

***Proceedings of the Council of the City of Joliet, Illinois
held on the 24th day of August, A.D. 2009***

SPECIAL MEETING of the Council of the City of Joliet, Illinois held on Monday, August 24, 2009 at 3:30 P.M. in the Council Chambers, Joliet Municipal Building, 150 W. Jefferson Street, Joliet, Illinois called for the following purpose:

- 1) Discussion re: Baseball Stadium and Financial Matters

ROLL CALL

PRESENT: MAYOR ARTHUR SCHULTZ and DISTRICT 4 COUNCILWOMAN SUSIE A. BARBER, DISTRICT 2 COUNCILMAN TIMOTHY M. BROPHY, COUNCILMAN AT LARGE THOMAS C. GIARRANTE, COUNCILWOMAN AT LARGE JAN QUILLMAN, DISTRICT 1 COUNCILMAN JOSEPH R. SHETINA and DISTRICT 3 COUNCILMAN ANTHONY UREMOVIC.

ABSENT: DISTRICT 5 COUNCILMAN WARREN C. DORRIS and COUNCILMAN AT LARGE MICHAEL F. TURK.

ALSO PRESENT: CITY MANAGER THOMAS A. THANAS and CORPORATION COUNSEL JEFFREY S. PLYMAN.

The City Manager stated this meeting is being held in regards to Silver Cross Field and the JackHammers and some issues that have arisen over recent months regarding financial and attendance issues. He said the City still takes great pride in the facility that was constructed at the direction of the Mayor and City Council, a decision that was made in the late 1990's and which came to fruition in May of 2002. He said since then through 2008 we've had almost 1.4 million people go through the turnstiles. He said the high water mark was in 2002 when 207,000 people attended at an average of about 4,000 people per game. He said we've seen a little bit of a tail off in attendance with lows of 184,000 in 2007 and a little bit more in 2008, but still it's been a source of great pride and a lot of fun for families in the Joliet area.

The City Manager said the most recent discussion deals with the financial picture and when he has discussed this one on one with some of the Council, he's indicated that the JackHammers are like other businesses that are struggling through a bad economy and they've had to make certain adjustments in their operations to try to weather the storm as have other businesses. He said unfortunately there has been a delinquency in the rent that is owed to the City of Joliet and he has been meeting along with staff members including Corporation Counsel Jeff Plyman and with the management of the ball club trying to resolve the issue and help them through the challenge of doing business in a bad economy. He said those of us who have been to games have seen the attendance down this year, we've seen the suites not occupied as they used to be and we've seen the advertising down somewhat, and we know that that's probably the primary reason for some of the financial challenges the JackHammers have encountered over the last year and a half.

The City Manager said as a result of our meetings we've tried to find some kind of common ground to resolve the differences and we haven't really found that perfect formula that meets with the approval of the JackHammers and with the City of Joliet. He said we met again this morning for 2 ½ hours at the request of one of the investors of the JackHammers, and what came out of that meeting was an agreement for the 2008 rent that is still owed. He said the second installment of \$127,000 that was due on October 1st, 2008 would be paid within

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the next 30 days, and then we will need to deal with the 2009 rent. He said there was an April 1st, 2009 rent payment that was due that was not paid in the amount of \$116,000 and we've agreed to continue to meet to try to resolve our differences.

The City Manager said the JackHammers are going to the landlord, the City of Joliet, and asking for some concessions. He said there are some issues dealing with the condition of the stadium. He said the JackHammers provided the City with a report in February of 2009 that addressed several issues that are basically wear and tear at the stadium and issues that really need to be resolved fairly quickly; it's nothing that jeopardizes the safety of anyone attending, it's just ordinary wear and tear on the property that needs attention. He said some of those items are the responsibility of the City of Joliet and he's indicated that we will step up and handle those improvements and take care of those issues, but we also wanted to get resolution on the financial picture and make sure we've got everything resolved before we go ahead and start expending money on upgrading the stadium. He said we're making progress on that and certain improvements have already been done such as the replacement of the ceiling tiles in the suites, some lights that needed to be replaced in the large standards in the outfield and some concrete and other work that we thought needed to get done before the season started in May of this year. He said there is still a list of things to be done and we've indicated that we would pursue that but we'd like to have the rent issue resolved before we actually pull the trigger on getting those improvements completed.

The City Manager said as he sits here today he can report that the JackHammers have committed to paying the 2008 rent in full and we'll continue on with our conversations regarding 2009 knowing that nothing can be decided without having the Mayor and City Council review it and approve any kind of modification to the lease should that be required. He said going forward for the 2010 year, he's asked the JackHammers to do a few things, the first being to provide a business plan telling us how they're going to improve their business. He said he thinks we all have been reading the articles about some of the other teams in the Northern League and their attendance seems to be pretty strong with 5,000 and 6,000 in attendance and in some cases 8,000 people, and we'd like to see our team perform at a similar level. He said we've also asked them to address the payment of local vendors and they've been doing that over recent weeks and he has been getting calls from some who've been in contact with him for quite a while and it looks like they're working on that list. He said the other thing he has asked them to do is look at the stadium itself and try to take care of it better and keep it a little neater and cleaner so when our residents go to the game they have a great experience. He said that's the status as of about 12:30 p.m. today. He said we met with Mr. Pete Ferro and his team, John Costello, Jamie Toole, General Manager Kelly Sufka and Nick Ferro. He said we did meet with another investor this morning who is part of the ownership group; besides Mr. Ferro there are several other owners and they're involved in the process too as of very recently.

COUNCILMAN SHETINA asked what are the responsibilities of the City and the responsibilities of the JackHammers with respect to the operation itself, the physical plant and the team.

The City Manager said we're much like any other landlord that is responsible for capital improvements. He said if someone has a lease on a residential the tenant is probably responsible to keep the place in a clean and neat condition,

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take care of little things that go wrong, but if the furnace goes out or the air conditioning goes out that is probably under the lease and the landlord's responsibility unless the lease shifts that responsibility.

COUNCILMAN SHETINA said so it's not a triple net lease, it's just a lease.

The City Manager said that's correct and we are responsible for capital improvements and some of the items in the report that were given to us in January of 2009 are items that he freely acknowledges are the responsibility of the City of Joliet. He said he knows there's been some discussion about rent credits and what he did tell the JackHammers back in the winter of 2009 was if they paid for those improvements that are the responsibility of the City of Joliet, then we would give them a credit towards their rent. He said it's the JackHammer's responsibility though to keep the place neat and clean and take care of changing light bulbs in the public areas, taking care of the locker rooms, taking care of the front office and managing the Hall of Fame, and those are the kind of things that the JackHammers are looked upon through the lease to take on as part of their relationship with the City.

COUNCILMAN SHETINA asked if all of that is cited in the lease agreement notwithstanding whether the lease is paid or not.

The City Manager said the lease does not say the City of Joliet will be responsible for the ceiling tiles and it doesn't say that the JackHammers will be responsible for the light bulbs in the washrooms. He said certain things like that are left to standard landlord/tenant relationships so we don't get into that level of specificity. He said he's asked for a list of things that need attention during our many meetings with the JackHammers management team and we can have two columns and one will say "City" and one will say "JackHammers" and we'll check who's responsible for each one going forward so we don't have any controversies. He said with the wear and tear on the facility, now is the time for some of these items to get some attention and we're willing to do that. He said the JackHammers management team has brought to his attention what they view as defects in the way the facility was designed, including the heating and cooling duct work.

COUNCILMAN UREMOVIC said he remembers the City Manager brought this to the Council a while back saying that this stadium was designed for a much warmer climate, not for the colder climate here, and so these operational expenses are zooming for the team and that's why we had to go ahead and talk about capital improvements and figure out a way to restructure this so it works for all parties concerned, both the City and the owners.

The City Manager said he's not an expert but it seems like something needs to be boxed in or moved and that's something he indicated we would be willing to do. He said it would help reduce the utility expense for the team. He said it's been that way since 2002 and we're just learning about it in 2009, and if it is a defect it's been there from the beginning, but certainly he would bring something back for the Council to approve that would take care of that particular defect. He said he thinks that's probably the most serious of the defects. He said there is no question about the security of the facility; the place is a great facility and it's solid. He said like any other facility that's constructed, especially within a short time table, a few things are going to get missed and we always have a chance to go back and fix them.

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COUNCILMAN GIARRANTE asked if they had a problem with the sprinkling system freezing and flooding the offices and he asked if that's been repaired.

The City Manager said no, it has not.

COUNCILMAN GIARRANTE said so we need to do that before winter gets here.

The City Manager said that was one more area that he indicated we would need to fix. He said there are two different kinds of fire suppression systems, one is a wet system and one is a dry system, and it was the wet system that had the problem. He said he indicated that if those are the kind of defects that we have, we'll take care of those and he told the JackHammers to go out and get local contractors to take care of the problem. He said he had asked them to run the bill by us before they go ahead and start the work, and if the amount looks reasonable, then we would come back to the Council and say let's give them a rent credit for doing that work if they go ahead and do it, and that's why this rent credit discussion started a few months ago. He said he thinks it's a reasonable way to do it and no different than if a tenant at a house takes care of the furnace bill for \$300 and \$300 is taken off their next rent payment.

COUNCILMAN SHETINA asked what is the length of the lease agreement.

The Corporation Counsel said the 15 year lease lasts through the 2017 season.

COUNCILMAN BROPHY said he thinks we may need to talk about the standard landlord/tenant type relationship in our document because this is obviously not a typical asset, it's a very unique asset. He said we have both maintenance issues and long term capital replacement issues that we don't have any plans for, and since we're talking about other people's money and not private money, sometimes we have to review it at this level. He said we really need a breakdown because for example he would want to know is that seat cover that needs to be replaced my expense because my constituent enjoyed it or their expense because their customer used it.

The Corporation Counsel said the lease is pretty clear about what the tenant responsibilities are and actually there has been no disagreement with the team over what items need repair and who would ultimately be financially responsible. He said for example. the team has brought to our attention the fact that some of the cushions are torn on the seats in the first three rows, and that affects the business operations of the team, not significantly, but they should be replaced so the facility looks first class. He said under the lease the provision for that sort of repair basically states that if a piece of equipment has lived it's expected useful life and it's a capital item like a seat, the City would be responsible for capital replacement for anything that has lived its normal expected life unless there are signs of lack of maintenance. He said it really has not been a point of contention that the seats should be repaired and ultimately the City would provide the financial means to pay for that repair. He said that's not been the problem and the lease is clear enough on those points.

COUNCILMAN TURK arrived at the meeting at this point.

COUNCILMAN GIARRANTE asked if we are budgeting specifically for those types of reserves or are we counting on rent to cover them year by year.

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The City Manager said we have allocated \$200,000 in the 2009 budget to cover the City's portion of capital items for the ballpark and we have been doing that on a regular basis.

COUNCILMAN BROPHY asked what information do we have that that's enough funding.

The City Manager said he doesn't think we've done any kind of long term planning for any of that; it's really been an annual allocation. He said the place has been so new that it really hasn't needed that, but now is the time to start doing something and we have a few things that we're working on that will address the long term stability of the ballpark. He said he thinks we'll see Silver Cross Field take a big step up in improvement and we will be building that into future budgets.

COUNCILMAN SHETINA asked if everyone has gotten to a point where both parties can agree to what the terms of the lease are, who has what responsibility and is it in writing.

The City Manager said it's not in writing, though we do have a general concept of who will be taking care of the specific items that are in the report that was given to us. He said that report was done by a third party that was retained by the JackHammers to come in and do a top to bottom evaluation of the ballpark.

COUNCILMAN SHETINA asked if we have a copy of that.

The City Manager said yes, it has been distributed. He said there's a couple of areas that need to be fixed, the seats are an example. He said after 7 or 8 years ballparks need some attention, especially when there are a couple hundred thousand people going through there every year. He said that kind of thing we can certainly take care of, that's the easy part of this. He said he thinks the hard part is dealing with the financial issue, getting that resolved and then moving on so we can see where we go in the future.

COUNCILMAN SHETINA asked if he sees light at the end of the tunnel.

The City Manager said he does; there will be baseball at Silver Cross Field, period. He said he thinks from our meeting this morning the JackHammers have indicated they're willing to bring a business plan in for the Mayor and City Council to review so we have some assurance that in the 2010 baseball season we're going to see a much more robust level of activity at the ballpark. He said he thinks in the last couple of weeks we've seen a lot of activity but we've also seen kind of a stepped up marketing plan and there have been much better gate receipts and that always brings better concession receipts and things like that. He said he thinks we have to remember why we built the ballpark; first of all this is a town that loves baseball, but the second reason is it's a tool for economic development. He said our goal is to bring people to downtown Joliet and to showcase downtown for a lot of the great assets it has and we try to sell Joliet to investors, developers and people who have decision making authority over grants that we're applying for and we talk about the ballpark and indicate to them that this is an asset that is used widely by the community, not only by the JackHammers but by the University of St. Francis, and we're very proud to say we host two major IHSA baseball tournaments there every spring. He said this year he believes the attendance was about 13,000 people including a local team

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that won the state championship. He said it's something that brings a lot of pride to our community.

COUNCILMAN BROPHY said the Stadium Club had a sign in it the other day that said "Coming Soon...." and he asked if we have signed a lease with anyone.

The City Manager said we have not signed any lease. He said there was access given to somebody who had some interest in that facility and he's had two meetings with that person, but we're waiting for a business plan or pro-forma on that before we go any further with it.

MAYOR SCHULTZ asked who pays the taxes on the ballpark.

The City Manager said because it's a City owned facility it's tax exempt, however, the leasehold interest that's held by the JackHammers is taxable under Illinois law and therefore the lease requires the JackHammers to pay the real estate taxes of about \$15,000 a year on the leasehold interest.

COUNCILMAN BROPHY asked what happens with taxes that aren't paid and sold at a tax sale; can an investor get hold of the real property.

The City Manager said we researched that and we determined that the taxes had to be paid and they were paid so we averted that issue. He said it would cause a cloud on title because what the tax sale buyer would be buying would be the interest of the leasehold and not necessarily ownership of the facility itself.

Mr. Peter Ferro, Chairman of the Board of the Joliet Professional Baseball Club, said we want to see this succeed. He said we signed a lease with the City on April 1, 2001 and the stadium was not even completed at that time. He said we went forward and it has been successful and attracted about 1.4 million fans to downtown Joliet. He said we've invested \$5 million directly into the project. He said it cost us \$1 million to buy the franchise from the Northern League, \$1.5 million towards the construction of the stadium, \$1.7 million for pre-opening expenses and purchasing equipment and since we've been in there we've invested another \$800,000 in amenities, so we have a significant investment in there. He said economic times are hurting everyone including us and we are not satisfied with this year's attendance and are not satisfied with the performance of the team. He said we intend to make some changes and straighten this out and keep it successful. He said we think we've brought to the City some phenomenal economic impact; we've bought about \$12 million in goods and services from primarily local vendors in the past 8 years, we employ around 200 people and have brought in \$12 million worth of sales tax base in food and beverage and have also booked over 5,000 hotel rooms in Joliet. He said along with the naming rights issue that has brought in an additional \$500,000 of income to the City, there has been a positive economic impact here.

Mr. Ferro said the problem becomes where are we at right now. He said obviously we're not in total agreement or we wouldn't be here. He said we believe there are some deficiencies in that stadium and we differ on our belief as to the seriousness of them, however, we also believe that these deficiencies have caused and continue to cause some added expenses for us. He said we believe that is an issue and we initiated discussions with City Manager Thanas last October to try to deal with these issues. He said we've met 10 to 12 times since then. He said we believe that we had an agreement in principle and he knows that nothing is final until it comes to this Council, but we believed that we

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had an agreement in principle. He said he thinks the concept of the agreement of this morning is very good. He said we're willing to make that lease payment as a good faith effort to continue negotiations and we've committed to get the check to the City by Friday. He said Corporation Counsel Plyman has indicated that upon receipt of that check he would suspend the notice of default. He said we may need some help or we may not but he's confident and hopeful that we'll have this done in 30 days. He said going forward we will provide the City with a business plan that shows what our marketing ideas are, what our organizational chart will be and one thing he can say at this point that will be in that plan is that he will personally be intimately involved with the operations of this team from now on.

COUNCILMAN SHETINA said he's glad Pete is here and working with everybody and he thinks the Council needs to be involved too in trying to resolve any differences. He said we need to come to an agreement as to whose responsibilities are whose and that the JackHammers pay the money they owe and the City does the maintenance that it needs to do. He said if the deficiencies at the stadium are causing deficiencies in the JackHammer's income stream, we have to look at that. He said he thinks we need to get a little more involved and he suggested that the Baseball Committee meet and be involved in the negotiations.

Mr. Ferro said he thinks we're all hopeful we can get it worked out and whatever help the Council can contribute to those negotiations he would be very fine with.

COUNCILMAN GIARRANTE said as Chairman of the Baseball Committee he has had numerous meetings with Tom to keep updated on the negotiations and he has had some phone calls with Pete so he has been being updated and he has asked Tom if he wanted the Baseball Committee to get involved and Tom said let's see if the staff can work this out. He said if this Council wants the Baseball Committee to be involved with the negotiations he has no problem meeting with them if that's the wish of the Council.

COUNCILWOMAN QUILLMAN said as a member of the Committee she would like to have regular meetings because most of this information was not given to her and as a member of the Committee and as a member of this Council who represent the taxpayers, she thinks we should have regular Baseball Committee meetings so that we know what's going on and everybody knows what's going on, not just a couple of people meeting behind closed doors.

COUNCILMAN BROPHY said whether or not we actually put the dollars aside for capital items in reserve, he thinks we should budget for them, we should show them as negative numbers and we should do the same thing with streets and roads. He said in the least he would like to know what these things do cost and how often they should be replaced so we know just how short we are. He said if we're not going to fund it fine, but he wants to know how short we are so that someday should we be able to produce another budget surplus he might have some ideas as to where that surplus may go before we put it into operations.

COUNCILMAN BROPHY said Mr. Ferro runs a for-profit corporation and we set a fixed rent, so the business portion of this has every incentive in the world to make a profit because everything over that rent is all theirs.

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The Corporation Counsel said there is one item in the lease that's called additional rent which is based on attendance thresholds. He said last year we earned \$13,000 but essentially it's a fixed rent.

COUNCILMAN BROPHY said he would hope that the majority of that surplus is theirs for success and for producing a winning team and winning results. He said he needs some help with some rumors; there's whispering that this corporate veil was pierced for purposes in other areas and that other investments were invaded here in these books. He asked Mr. Ferro if he could speak to that; he knows it's a private corporation but we have a very public interest in this thing.

Mr. Ferro said the JackHammers are a for-profit organization. He said the JackHammers have in the past and may still invest in other businesses or ventures; we own a small piece of the Chicago Bandits, a girls fast pitch softball team. He said we made an investment in an entity called the South Coast League two or three years ago where we hoped to begin a new league in the southeast area. He said we invested some funds into that and he personally loaned money to the JackHammers so we could fund that entity. He said so the investment has been made and the investment is out there, but there are no operating funds or expenses coming out of the JackHammers organization to the South Coast League. He said there never was and there never will be. He said it was an investment, it's sitting out there and whether it will be successful or not he doesn't know.

COUNCILMAN BROPHY said so there are no operational costs draining Joliet and going somewhere else.

Mr. Ferro said no.

COUNCILMAN BROPHY said going forward he has no idea what we might be looking at here as a landlord to replacing this roof or any other part of it so he would like to know that.

The City Manager said probably step number one is that the financial commitment that was made this morning needs to be fulfilled. He said step number two is to resume our discussions and to bring back to the Mayor and City Council a proposal for going forward dealing with the 2009 financial situation and then what the future may hold as far as 2010. He said whether that's in the form of the existing lease or a modified lease that's something that still has to be worked out.

COUNCILWOMAN QUILLMAN asked the City Manager how long it would take him to finish these negotiations and if there is a time frame on it.

The City Manager said he thinks there still a considerable amount of talking that needs to occur. He said he can't report that we're close to resolving everything; he thinks a lot depends on other factors that aren't necessarily part of what we're talking about directly. He said there are some third parties involved and we need to hear from them and he really can't give a deadline. He said what we talked about this morning though is using October 1st as kind of the jumping off point where there is a lease payment that's due on October 1st and if we don't have our matters resolved then at that point we need to start going in different directions.

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COUNCILWOMAN QUILLMAN said she for one wants to see this team succeed and she wants them to win because she knows when they were a winning team we were packing those stands. She said she hopes we can resolve this in a timely fashion.

COUNCILMAN GIARRANTE said he needs some direction. He said he asked if this Council wanted the Baseball Committee to sit in on these meetings and he never got a response.

COUNCILMAN SHETINA said personally he thinks they should be involved completely so we get reports back on a timely basis and if there is a question between Mr. Ferro and Mr. Thanas, then we can resolve it or agree to disagree.

COUNCILMAN UREMOVIC said he would agree with COUNCILMAN SHETINA completely; they should have been in on the meetings all the time. He read the following from a copy of a letter that the Corporation Counsel had sent to Mr. Ferro: "All significant business decisions required a presentation to the Baseball Committee and approval by the Mayor and Council" and he said none of this has even gone to the Committee. He said nothing is in writing and from now on he would like to see more in writing.

COUNCILMAN SHETINA said he wants to get something clear in his own mind. He said he heard Mr. Thanas allude to it and also Mr. Ferro with respect to some investors who have interceded here and he asked who actually has the ability or the authority to make decisions for the team. He asked if it is Mr. Ferro or a combination thereof or who can make a decision and speak for the team.

Mr. Ferro said he can, he is the Chairman of the Board so he has the office to make decisions. He said just to clarify, he is approximately a 30% owner of the JackHammers and there are six other investors with small percentages so he has the authority to make decisions.

MAYOR SCHULTZ asked where is the check going to be delivered.

The Corporation Counsel said it would probably be best for Mr. Ferro to deliver it to the City Manager's office.

Mr. Ferro said we'll exchange the suspension letter with the check.

The Corporation Counsel said that's fine. He said he'll let the Council know as soon as he knows anything.

MAYOR SCHULTZ asked if a meeting will be held after that.

The Corporation Counsel said it is the intention to set up a series of meetings hopefully with a deadline of October 1st to resolve everything.

MAYOR SCHULTZ asked Mr. Ferro what he thinks the stadium needs.

Mr. Ferro said he thinks that's going to be part of the negotiations. He said there is a whole list in the property assessment condition report that was passed out. He said some have been taken care of and some we have issues over as to whose responsibility it is and what should be done about it so he thinks that's part of the negotiations.

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MAYOR SCHULTZ asked if the JackHammers have paid for any of them.

Mr. Ferro said we have paid for some that we've talked about, not all. He said we paid for some and we contracted for approximately \$58,000 worth of repairs and we probably still owe half of that. He said we did identify some areas that needed immediate attention prior to the opening of the 2009 season. He said as Tom alluded to there are still areas such as the HVAC system and insulation problems and other problems we need to address and decide how we're going to handle them going forward. He said that will be discussed during the negotiations on what it means to the 2009 rent payments due and what it will mean going forward in 2010.

COUNCILWOMAN QUILLMAN questioned the article that was written in the Herald News about how filthy the stadium was for the IHSA playoffs and the basic maintenance and she asked if they could explain that.

General Manager Kelly Sufka said that was two years ago when the University of St. Francis opened their season in March. She said the week prior to that there was still snow on the ground and the issue with that was their plumbing and the fact that we can not turn water on up above the street level until we know that we aren't going to freeze and that the pipes aren't going to freeze and break. She said that is a winterization thing that they deal with yearly. She said what they do now is they completely clean the park and bring water out from underneath so they can at least power wash before the St. Francis games, however they aren't able to turn on water to the restrooms until we get closer to our season.

COUNCILWOMAN QUILLMAN asked how does this issue affect the Miracle League which has particularly taken off. She said there are 160 children signed up for the Fall League and it just keeps growing and growing and this is just the second full year.

Mr. Ferro said the Miracle League is a totally separate entity from the JackHammers. He said it was an entity founded by his family and is all volunteers. He said the Miracle League spent \$750,000 on improvements which included the field, concrete, asphalt, moving the picnic areas and so on. He said he doesn't think what happens in our discussions affects the Miracle League because that is a separate entity and it stands on its own. He said whether we come to an agreement or not, he believes that stays.

The City Manager said when he and Mr. Ferro had a fairly heated conversation a couple of weeks ago he indicated to Pete that he would do everything he possibly could to make sure that we didn't jeopardize the Miracle League and if we disagree as business people and we end up going off in different directions whether it's litigation or whatever the case may be, we would certainly do everything within our power to make sure the Miracle League continues operating the way it is and it is only getting better because it is a great facility. He said we need to formalize the arrangement as we were probably a little loose a few years ago and we must have given Pete the OK to go ahead and put the improvements in, but the current lease doesn't really address the existence of the Miracle League and maybe we need to peel that off and make that the subject of a separate lease so that way from a legal perspective we have clean paperwork dealing with the Miracle League so we don't have this issue coming up in our discussions with the JackHammers.

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COUNCILWOMAN QUILLMAN said it's wildly popular and she is so happy that it came to Joliet. She said if anyone has never been out there to see these kids play ball, just one day will tug at their hearts and they will be volunteering at the door the next day. She said she is glad to hear that and she really wants to see that continue.

Mr. Ferro said it's been a lot of fun and very, very rewarding. He said we do need to tighten that up and make sure we have paperwork that protects the Miracle League. He said we'll accept some responsibility too, we just haven't gotten together to do that.

COUNCILWOMAN QUILLMAN said she wanted to make that clear because there are a lot of people who don't know what the Miracle League is and they see that little ball field and they don't know what it's for so she wanted to get that out in public as well.

Mr. Ferro said the Miracle League's opening day is September 12th and they will be playing every Saturday from 8 a.m. to 4 p.m.

COUNCILWOMAN QUILLMAN thanked Mr. Ferro and his family for doing that.

COUNCILMAN SHETINA said one other thing is that he hopes we have a lease agreement that both parties are party to and agree to as a template for us to work from. He said if we're going to go forward on negotiations we all need to know where we're at and whose responsibility is whose. He said also with the Miracle League he thinks that needs to be addressed because it sits on our property and there needs to be some language with respect to that.

The City Manager said we want to make sure we don't have the record be unclear though, we do have a lease and it's a lease that was based upon Jeff Plyman's research of many other leases for minor league teams and especially the setting of having a public owned facility leasing to a private minor league baseball team. He said Jeff spent a lot of time putting that lease together and negotiating it with the JackHammers management team and we have a very good lease.

COUNCILMAN SHETINA said so it is not in question at all right now.

The City Manager said he thinks for the time that it was negotiated it looked like a great lease. He said now we have some economic challenges and it has imposed a hardship on the tenant in meeting the obligations and the question is do we modify that lease. He said a lot of landlords are going through that right now. He said he was willing to come to the City Council with a recommendation for a reduced amount of rent but there were some other issues that sidetracked us and as long as those other issues were pending, he didn't feel comfortable bringing to the Council a formal document that would have approved a modification of the 15 year lease that is in year 8 right now. He said we'll work on that issue and if we need a modification we'll bring that to the Council. He said he certainly knows Pete and his partners would like to see a modification of the lease and that's something that we really need to work on some more to see if there is common ground and if there is we'll bring it back. He said he just wants to make sure everyone knows that we do have a lease that is in effect.

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COUNCILMAN GIARRANTE asked if we can still hold a meeting if we schedule a Baseball Committee meeting and don't have a quorum. He said he knows no decisions can be made and he asked if there can still be a discussion.

The Corporation Counsel said that's part of the problem with having business meetings and committee meetings at the same time. He said if there is a lack of a quorum he would recommend that either no meeting occur or that no committee members participate just so there is no question about the Open Meetings Act whatsoever.

COUNCILMAN GIARRANTE said so in other words a committee member could sit and listen but not say anything.

The Corporation Counsel said that's basically what he said. He said there is no open meeting violation in an elected person observing a City Manager business meeting, but in a real world it would be very difficult for a person to just simply observe while other people conduct that business and not interact and it gets risky at that point. He said he doesn't want to play real close to the line with an open meetings issue, we either have a committee meeting with a quorum or we don't and if we don't have a quorum let's reschedule or find out in advance if we can even have the meeting. He said we really should handle it that way.

MAYOR SCHULTZ said one thing is clear, we do have a lease.

The City Manager said yes.

MAYOR SCHULTZ asked when it expires.

The Corporation Counsel said after the 2017 season.

MAYOR SCHULTZ said what the JackHammers are trying to do is make some changes in the lease.

The City Manager said that's correct, the JackHammers have made requests to change the funding formula for the rent for the lease.

MAYOR SCHULTZ asked when a meeting will be held again.

The City Manager said we will probably meet this week. He said we've been able to meet, it's just that some meetings end a little earlier than they probably should. He said getting together hasn't been a problem; it's just that we haven't been able to reach agreement. He said he thinks this meeting has helped and we appreciate the Council's intervention because he thinks it helped send messages to the staff as well as to Pete and his team. He said we'll be meeting this week and we'll have a Baseball Committee meeting so the Baseball Committee can be apprised of some greater detail on some of the issues, especially with what's being proposed as far as a future change in the lease.

Ms. Sufka said they do have their final home stand this weekend and she invited everyone out for that and all of the festivities all weekend long.

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ADJOURNMENT

COUNCILMAN GIARRANTE moved that the Council adjourn at 4:40 p.m.

Motion seconded by COUNCILMAN SHETINA.

Motion carried by the following vote:

AYES: COUNCILWOMAN BARBER, COUNCILMEN BROPHY, GIARRANTE,
COUNCILWOMAN QUILLMAN, COUNCILMEN SHETINA, TURK,
UREMOVIC and MAYOR SCHULTZ.

NAYS: NONE.

ARTHUR SCHULTZ
Mayor

JANET K. TRAVEN
City Clerk

Recorded on Tape