

MINUTE OF A SPECIAL MEETING OF THE
BOARD OF COMMISSIONERS OF THE
ST. LOUIS REGIONAL AIRPORT
May 28, 2021

A Special Meeting of the Board of Commissioners of the St. Louis Regional Airport was held, pursuant to the bylaws, via electronic participation due to the COVID-19 pandemic and meeting restrictions imposed by the Governor of Illinois on May 28, 2021, at the hour of 4:30 P.M. On call of the roll, the following Commissioners answered present: Chairman Wendell Ross, Steve Futrell, Robert LaMarsh, Brian Keister, and Chris Herzog. Also, present were: Airport Director, David Miller, Accounts Payable, Crystal Geisen, and Airport Attorney, David Livingstone. Commissioners absent were: Larry Franklin and newly appointed, Cody Hinkle. Also absent were Accounts Receivable, Denine Anderson. All commissioners present were able to hear and verbally participate in the discussion.

There were no invited visitors, guests, or public participants present.

Chairman Ross introduced the purpose of the special meeting, which was to discuss the airport's current insurance package, as provided by Steck-Cooper & Company, and to approve their pending proposal for the airport's insurance policy renewals. Chairman Ross asked if all commissioners had received and read the preliminary quote and if there were any questions or comments. Chairman Ross asked for a motion to review the preliminary Steck-Cooper insurance quote.

Commissioner Keister: So moved.

Commissioner LaMarsh: Second.

Chairman Ross: Okay, any discussion?

Commissioner Futrell: I have a few questions. This is probably for Crystal, since she is here. Can you confirm that there were other insurance brokers that expressed interest?

Crystal Geisen: We only had one, but they could not get it in time because they have to come out and inspect it. Inspect all the buildings and everything. We had one other person, but they can't do anything and they had to decline, for this year, because they did not have enough time.

Commissioner Futrell: Can you confirm that the broker asked to do a walkthrough?

Crystal: Well, no. Well they asked for that after they declined. They said they would like to come over and do a walkthrough and potentially do a bid for next year.

Commissioner Futrell: Okay, good. Do you know if we ask our current broker for a loss report?

Crystal: Yes, well, we asked and got almost all of them, but I think he just got one of them a couple or three days ago. So everything seems to keep moving pretty slow this year.

Commissioner Futrell: I understand that. Can you give me just a real quick timeline when the bid was let out; how soon you asked Steck-Cooper for a loss report?

Crystal: No, I cannot off the top of my head. As soon as the other broker asked me for those, that's when I did that.

Commissioner Futrell: Okay.

Crystal: So...

Commissioner Futrell: You got the loss report from Steck-Cooper after the fact?

Crystal: Yes, when they said they need the loss reports in order to go out for quotes and whatever. I don't know how it all works, but we got them. The loss reports on certain items, but there was a couple that we didn't even get. I think he just got one, maybe last week. Our actual agent. So, if anything is going to be done it's going to have to be; we probably need to start in January or February.

Commissioner Futrell: I get all that. I just want to make sure that I understand that another broker asked for a loss report. And I understand that the Illinois law is thirty days maximum for getting that report and that most loss reports are able to be printed by the carrier within a day or two.

Crystal: I don't think it happened that way. I think it took a little bit longer than that. To actually get the report. As soon as I asked for one, whenever I got them, I sent them over to the insurance company that was asking.

Commissioner Futrell: I get that. I am just trying to ascertain when that happened. I think Steck-Cooper dragged their feet, on that, on getting the loss report.

Crystal: I do believe that the insurance company that was asking also thinks that they were dragging their feet. Now, I do not know that. It's just hearsay and I really don't know, but they kind of feel that way.

Commissioner Futrell: I know that neither do I. And it's not any of our fault, but the very fact that they didn't. Just for those of you that may not know, or care, a loss is sort of like when you go to buy your car insurance and they get your social security number and your driver's license number. Insurance carriers get an immediate loss report on how many car wrecks you have had. And that's what a loss report for an airport is. And it doesn't take more than a day or two to do that. But under Illinois statutes, there is a 30 day maximum time frame and Steck-Cooper wasn't in that 30 day time frame. I just wanted to bring that out.

Commissioner Keister: I have one other question. I don't understand the insurance at the airport as much as I do from my business and my own personal, but, I can switch insurance anytime I want and get a refund on the unused premium. Is that not something that we could entertain if we're concerned about that and go ahead and approve this contract? Get them to come out and do the inspection or do we have to wait a whole year for them to find a new vendor/broker?

Crystal: If you're asking me that question, I do not know, but I can ask the other company that was interested, if that's possible.

Commissioner Futrell: I can address some of that, Brian. Everything except workman's comp, the answer to your question would be "yes". Workman's comp, to my understanding, can't be done that way. But yes, we can do that. There are only three or four big insurance companies that insure airports. My understanding is that, we're with Chubb or ACE. We had been cancelled by one before Chubb picked us up. So there is probably only two or three big insurance companies that could insure us. We certainly should see a broker could get a bid from those other insurance companies besides Chubb or ACE, which is Chubb, to see what we can do.

Commissioner Keister: Okay.

Counsel Livingstone: And I will hop in here, real quick. There might be some sort of a refund, but a lot of these insurance carriers will want something called an "earned premium" and that would be like a... I don't know exactly how that works, but that would be a question for Andrew Allen, for sure. It's not a penalty, but it's sort of like money we won't get back. And I don't know exactly what that would be.

Crystal: David (Livingstone) do you know, if we were to like switch three months from now, would we be able to continue the same fiscal type year as the insurance was have now? It took us a little bit to get it on the actual rotation of 6/1 to 5/31 and we would really like to keep that.

Counsel Livingstone: I don't know that. I would almost say, probably not. Say for example that we say, start with the June 1 and in October we pick somebody else. They would probably start us on an October policy start time. I don't think that can go retroactively. For sure they wouldn't go retroactively and I don't know that they would do less than a year. They may accommodate that, but I don't know that for a hard fact.

Crystal: Okay. That was kind of our goal. It took us several years to get to the point where we were on a 6/1 basis. I don't know if that's going to be a factor or not.

Commissioner Futrell: I am pretty well convinced that our current broker drug his feet on getting a loss report, which precluded us from being able to get us another bid for our insurance and that disappoints me. And because of that, I would like to see us look into, at least as soon as we can, go out for bids with another broker.

Crystal: I'll be more than happy to talk with Bridget, on Tuesday, to see if it is possible. If they can even do it this year, and to see if they could do it on the fiscal year we have. I can find out those questions and then shoot an email out to everybody, once I find out the answers.

Chairman Ross: We might also want to think about having a company come in and review our insurance. I think we talked about that a little earlier. I know the township did it and I think they paid less than a thousand dollars for having a company come out and review and say; well maybe you need some more insurance in a certain area or maybe this isn't so important. At least have it looked at.

Counsel Livingstone: I agree with that. Yes, some consultant that will say what you need and who provides it, and things like that. That's a good idea.

Commissioner Futrell: Mr. Ross, I have one more comment and then I'm done. I would like one more question to Crystal. Is it true that our errors and omissions policy has been cancelled?

Crystal: Yes, but I think some other company picked it up. I don't think it was cancelled, but they did not renew it. I am not at work and I do not have anything in front of me; obviously, but I think another company was picking it up.

Commissioner Futrell: Do we have a policy or can you confirm it. I'm just thinking that, I'm not...

Crystal: Honestly, I have not seen it. I only fill out the applications. I have not seen any numbers. I have not seen any policies. I have not seen anything, yet. So I cannot confirm nothing.

Commissioner Futrell: We can address that next week when you get back. Thank you. Thanks, Crystal.

Crystal: You're welcome.

Commissioner Herzog: Why would they not tell you?

Crystal: Cause some companies do that, sometimes. I think that sometimes they just do their own thing. It's not because of anything that we have done, because we have not had any claims.

Commissioner Futrell: It's strange that an E & O policy would be cancelled and I just wanted to know why.

Crystal: It could very well be that the company and/or Andrew would be able to answer that question a lot better than I can.

Chairman Ross: Any more discussion?

Commissioner Herzog: So, Andrew is not calling in on this call?

Chairman Ross: No, his is not.

Counsel Livingstone: He will be available at the next meeting.

Commissioner Futrell: Just one more thing. Does the insurance company know that we, possibly, have a pool on our property?

Counsel Livingstone: Yes.

Commissioner Futrell: Okay and I guess, Mr. Livingstone, that we would be covered in case that something would happen there and someone sued the current land owner and also the airport?

Counsel Livingstone: I did not ask that specific question. I think it would be, they would cover the defense of it. I don't know about paying a judgment, but I do... I just didn't ask the question. I can't give you a hard answer. He did recommend that, getting that out. We're on the same page.

Commissioner Futrell: Thank you.

Chairman Ross: Anymore discussion?

Commissioner Herzog: Yes. I guess I'm confused. I thought. I mean, we don't even know whether we're covered? For any, I thought that was the whole idea that the insurance agent was informed about the pool.

Counsel Livingstone: Right, I just can't give you a hard answer, or not, as to whether, or not, it's covered. I don't know the policy back and forth and I didn't ask the question. It wasn't on my brain.

Commissioner Herzog: No, no, no. The question was, I don't know, once again, I'm, you know. The fact that a survey was done over four and a half years ago, I mean, this is absolutely frightening. I mean, we might as well go ahead and approve it. There is no choice here.

Chairman Ross: Anymore discussion? (Silence) Roll call vote to approve the insurance quote for \$161,299.

In a call of the roll, the Commissioner voted:

Commissioner Futrell - aye

Chairman Ross - aye
Commissioner LaMarsh - aye
Commissioner Keister - aye
Commissioner Herzog - aye

The motion passed by a unanimous vote of the board in favor.

Chairman Ross: Any board member comments?

Commissioner LaMarsh: I make a motion that we adjourn, Mr. Chairman.

Chairman Ross: Is there a second?

Commissioner Keister: I second.

Chairman Ross: All in favor, say "aye". (All members verbally responded aye)

The motion passed by a unanimous vote of the Board in favor.

There being on further business to come before the Board, the meeting was adjourn at 4:50 P.M.

There being no further business to come before the Board, the meeting was adjourned.

Wendell Ross

Shirley Kleeman

Robert LaMarsh

Larry Franklin

Chris Herzog

Steve Futrell

Brian Keister