

Date: November 13, 2024

Authority Memo Number **079-2024 November 13, 2024 Special Meeting**

The November 13, 2024 special 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, Jeff Pierson, Kathy Trizna

Absent: Jane Condon, Bill Kent (excused)

Staff: Wade Welsh, Rafael Ramirez, Christine Sturm

Others: Legal Counsel, Jim Murphy

WCMEAA Resolution No. 021-2024 **078-2024 Discussion and Vote on Property Insurance Policy**

Discussion and Vote:

Welsh told Board members that he received two quotes for the property insurance policy and he included those in the packet that was sent to them. One quote was from the current policy provider, Chubb, and the other quote was from Affiliated FM. The Chubb policy increased \$25,000 and had a stipulation that the Authority would have to sign a contract with a provider to install a fire detection system in 2025. The fire detection system that Chubb agreed to would cost between \$65-\$70,000. The deductibles for perils and water doubled from \$50,000 to \$100,000. The Chubb policy would have to be signed within 60 days.

The second quote from Affiliated FM is about \$4,000 more than the current policy. The deductible for perils is \$50,000 and \$100,000 for water damage. The biggest difference was in valuation. Chubb is at replacement cost. Affiliated is at historic replacement cost. Welsh said that the insurance provider explained that historic replacement cost is the gold standard of insurance options. Replacement cost is using similar materials to restore the building. Historic replacement cost is about restoring the building as close to the original as possible. The building limit is at \$95 million with Affiliated and \$70 million with Chubb. Welsh asked about the discrepancy and was told that the appraisal was done in 2019 for \$70 million. The \$90 million figure reflects the skyrocketing building costs. Affiliated is also providing \$1 million in earthquake insurance, which Chubb is not. Affiliated is not mandating the fire detection system. Welsh said the fire detection system is something that should still be installed so it does not become an issue every year when it is time to renew the policy. He told the Board that the insurance provider said multiple companies would have bid on the policy if there was some sort of centralized fire detection system in the building. Filotto and Chestnutt agreed that the fire detection system should be installed in the future when funds are secured.

Welsh recommended that the Board select the policy from Affiliated FM. He said that the policy would have to be paid in full so the Board would need to get financing for it. He said the fees for financing would be about \$4,000. The total for the Affiliated policy would then be about \$160,000 but would still be about \$15,000 cheaper than Chubb. Welsh also said that two months of payments would have to be put down for the financing which was about \$28,000. Filotto said that he agreed with Welsh's recommendation for the Affiliated policy.

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 T. Broderick seconded a motion to accept the recommendation of the property insurance policy provided by Affiliated FM along with the financing option.

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

ABSENT: Condon, Kent

NAYS: None

PUBLIC TO BE HEARD: None

The Chairman informed Board members that Bill Kent's position expired in June and Kent has said he would like to step down. Filotto said that Kent will remain on the Board until a replacement is found. Board members thought it would be best to provide a list of potential candidates to State representatives. Filotto asked the Board to think about what attributes they would want in a candidate and it can be discussed at the next meeting.

Welsh told the Board members that he spoke to the lobbyists about board members being allowed to vote by virtual attendance. He was told that a lot of boards are asking for that option. The lobbyists said that the state senators feel that if they have to be in attendance in Springfield for a quorum, then all appointees should have to be in attendance for their board meetings.

Welsh reported that the asbestos clean-up should be finished by December 20th. He said the women's bathrooms should also be completed on that day with the men's bathrooms completed soon after. It might be possible to remove one of the outdoor trailers once the women's bathrooms are opened.

Motion: The Chairman requested a motion to adjourn the regular meeting. T. Broderick moved and J. Pierson seconded the motion.

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

ABSENT: Kent

NAYS: None

The meeting adjourned at 4:30 P.M.

Minutes respectfully submitted by Christine Sturm, Recording Secretary.

Kathy Trizna, Board Secretary

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