

**MINUTES OF THE MEETING OF THE
UNIVERSITY OF MASSACHUSETTS BUILDING AUTHORITY**

Wednesday, September 23, 2020; 1:00 p.m.

REMOTE MEETING

PUBLIC LINK (Via Zoom)

<https://umassp.zoom.us/j/92288116571>

DIAL-IN INFORMATION

312-626-6799 646-876 9923

Webinar ID: 922 8811 6571

This meeting is being conducted remotely pursuant to the Governor's Order Suspending Certain Provisions of the Open Meeting Law, G.L. c.30A, §20 dated March 12, 2020.

Members Present: Chairman, Victor Woolridge; Vice Chair, Gerry-Lynn Darcy, Members, Mary Burns, James McGaugh, Michael O'Brien, Christopher Philbin, and Charles Wu.

Building Authority Personnel: Barbara Kroncke, Executive Director; David P. Mullen, Deputy Director/General Counsel; Aaron D'Elia, Chief Financial Officer; Maggie Drouineaud, Compliance Analyst; and Patti Vantine, Manager of Administrative Affairs.

In total, including all individuals mentioned above, there were 36 participants logged into this meeting.

Chairman Woolridge convened the meeting at 1:05 p.m.

Chairman Woolridge asked Mr. Mullen to review the Technology Usage for remote meetings.

Mr. Mullen, reviewed the Technology Usage stating that the meeting was being conducted through the suspension of certain provisions of Massachusetts General Law c.30A, Sec 20. (The Commonwealth's Open Meeting law), through an executive order by Governor Baker, which shall remain in effect until it is rescinded. Mr. Mullen stated that he would review a few basic guidelines to keep the meeting flowing smoothly. He noted that members of the public would be participating in the meeting in a listen and view status only, with no ability to share audio or video. He also noted that invited guests should mute their microphones unless they are addressing Chairman Woolridge or presenting as part of the scheduled agenda. Mr. Mullen said that Chairman Woolridge would moderate the meeting and call on people to speak or comment. Mr. Mullen said that if a panelist participating on the phone needed to speak, they would have to speak up and ask to be heard. He noted that it is important that all members be able to hear one another. He also said that chat functionality is intended only for technical support questions. Mr. Mullen said that all votes taken during this meeting would be done by a roll call. It was also stated that once Chairman Woolridge declared the open meeting is adjourned the Zoom Webinar will be closed by the Host.

Mr. Mullen turned the meeting back over to Chairman Woolridge.

Report of the Chairman:

Chairman Woolridge opened his remarks by wishing everyone a good afternoon and thanking everyone for joining remotely. Chairman Woolridge thanked Dave Mullen for reviewing the Technology Usage.

Chairman Woolridge started the meeting with a roll call of members participating remotely. Vote was called and unanimously recorded. Chairman Woolridge stated that if a member leaves the meeting the time of their departure will be recorded in the minutes. Members were also reminded that if they have difficulty hearing another member or a presentation they are to inform the Chairman.

Chairman Woolridge said that all votes taken during the meeting would be handled by a roll call vote.

Chairman Woolridge noted that the public would also be joining the meeting through remote participation, but would not be able to speak.

Chairman Woolridge noted that Executive Director, Barbara Kroncke would give remarks on the continued affairs at the Building Authority in light of the pandemic. Chairman Woolridge stated that Aaron D'Elia, Chief Financial Officer of the Building Authority would share preliminary year end results as well as Votes for a Bond Refunding Opportunity and for our annual approval of the Dartmouth/Lowell Room Rates.

Chairman Woolridge said that Executive Director Kroncke would provide an update on the work she and her team has been doing on Construction Audits. Chairman Woolridge said that Deputy Director/General Counsel Mullen would give an update on capital projects and Compliance Analyst, Maggie Drouineaud, would review our compliance numbers.

Chairman Woolridge stated that following the open session portion of the meeting, the Board would be holding an Executive Session. He also stated that the Board would not reconvene in open session after the Executive Session.

Chairman Woolridge turned the meeting over to Executive Director Kroncke for her remarks.

Report of the Executive Director:

Executive Director Kroncke opened her remarks by thanking Chairman Woolridge and everyone participating remotely. Executive Director Kroncke expressed her hopes that everyone is continuing to be safe and healthy during these unprecedented times.

Executive Director Kroncke stated that the majority of the Building Authority team continues to work remotely. Executive Director Kroncke thanked her staff for all the work they have been doing. Executive Director Kroncke specifically mentioned Chief Financial Officer, Aaron D'Elia. She noted that Mr. D'Elia has made great progress in his short time at the Building Authority. Executive Director Kroncke highlighted a few of Mr. D'Elia's accomplishments such

as implementing accounts payable protocols as well as newly created capital projects budgeting processes.

Executive Director Kroncke said that it has been a busy summer at the Building Authority. Executive Director Kroncke thanked Chairman Woolridge and President Meehan for bringing the NAACP to the Building Authority. She stated that the NAACP held a drive-in concert with live-on stage performances on the Bayside property on July 28th. Executive Director Kroncke noted that this was the first time UMBA had taken part in this type of event. Executive Director Kroncke also gave thanks to Deputy Director/General Counsel, Dave Mullen for all the work that he did to make the event possible.

Executive Director Kroncke stated that the annual financial audit is in full swing and that Mr. D'Elia continues to lead the finance team even with two staff members out on family leave.

Executive Director Kroncke mentioned that Mr. Mullen would be providing an update on Construction Audits.

Executive Director Kroncke turned the meeting back over to Chairman Woolridge for the approval of the meeting minutes from the June 24th meeting.

Approval of the Minutes:

Chairman Woolridge asked for a roll-call vote to approve the minutes of the June 24, 2020 Board Meeting.

Chairman Woolridge took a roll-call vote. All present board members voted via Zoom.

VOTED: To approve the minutes from the June 24, 2020 Board Meeting.

Financial Report

Chief Financial Officer, Aaron Delia, opened his remarks with an overview of how the Building Authority ended FY20 financially. Mr. D'Elia said that overall the Building Authority did very well by finishing FY20 below the approved budget by approximately \$361K or 3.7%.

Mr. D'Elia noted that on the revenue side, the Building Authority came in approximately \$508K below projection. This was due primarily to the bond refunding deal that was executed last January. Mr. D'Elia also noted that the Building Authority did better on its interest income by approximately \$200K.

Mr. D'Elia highlighted various aspects on the expense side of the budget including compensation and benefits, professional services and professional dues and conferences.

In conclusion, Mr. D'Elia said that the Building Authority finished FY20 below the approved budget by approximately \$361K or 3.7%.

Executive Director Kroncke gave an update on the 2020 refunding. Executive Director Kroncke stated that the Building Authority has been working with its financial advisors and Lisa Calise and her President's Office team on a refunding for savings and restructuring bond issue.

The refinancing bonds are expected to produce significant net savings of approximately 10%, depending on market conditions and will assist the University in providing additional liquidity for this fiscal year.

Board Member Wu inquired about any increase in debt and there was a discussion regarding the escrow arrangement for the defeased bonds and savings.

Chairman Woolridge asked for a motion to approve the 2020 Bond Refunding.

A roll-call vote was taken and it was moved, seconded and unanimously

VOTED: To approve the 2020-4 Bond Refunding.

Mr. Delia, gave a brief update on the room rates for Lowell and Dartmouth. Mr. D'Elia stated that each board member received a package that included the room rates for Lowell and Dartmouth that were approved by the Board of Trustees at the July meeting. Mr. D'Elia noted that every year the Building Authority's facilities trust agreement requires room rates for Dartmouth and Lowell to be approved by the University of Massachusetts Building Authority Board in a vote.

Chairman Woolridge asked for a motion to approve the Lowell and Dartmouth Room Rates.

A roll-call vote was taken and it was moved, seconded and unanimously

VOTED: To approve the Lowell and Dartmouth Room Rates.

Policy Discussion

Chairman Woolridge turned the meeting over to Deputy Director/General Counsel Mullen for his remarks on the Construction Audit.

Mr. Mullen stated that as previously reported to the Board, Executive Director Kroncke has made it a priority to enhance the risk management effort at the Building Authority. Executive Director Kroncke has asked Mr. Mullen to lead this effort. One area that has been targeted is Construction Audits. The Building Authority issued an RFP for Construction Audit firms on July 13, 2020. Mr. Mullen said that the Building Authority received fifteen (15) responses to the RFP.

Mr. Mullen stated that a Selection Committee was established to review the proposals and a prequalified bench of six firms was selected and established for Construction Audit Service tasks. Mr. Mullen said that Blum Shapiro has been selected to create a Best Practice's Policy for construction audits. UMBA will report the results to the Building Authority's Audit Committee at its next scheduled board meeting.

Chairman Woolridge asked Mr. Mullen to give an update on the Capital Report.

Mr. Mullen highlighted the UMass Medical School New Education and Research Building (NERB). Mr. Mullen stated that NERB is a 9-story biomedical research building. NERB received a Vote 2 at the September 22, 2020 Board of Trustee Meeting. Mr. Mullen noted that schematic

design has recently been completed and design development has commenced. Mr. Mullen also noted that early construction packages are being developed. The project completion date is slated for December, 2023.

Mr. Mullen said that the total project cost (TPC) is \$325 million with an estimated construction cost (ECC) of \$247 million. The soft costs are \$24 million for Design and OPM, \$25 million for Furniture, Fixtures and Equipment (FF&E) and \$30 million Contingency.

Chairman Woolridge then asked Maggie Drouineaud, Compliance Analyst, for the MBE/WBE Compliance update. Ms. Drouineaud said that the Building Authority has been receiving a lot of requests from other organizations to share our best practices in retaining minorities and especially women on site during the pandemic. Ms. Drouineaud stated that to date, the Building Authority has achieved overall a 27% minority and 7.2% female workforce on construction projects. These percentages exceed the 15.3% minority and 6.9% female required goals as established by the Commonwealth and adopted by UMBA.

Ms. Drouineaud noted that the Building Authority has changed the face of compliance by increasing communications within the Project Teams (Owner Project Managers, Project Managers, Superintendents and Compliance Officers) to make sure that everyone is part of compliance monitoring. She noted that this is a systemic change in compliance monitoring procedures, whereby the entire on site management team helps with the monitoring of the core crew to make sure subcontractors are in compliance. The Compliance Officers are checking in with the Superintendents and the Project Managers on a weekly basis to address any compliance issues that need to be resolved before there is a decline in the numbers.

Ms. Drouineaud said that the Building Authority continues to conduct virtual pre-construction and corrective action meetings with subcontractors to make sure they come on project sites with the required core crew from day one.

Ms. Drouineaud stated that the Building Authority has met with the Trades Union Representatives on the Boston Campus (SDQD) and in Worcester on the Medical School Campus (VA Hospital and the New Research Building) for their collaborations and assistance with the demand for the workforce on these projects.

With no further business to discuss in open session, Chairman Woolridge adjourned the meeting at 1:42 p.m.

At 1:42 p.m. there was a roll call vote to enter into Executive Session. It was also announced that the meeting would not return to open session.

Deputy Director/General Counsel Mullen took a roll-call vote.

VOTED: To end the meeting and enter into Executive Session.