

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

**Annual Meeting**

**Tuesday, June 8, 2021; 11:30 a.m.**

**REMOTE MEETING**

**PUBLIC LINK (Via Zoom)**

<https://umassp.zoom.us/j/94045727384>

**DIAL-IN INFORMATION**

646-876-9923 or 312-626-6799

Webinar ID: 940 4572 7384

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, Kelly O'Neill, Christopher Philbin, John Smolak and Charles Wu.

**Building Authority Personnel:** Barbara Kroncke, Executive Director; David P. Mullen, Deputy Director/General Counsel; Aaron D'Elia, Chief Financial Officer; Charlie Paradie, Director of Pre-Construction Project Planning and Patti Vantine, Manager of Administrative Affairs.

In total, including all individuals mentioned above, there were 34 participants logged into this meeting.

Chairman Woolridge convened the meeting at 11:30 a.m.

Chairman Woolridge wished every a good afternoon and 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Open Meeting law), through an executive order by Governor Baker, which shall remain in effect until it is rescinded. It was also stated that once Chairman Woolridge declared the open meeting 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 thanked Dave Mullen for reviewing the Technology Usage.

Chairman Woolridge started the meeting with a roll call of members participating remotely. The vote was called and unanimously recorded.

Chairman Woolridge said that all votes taken during the meeting would be done pursuant to a roll call vote.

Chairman Woolridge said that Executive Director Kroncke would give an update on general matters at the Building Authority. Chairman Woolridge said that there would be a few votes dealing with a few administrative financial items before Aaron D'Elia shares the third quarter financial report and asks for a vote to approve the upcoming year's proposed budget.

Chairman Woolridge said that Charlie Paradie from the Capital Team, will have a drone fly-over presentation of a few projects that have recently finished at the UMass Amherst campus. Chairman Woolridge then said that Maggie Drouineaud would provide some news on the Building Authority's compliance efforts.

Chairman Woolridge said that two committees, who met earlier, would be giving the Board updates. Chairman Woolridge stated that today's meeting is the Building Authority's annual meeting which means that there will be a vote on a slate of officers for the 2021-2022 year.

Chairman Woolridge noted that after the open session portion of the meeting, the Board would be holding an Executive Session and would not be returning to open session following the Executive Session.

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

#### **Report of the Executive Director:**

Executive Director Kroncke remarked that with the COVID emergency coming to an end, the Building Authority expects to transition to more work on site, in-person. Executive Director Kroncke remarked that like the rest of the office workforce in the country, the Building Authority has learned a lot about working remotely and how to work well and efficiently without a central physical office. Executive Director Kroncke stated for the Board to stay tuned on what changes may be coming for public meetings going forward after the state of emergency ends on June 15<sup>th</sup>. The Building Authority is planning to reserve a physical location to conduct its next meeting on September 9<sup>th</sup>. Executive Director Kroncke said that everyone will be informed of any opportunity to participate through electronic means.

Executive Director Kroncke moved onto some capital project news. It was stated that a few weeks ago the Building Authority received notification that the recently opened Worcester Commons project on the Amherst campus has officially qualified for LEED Gold certification. The Building Authority endeavors to have all newly constructed buildings LEED certified and be able to achieve Gold certification is a great accomplishment for the project team, who achieved this without increasing the project budget or causing project delays. Executive Director Kroncke congratulated the entire project team for this achievement. Executive Director Kroncke said that ultimately, this means, the University will use less energy to operate the building, but also means less energy was used in producing the materials that were needed to construct the building.

Executive Director Kroncke said that work continues at the Medical School on the New Education and Research Building (NERB). Executive Director Kroncke recently took a tour of the project site and received an update on some of the more gritty details on construction. Executive Director Kroncke also noted that during the next three months there are a number of upcoming key milestones to the project:.

Executive Director Kroncke noted that the team is diligently collecting data on market conditions and bidding climate. Executive Director Kroncke stated that with the price increases on construction materials, the Building Authority is keeping a close eye on the bids and are working with its professionals to find ways to minimize the risk on costs.

Executive Director Kroncke noted that Dave Mullen, Peter Gray-Mullen and Ralph Wallace have been very busy at the Boston campus since Memorial Day. She stated that there was an incident where 500,000 gallons of water from the fire pump line flooded the Utility Power Plant. This line, part of the UMBA UCRR project, provides service to the entire campus for fire protection. Executive Director Kroncke said that the campus was forced to close. Working with the campus, the Building Authority assisted in the forensics, repair, cleanup and ultimately the restoration and re-energizing of the fire pump along with notifying applicable insurance companies. Fortunately, the campus was able to open again after only a few days. Executive Director Kroncke said that there was a silver lining to this unfortunate event, and that is seeing the success of our newly created risk management focus, with Dave Mullen at the lead. Executive Director Kroncke noted that after a year and a half of working through its risk management issues, the edicts that were put in place to deal with these types of events -- preparedness/mitigation/response and recovery -- allowed Dave Mullen together with the Building Authority project team led by Peter Gray-Mullen and Ralph Wallace to work seamlessly with the team at UMass Boston and resolve issues expeditiously.

Executive Director Kroncke concluded her report and asked if there were any questions.

Board member, Charles Wu, asked what caused the flood. Executive Director Kroncke said that there was an unexpected water surge that caused too much water for the line to carry. She noted that the issue is being investigated and that damage and insurance costs are minimal at this time.

Executive Director Kroncke thanked Chairman Woolridge and turned the meeting back over to him.

Chairman Woolridge asked for a motion to approve the minutes of the April 6, 2021 meeting.

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

**VOTED:** To approve the minutes from the April 6, 2021 Board Meeting.

Chairman Woolridge turned the meeting over to CFO, Aaron D'Elia.

### **Financial Report**

Mr. D'Elia opened his remarks by stating that the board package consisted of the room rates for Lowell and Dartmouth that were approved by the Board of Trustees at the May meeting. He noted that every year the Building Authority's facilities trust agreement requires room rates for Dartmouth and Lowell to be approved by the Building Authority's Board in a vote. Mr. D'Elia reiterated that these rates are consistent with what the Board of Trustees voted for at the May Board of Trustees meeting.

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

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

**VOTED:** To approve the Dartmouth and Lowell Room Rates.

Chairman Woolridge asked Mr. D'Elia to give his remarks on the Building Authority's Investment Management and Debt Policy.

Mr. D'Elia stated that the Board package consisted of the Building Authority's Investment Management and Debt Policy which are both required to be reviewed and affirmed every two years pursuant to the Commonwealth's State Finance and Governance Board and the Building Authority's trust agreement.

Mr. D'Elia noted that the Commonwealth's State Finance and Governance Board requires certain state entities that issue debt, including the Building Authority to adopt appropriate policies and adhere to best practices with respect to investments, borrowing and other financial transactions. Mr. D'Elia said that the Building Authority has reviewed these policies internally and with its financial advisors and bond counsel and have made no material changes. Mr. D'Elia said that the Building Authority recommends that the Board approve to reaffirm these policies.

Chairman Woolridge asked for a motion to approve the Investment Management Policy.

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

**VOTED:** To approve the Investment Management Policy.

Chairman Woolridge asked for a motion to approve the Debt Policy.

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

**VOTED:** To approve the Debt Policy.

Chairman Woolridge asked Mr. D'Elia to give his remarks on the Building Authority's FY21 and proposed FY22 Budget.

The proposed budget recommendation for fiscal year 2022 is not different from the proposal that he presented at April 6<sup>th</sup> Board meeting. Mr. D'Elia noted that the budget approval is a two-meeting process.

Mr. D'Elia gave an on-screen Executive Summary of the budget presentation that was also in the board package. Mr. D'Elia noted that overall the FY21 spending is projected to come in \$106K or 1.1% below the approved budget. This is primarily due to FTE attrition, decreased utility usage, and lower projected expenditures in other categories.

Mr. D'Elia gave a quick overview of the cost drivers and he transitioned to the FY22 proposed budget. The budget recommendation assumes 0% growth except for the following categories:

- Compensation & Benefits where there is a placeholder for a 1% increase for a potential cost of living adjustment.

- Rent expenditures increase by \$1.2 million or 45.1% as a result of the Building Authority assuming the lease for the entire 31<sup>st</sup> floor of One Beacon Street for ease of paying the entire rent on behalf of the Building Authority and the President's Office.
  - Mr. D'Elia noted that this transition is budget-neutral, as the increase in rent expenditures will be offset by an increase in collected revenue.

Mr. D'Elia stated that the FY22 budget proposal assumes a \$904K or 39% increase based on the recent insurance renewal. In conclusion, Mr. D'Elia noted that the FY22 budget, on an accounting basis increase by \$2.1 million. Mr. D'Elia also noted that if you back out the rent changes, which are budget neutral, the Building Authority's budget proposal recommends an increase of \$933K from FY21 to FY22 primarily due to insurance increasing.

Chairman Woolridge thanked Mr. D'Elia.

Chairman Woolridge asked for a motion to approve the FY22 Budget.

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

**VOTED:** To approve the FY22 Budget.

Chairman Woolridge asked Charlie Paradie, Director of Pre-Construction Planning to give his presentation of a UMass Amherst Drone fly-over.

Mr. Paradie gave a brief presentation of a drone video of three Building Authority projects on the Amherst campus which have been completed over the past few months. These three projects included the Worcester Dining Commons, Central Campus Core Utilities, Landscaping & Accessibility and the Student Union Renovation.

Chairman Woolridge asked Maggie Drouineaud, Compliance Analyst, to give her update on MBE/WBE Compliance.

Ms. Drouineaud open her remarks stating that in order to increase MBE/WBE participation on construction projects she has been meeting with community organizations like Black Economic Council of Massachusetts (BECMA), Mass Housing and other groups in the community to identify MBE and WBE firms that the Building Authority can work with in order to become eligible to bid on the Building Authority's construction projects. Ms. Drouineaud stated that a committee has been created to write a set of best practices for contractors to implement in hiring MBE and WBE firms. Ms. Drouineaud noted that the Building Authority has achieved over thirty percent (30%) MBE and WBE participation on construction projects at the UMass Amherst Campus. Ms. Drouineaud is hopeful to replicate this feat on construction projects located on other UMass Campuses.

Ms. Drouineaud reported that in February, Congressman McGovern and the City of Worcester invited the Building Authority to be one of the panelists on their virtual Diversity in Construction Webinars for Central Mass and the Pioneer Valley. Ms. Drouineaud shared the Building Authority's compliance model and best practices with the group and received praises for

its accomplishments in meeting and exceeding compliance goals, and for setting examples for other institutions and organizations.

Ms. Drouineaud said a partnership with the Innovations Pathway program in Central Massachusetts, who has received a grant to help place high school students in the construction program at vocational schools with contractor for summer work. It is the intention of making these summer jobs an internship so that students may be exposed to the trades early and practice technical skills which will help them to determine if this is a career path they would like to pursue.

In closing, Ms. Drouineaud said that the Building Authority is working with Shawmut Construction in the Worcester and Dartmouth communities to establish a system which would allow the contractors to meet the specified compliance goals on the New Research Building in Worcester and the Science Building in Dartmouth. Pre-construction meetings are also be conducted to ensure each site has its required core crew on the first day of construction while continuing to provide support and technical assistance to contractors as needed.

Chairman Woolridge asked Mary Burns to give her update of the Audit Committee meeting held earlier in the morning.

#### **Report of Committees**

Mary Burns reported that the Audit Committee met with KPMG earlier in the morning. Ms. Burns said that best practices were discussed. She also noted that KPMG will be beginning their audit of the Building Authority.

Chairman Woolridge asked Charles Wu to give his update of the Nominating Committee meeting that was also held earlier in the morning.

Charles Wu reported that the Nominating Committee meet earlier to vote the slate of officers for the 2021-2022 term. The slate of officers are as follows:

Victor Woolridge – Chairperson  
Gerry-Lynn Darcy – Co-Vice Chair  
Mary Burns – Secretary-Treasurer  
Barbara Kroncke – Assistant Secretary-Treasurer  
Deputy Director/General Counsel Mullen took a roll-call vote.

**VOTED:** To unanimously approve the slate of officer for 2021-2022

With no further business to discuss in open session, Chairman Woolridge adjourned the meeting at 12:05 p.m.

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

**VOTED:** To unanimously end the meeting.