

WILL COUNTY METROPOLITAN EXPOSITION AND AUDITORIUM AUTHORITY

Date: October 2, 2024

Authority Memo Number **071-2024 October 2, 2024 Special Meeting Minutes**

A special meeting of the Will County Metropolitan Exposition and Auditorium Authority Board was held on October 2, 2024 at 15 E. Van Buren Street, Joliet, Illinois 60432. Chairman Bob Filotto opened the meeting at 4:00 P.M. with a quorum present. He welcomed those in attendance and directed the body to rise for the Pledge of Allegiance.

Present: Members Bob Filotto, Tim Broderick, Donnie Chestnutt, Jane Condon, Jeff Pierson, Kathy Trizna

Absent: Bill Kent (excused)

Staff: Wade Welsh, Rafael Ramirez, Christine Sturm, Leann Hoffrogge, Nancy Lindmark, Lisa Murphy

Others: Legal Counsel, Jim Murphy; Mike Silva, VenuWorks; Mike Piehl, VenuWorks; H.R. Cook, VenuWorks

Authority Memo Number **055-2024 WCMEAA Resolution No. 007-2024 Approval of August 28, 2024 Regular Meeting Minutes**

**Discussion and Vote:**

The Chairman asked if there were any changes to be made to the August 28, 2024 minutes. No corrections or changes were suggested.

The Chair invited further discussion and, hearing none, he called for a voice vote. Motion passed unanimously.

**Motion:** T. Broderick moved and J. Pierson seconded approval of the August 28, 2024 regular meeting minutes.

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

ABSENT: Kent

Nays: None

Authority Memo Number **058-2024 WCMEAA Resolution No. 008-2024 Approval of September 12, 2024 Special Meeting Minutes**

**Discussion and Vote:**

The Chairman asked if there were any changes to be made to the September 12, 2024 special meeting minutes. No corrections or changes were suggested.

The Chair invited further discussion and, hearing none, he called for a voice vote. Motion passed unanimously.

**Motion:** J. Pierson moved and J. Condon seconded approval of the September 12, 2024 special meeting minutes.

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

ABSENT: Kent

Nays: None

Public to be Heard Re: Agenda Items – No response

Authority Memo Number **059-2024 WCMEAA Resolution No. 009-2024 Approval of Operational Bills Paid, Payable and Payable Age Listing for August 2024**

**Discussion and Vote:**

The Chairman said checks paid in August totaled \$102,000. Five vendors accounted for 81% of the total: Busey Bank \$31,000; ComEd \$20,000; VenuWorks \$17,000; and Chubb \$13,000. Condon asked why the payroll for

August 16<sup>th</sup> was much more than usual. Welsh said it was due to bonuses from the last fiscal year being paid. Condon also asked about the checks to Morgan Sayre. Welsh said it was for a refund on a September wedding.

Filotto said that the bills paid through August 31, 2024 totaled \$296,000. Condon asked about the Facebook payment for \$2700. Welsh said it was for ads for future shows. Condon also asked about the payment to Prism for \$1800. Welsh said it is a subscription for a program that creates a floorplan of the building. It is used for weddings to show the brides where tables can go.

Accounts Payable by Vendor totaled \$168,000 in August. Filotto said that four vendors accounted for 86% of the total: Busey Bank \$31,000; Pinnacle Stone Restoration \$67,000; Manhoney, Silverman & Cross \$29,000; and VenuWorks \$18,000. Filotto asked about Pinnacle Stone Restoration. Ramirez said they were the company that restored the terrazzo floors in the Esplanade and Rotunda. Condon asked about the \$8300 payment to Carnow, Conibear & Associates. Welsh said they were the original project manager on the asbestos cleanup before Midwest was hired. Carnow did the initial testing when the EPA closed down the building. Carnow was not comfortable with moving forward on the Authority's cleanup plan, so Midwest was hired. Condon asked for an explanation on the \$1413 paid to Meta Platforms. Piehl said it was for the Facebook ads. Condon asked about Tour Design Creative. Welsh said it was the company used for all ads placed in newspapers and online. It is a show expense that gets reimbursed.

The Chair invited further discussion and, hearing none, he directed roll to be called. Motion passed unanimously.

**Motion:** J. Pierson moved and D. Chestnutt seconded approval of the Operational Bills Paid, Payable and Payable Age Listing for August 2024.

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

ABSENT: Kent

Nays: None

Authority Memo Number **060-2024 WCMEAA Resolution No. 010-2024 Approval of Financial Report(s) for August 2024**

**Discussion and Vote:**

The Chairman said that the financial statement was for the first two months of the new fiscal year and is doing a bit better than predicted. Total income was budgeted at \$89,000 and is actually \$102,000. It is about \$13,000 better than expected due to interest income. Expenses are about \$40,000 less than expected. They were budgeted to be \$385,000 and were actually \$345,000 because of account #7500 Repair/Custodial. Net Ordinary Income was expected to be a loss of \$296,000 and is actually a loss of \$243,000, which is better by \$53,000. Net Income was expected to be a loss of \$386,000. It is currently showing a loss of \$319,000. Filotto said it was in line with what was expected from being shut down prior to the asbestos issue.

Welsh told Board members that account #7800 Professional Services includes the \$30,000 in legal fees for the asbestos issue. Moving forward the legal fees will have its own line-item labelled EPA. He said he expects the Authority to be fully reimbursed for those fees.

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 approval of accepting the Financial Statements for August 2024 into the minutes.

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

ABSENT: Kent  
Nays: None

Authority Memo Number **061-2024 WCMEAA Resolution No. 011-2024 Approval of Lobbyist Contract**  
**Discussion and Vote:**

Condon told Board members that Fulcrum Government Strategies was the lobbyist group that was chosen. The new contract would be for a period of one year and terminates every year. The Authority can get out of the contract at any time with a 30-day notice. Fees are \$5,000 per month.

Chestnutt had two questions pertaining to clause 3(c) of the contract: ***The client will pay all expenses and costs Fulcrum incurs during this representation. The client shall not be responsible for any charge unless it has previously approved the expense.*** She asked Condon if it was expected that Fulcrum would work outside of the scope of the monthly fee and who would approve any additional expenses. Broderick said Welsh would be the one to approve the additional expenses. Welsh said that the Board could approve the expenses if that is what members want.

Filotto thanked Condon and Broderick for the work they put into finding the new lobbyists. Welsh said that a schedule for regular calls with the lobbyists will be set up soon. He will also have them come to a board meeting in the near future for an introduction.

The Chair invited further discussion and, hearing none, he directed roll to be called. Motion passed unanimously.

**Motion:** D. Chestnutt moved and T. Broderick seconded a motion to approve the contract between the Authority and Fulcrum Government Strategies.

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

ABSENT: Kent

Nays: None

Authority Memo Number **062-2024 WCMEAA Resolution No. 012-2024 Property Insurance Renewal**  
**Discussion**

**Discussion:**

Welsh told the Board that the property insurance is up for renewal in mid-November. Welsh said he was notified by the insurance broker that Chubb was not going to renew the policy since there was not a fire detection system in the building or a diagram of the electrical system. The diagram for the electrical system has since been completed. Ramirez got three estimates for a fire detection system. The quotes were for \$250,000, \$100,000 and \$65,000. They were submitted to Chubb and they felt the most comfortable with the system for \$65,000. They are willing to rebid and requote the policy if the fire detection system can be installed by November 2025. Welsh said he asked the insurance broker to bid out the policy to other insurers. He is waiting to get the other quotes. He feels it is time to look at other companies. He told the broker that he would like the quotes as soon as possible so a decision can be made at the October board meeting.

Authority Memo Number **063-2024 WCMEAA Resolution No. 013-2024 Approval of Contract Between the Authority and Valor Technologies, Inc.**

**Discussion and Vote:**

The Chairman said that the paragraph regarding the asbestos contract that was given to Board members had been written by legal counsel, Jim Murphy. Murphy said that he had a couple of questions regarding the contract with Valor that he wanted to cover. First was the subject of attorney review. He said he has not seen the whole contract as of yet. They have made changes to a portion of the general provisions that he still needs

to review. Secondly, there is a provision in the WCMEAA act that defines when it is necessary to get bids and when not to get bids. It was in the public interest to get the theatre back up and running as quickly as possible. If it wasn't done in a timely manner, there would be considerable financial repercussions. This was the reason the asbestos cleanup project was not put out for bid. The work for removing asbestos is very specialized and the vendor needs to be licensed and State approved.

Condon asked if Valor had any certifications above and beyond other companies. Murphy said they are State certified and they also had the manpower and availability to get the job done quickly. Welsh said they were highly recommended by Will County. Valor is the company that removed the asbestos out of the old courthouse.

The Chair invited further discussion and, hearing none, he directed roll to be called. Motion passed unanimously.

**Motion:** D. Chestnutt moved and T. Broderick seconded a motion to approve the contract between the Authority and Valor Technologies, Inc.

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

ABSENT: Kent

Nays: None

Authority Memo Number **064-2024 WCMEAA Resolution No. 014-2024 Approval of FY2023 Audit**

**Discussion and Vote:**

The Chairman said that the FY2023 Audit covers the period from July 1, 2022 to June 20, 2023. He said that all members had time to review the audit. He said there were several important points in the management letter that he would like to acknowledge: 1) there were no significant audit findings 2) there were no difficulties encountered 3) misstatements were corrected by management 4) there were no disagreements with management and no red flags were raised 5) a representation letter was signed and there was no consultation with other independent accountants as part of the process. Chestnutt asked if there was a cost savings with the new firm. Filotto said there was and it was \$6,000.

The Chair invited further discussion and, hearing none, he directed roll to be called. Motion passed unanimously.

**Motion:** J. Pierson moved and D. Chestnutt seconded a motion to approve the FY2023 Audit.

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

ABSENT: Kent

Nays: None

Authority Memo Number **065-2024 WCMEAA Resolution No. 015-2024 Renovation Project Update**

Murphy said the updates on the renovation project should be discussed in Executive Session. Filotto directed the Board to continue with the rest of the items on the agenda.

Authority Memo Number **066-2024 WCMEAA Resolution No. 016-2024 Rialto Square Theatre Foundation Report**

Condon said there was nothing to report on the Foundation. Chestnut asked Hoffrogge about the email to sign up for the upcoming Foundation events. She said she did not get the original email. Hoffrogge said she would resend it to Chestnutt.

Authority Memo Number **067-2024 WCMEAA Resolution No. 017-2024 Executive Director's Report**

Welsh said he did not have any additional information to report. He asked Board members to reach out to Bill Kent as he recently had surgery.

Authority Memo Number **068-2024 WCMEAA Resolution No. 018-2024 Chairman's Report**

The Chairman thanked Welsh and Ramirez for the hard work they have done in resolving the asbestos issue.

Authority Memo Number **069-2024 WCMEAA Resolution No. 019-2024 City of Joliet Liaison's Report**

No report.

Authority Memo Number **070-2024 WCMEAA Resolution No. 020-2024 Lobbyists' Report**

Welsh said he will invite the new lobbyists to tour the building once daily operations in the theatre resume.

Public to be Heard – none

EXECUTIVE SESSION

Chairman Filotto requested a motion to move into Executive Session to discuss matters of litigation.

The Chair invited further discussion and, hearing none, he called for a voice vote. Motion passed unanimously.

**Motion:** J. Condon moved and T. Broderick seconded a motion to move into Executive Session.

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

ABSENT: Kent

Nays: None

**The open session was closed at 4:27 pm**

**The open session resumed at 4:50 pm**

The Chairman asked if there were any additional comments or questions. HR Cook introduced the new Chief Operating Officer at VenuWorks, Mike Silva. Silva was the Executive Director in Cedar Rapids for ten years.

Filotto asked Welsh to set up meetings next week with the City, County and State legislators. He said that he and Pierson would try to make most of the meetings but other members may have to attend if needed.

The Chairman requested a motion to adjourn the special meeting.

**Motion:** T. Broderick moved and D. Chestnutt seconded the motion to adjourn.

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

ABSENT: Kent

Nays: None

The meeting adjourned at 4:53 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 will be posted on [www.rialtosquare.com](http://www.rialtosquare.com) /Public Information/Approved Minutes.*