and Payable Age Listing**

Discussion and Vote:

The Chairman said that the check detail totaled \$227,000 in July. The largest checks were: VenuWorks \$110,000, mostly performance related; Holmes Murphy \$15,000; Busey Bank \$22,000; Chubb \$13,000; ComEd \$10,000; and Elliott Electric \$9,000. Filotto asked about the check to Holmes Murphy. Welsh said it was for the general liability insurance. Welsh wanted the Board to be aware that the loan payment to Busey Bank will increase to \$31,000 a month due to the pause in payments during the pandemic. It starts in July 2024 and then goes up \$1,000 a year until 2029.

Accounts payable totaled \$70,000. Filotto said the largest checks were to: Busey Bank \$31,000; Chubb \$13,000; ComEd \$12,000 and VenuWorks \$4,600. Those four checks accounted for 86% of the total.

The accounts receivable aging report listed only one invoice that is unpaid, an invoice for Harrah's Joliet for \$5,000. Filotto said he saw no issues.

The Chairman 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 B. Kent seconded approval of the Operational Bills Paid, Payable and Payable Age Listing.

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

ABSENT: Chestnutt, Trizna

NAYS: None

Authority Memo Number **051-2024 Financial Statements**

Discussion and Vote:

The Chairman said that the numbers for July were expected due to the closure of the building for renovations. Total income should have been \$44,000 but was actually \$51,000 mainly due to interest income. Total expenses should have been \$193,000 but were \$152,000 due to line items #6000 Payroll & Benefits and #7500 Repair/Custodial being less than expected. Net Ordinary Income was projected to be a loss of \$148,000 but was a loss of \$101,000. The bottom line was projected to be a loss of \$193,000 and was actually a loss of \$139,000. He said the numbers were better than expected.

The Chairman 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 B. Kent seconded approval of accepting the Financial Statements into the minutes.

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

ABSENT: Chestnutt, Trizna

NAYS: None

NEW BUSINESS

Welsh asked Legal Counsel, Jim Murphy, to start the discussion on the situation with the IEPA. Murphy said that there were ongoing discussions with the IEPA with regards to testing. It was understood that by conducting the testing, the Authority would get clearance for portions of the building to open. He has now gotten some new information from the IEPA that they are looking at other portions of the building and want more information before there's clearance for the opening of Midland Bank and USF. A discussion with the IEPA occurred earlier in the day and they asked for more details about the plans for cleaning the building. Murphy said that he doesn't see the IEPA agreeing to opening the building until sometime next week, if that. Welsh agreed that was a best-case scenario.

Filotto said he feels that there is a disconnect between what was preliminarily agreed upon the prior week in order to isolate the school and the bank so they could be cleared to open. He said it is very frustrating that the IEPA will not clearly specify what needs to be done to start opening the building. He added that every time the Rialto management does what it is asked to do, the IEPA comes along with another demand. Murphy said it is necessary to work through these frustrations. He said that he recognizes that the IEPA has a job to do. They are concerned about safety, as is the Authority. His understanding is that the IEPA is very short-staffed, which does not help either the Rialto or the tenants of the Rialto. He stressed that this is not anything that happened because of what the Rialto did. It is because of what the subcontractor did or failed to do. He is also trying to impose upon the IEPA that timing is critical to the tenants and to the operations of the Rialto, which is an economic engine for downtown Joliet.

Welsh said that at the end of the five-hour meeting on Thursday, all that attended – Rialto management, R. Berti, Midwest Environmental Services and Attorney Jim Murphy – felt that an agreement was reached on how to slowly open the building back up. Welsh said that now the IEPA is saying there was some misinterpretation, and that plan is not what was agreed upon. Pierson said he attended the meeting and there were sixteen people nodding in agreement with the plan and now there is no agreement. Filotto complimented Welsh and Ramirez on their extraordinary efforts to resolve the issue. He remains optimistic that the Authority can work through this.

Welsh said that due to the information received earlier in the day, the items under New Business could not be discussed and voted on at this time. The Chair directed the meeting to proceed with the Renovation Project Update.

Authority Memo Number **052-2024 Consideration of a Contract Between the Authority and Midwest Environmental Services, Inc.**

Authority Memo Number **053-2024 Consideration of a Contract Between the Authority and Valor Technologies, Inc.**

Authority Memo Number **054-2024 Consideration of a Settlement Agreement/Consent Order with Illinois Environmental Protection Agency**

OLD BUSINESS

Renovation Project Update:

Welsh said that the only work that has continued while the building has been closed is the painting of the external fire escapes. All fire escapes are being scraped and repainted. The fire escapes on the back of the building are completed and the painters are now working on the ones in the alleyway. The painters are hoping to be finished by the end of the day on Friday, weather permitting. All other projects have been halted.

EXECUTIVE REPORTS

RSTF Report: Condon said that the Foundation Board's annual meeting was held at Cut 158. Some of the Authority Board members also attended. During the meeting, a slate of officers was approved. Steve Randich stepped forward once again to lead the Foundation as President. The other officers are: Debbie Highland, Vice President; Tim Shanahan, Treasurer; Ava Paris, Secretary.

Condon reminded members of important events coming up during Home for the Holidays. Nova Soul would be performing during the Merry Little Soiree events scheduled for December 2nd, 3rd

and 4th. There is also a new event, Jingle Mingle, that is scheduled for Thursday, December 19th at 7:00 pm. Raffle baskets will be due on November 8th, a little earlier than in past years.

Operating guidelines were developed by the Foundation. Randich should be passing the document along to Filotto at some point for the Authority Board's approval.

Randich updated the Board on the mural. He said on September 19th there will be a meeting on the zoning change for the size of the mural. Randich said he didn't realize that he needed approval for the new size of the sign. He was notified by the City when they realized they hadn't informed him. The meeting is at 2:00 pm and he will be attending. He hopes the zoning board grants approval. Once the sign is approved, it might get installed at the end of October, he believes.

Executive Director's Report: Welsh told the Board that over the past month, he and Ramirez have spent hours upon hours with the IEPA. He has kept the Mayor and the City Manager up to date on all developments. He said there were no other updates.

Chairman's Report: The Chair said he spoke with Mike Nolan from Busey Bank, which is partly sponsoring Home for the Holidays. He assured Nolan that the Authority is addressing the clean-up of the building as quickly as possible.

Filotto also spoke to Bob Rubens about a date and time the shipping company could come and see the items. Rubens suggested either the 10th or 11th of September. Filotto asked if Jack Ericksen had a shipping company lined up. Welsh said he did. Filotto asked Welsh to check with Ericksen to see if the shipping company could meet on either of those dates. Filotto said he would also attend the meeting if he were available. Welsh told the Board that Rubens wants to let the shipping company know how he wants the items removed from his home. He wants to be reassured that they are in good hands during transportation. Filotto said that he told Rubens the items would not be transported until possibly the first quarter of next year. Chestnutt asked if Rubens had agreed on gifting the items. Filotto confirmed that he did. He said that Silverman had redrafted the agreement and sent it to Rubens. Filotto asked Rubens to sign the agreement and return it to Silverman. Rubens said he would do that. Welsh said that Rubens did provide the appraisals for the items. The appraisals were not current but showed a value of \$60,000 for the chest and \$30,000 for the clock.

Committee Reports: No report.

City of Joliet Liaison's Report: No report.

Lobbyists' Report: Broderick told the Board that the former lobbyists' contract was not renewed. He said that new firms are being interviewed that have been recommended by other elected officials, well-known people who are very trustworthy. There were interviews which were notably constructive. He said those interviews will be furthered for true potential. He is hoping to conclude the interviews in September and then a recommendation will be given to the Board.

PUBLIC TO BE HEARD: None

The Chair asked for a motion to go into Executive Session. He directed roll to be called. No opposing votes were expressed. Motion passed unanimously.

Motion: T. Broderick moved and J. Pierson seconded a motion to move into Executive Session to discuss matters of probable litigation.

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

ABSENT: Trizna

NAYS: None

The open session was closed at 4:25 pm

The open session resumed at 5:32 pm

Coming out of closed session, Welsh passed out a proposal from Midwest Environmental Consulting Services. The rough estimate for their services will be \$60,000. The larger cost of the cleanup would be for the company actually cleaning the affected areas. Midwest Environmental would be overseeing the company doing the cleaning. Chestnutt asked if Welsh would be reaching out to the Rialto's insurance company. Welsh said he would be getting the policy to Murphy so a discussion with them could be had.

The Chair asked for a motion to adjourn. He called for a voice vote. No opposing votes were expressed. Motion passed unanimously.

Motion: J. Pierson moved and T. Broderick seconded a motion adjourn.

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

ABSENT: Trizna

NAYS: None

The meeting adjourned at 5:35 P.M.

Minutes respectfully submitted by Christine Sturm, Recording Secretary.

Kathy Trizna, Board Secretary

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