

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

Wednesday, June 24, 2020; 1:00 p.m.

REMOTE MEETING

PUBLIC LINK (Via Zoom)
<https://umassp.zoom.us/j/93682921148>

DIAL-IN INFORMATION
646-876-9923 or 312-626-6799
Webinar ID: 936 8292 1148

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; Maggie Drouineaud, Compliance Analyst; Peter Gray-Mullen, Director of Construction; Katrina McKee, Controller; Charles Paradie, Director of Pre-Construction Project Planning, Brendan Coyne, Financial Planning and Analysis; Michael Wilson, Treasurer and Budget Director; Carl Erickson, Senior Project Manager; Barbarann Freddura, Office Manager Sean Regan, Director of University Relations for the Bayside and Patti Vantine, Manager of Administrative Affairs.

University of Massachusetts System Office: Barbara Cevallos, Controller

University of Massachusetts System Campus Personnel: Andrew Mangles, UMass Amherst; Shane Conklin, UMass Amherst; Kathleen Kirleis, UMass Boston; Steve O'Riordan, UMass Lowell; John Lindstedt, UMass Medical School

Others: Paul Ladd, Bank of America Merrill Lynch

In total, including all individuals mentioned above, there were 2 additional participants logged into this meeting.

Chairman Woolridge convened the meeting at 1:16 p.m.

Dave Mullen, Deputy Director/General Counsel reviewed the Technology Usage stating that the meeting was 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.

Report of the Chairman:

Chairman Woolridge opened his remarks by wishing everyone a good afternoon and thanking everyone for joining remotely. Chariman Woolridge thanked Dave Mullen for reviewing the Technology Useage. Charirman Woolridge stated that the Building Authority Board once again finds it necessary to hold its meeting remotely in following Governor Baker's Executive Order dated March 12, 2020. He noted that the Building Authority is suspending the requirement

of a physically present quorum for this meeting. He also stated that holding a Board meeting with remote participation will allow the Building Authority to continue its necessary business.

Chairman Woolridge stated that he would start the meeting by having a roll call of members participating remotely. 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. However, copies of all documents that were being discussed could be requested through the Building Authority's website.

Chairman Woolridge thanked Barbara Kroncke for her continued leadership during these difficult times.

Chairman Woolridge stated that today's meeting is the annual meeting and he will be asking the Board to approve the Authority's budget for the fiscal year which begins on July 1, 2020. He also stated that Aaron D'Elia, UMBA's Chief Financial Officer would provide the proposed final budget for FY2021 and year to date on the FY2020 budget.

Chairman Woolridge mentioned that last year the Board discussed updating the Authority's By-laws and that he was hoping to adopt revised By-Laws at today's meeting. He also mentioned that the proposed changes were outlined in the materials and that Dave Mullen would be discussing these changes later in the meeting.

Chairman Woolridge also stated that Barbara Kroncke has charged Dave Mullen with updating the Enterprise Risk Management Program for the Authority. He also stated that Dave would be reviewing the work that is ongoing in that regard.

Chairman Woolridge said that Executive Director Kroncke would give a COVID-19 and Capital Project update, and Compliance Analyst, Maggie Drouineaud would be talking about the continued work to increase minority participation on construction jobs.

Chairman Woolridge also said that Charles Wu would be reporting on the Nominating Committee that met prior to this meeting.

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 introduced 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 since the last meeting, UMBA has closed out the engagement of the State Auditor and will use their recommendation to strengthen the OPM Guidelines. Executive Director Kroncke also stated that next Monday, June 29th, the UMBA staff will hold a virtual meeting with all OPM's to discuss the updates with the various firms that work with UMBA to oversee its construction projects.

Executive Director Kroncke spoke briefly about S&P bond ratings. She noted that S&P has unilaterally changed their ratings, and that the Building Authority had their outlook changed to negative.

Executive Director Kroncke thanked Aaron D'Elia, Chief Financial Officer, and his team for their hard work. She noted that Aaron and his team have achieved much in a short time.

Executive Director Kroncke stated that Dave Mullen would be discussing the proposed changes to the UMBA By-laws and the steps taken to consolidate and coordinate risk management at UMBA.

Executive Director Kroncke turned the meeting back to Chairman Woolridge for the approval of the meeting minutes from the April 16th meeting.

Approval of the Minutes:

Chairman Woolridge asked for a roll-call vote to approve the minutes of the April 16, 2020 Board Meeting.

A roll-call vote was taken. Board members Christopher Philbin and John Smolak abstained from voting due to their absence from the April 16th meeting. A motion was made, seconded and

VOTED: To approve the minutes from the April 16, 2020 Board Meeting.

Financial Report

Chief Financial Officer, Aaron Delia, opened his remarks with an overview of the FY2021 Budget. He noted that he has recommended a 0% growth budget with a compound annual growth rate (CAGR) of 4.65%. Also noted was that payroll has gone down 1% (CAGR). Mr. D'Elia stated that UMBA is taking a lean approach without adding staff. He said that debt service has gone up 5.7%.

Board member, Charles Wu asked what the current staff headcount is? Mr. D'Elia stated that there are currently 15 staffers. He also stated that when he started it was at 17.

Mr. D'Elia noted that insurance and rent have increased 10% and that he is recommending an 8% cut in professional services.

Chairman Woolridge asked why the reduction in professional services? Mr. D'Elia noted in order to bring the budget to a 0% growth budget there has been a reduction in legal services and a \$5,000 cut in accounting services..

Board member, Christopher Philbin asked if the law office of Nixon Peabody was on a retainer? General Counsel, Dave Mullen, responded in the negative.

Board member Christopher Philbin asked if there would be a systemwide reduction in force in the 2021 budget. Executive Director Kroncke stated that it is unknown where things are going. She noted that there may be more budget changes and that the FY2021 budget may have to be revisited.

Chairman Woolridge asked for a motion to approve the FY2021 Budget.

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

VOTED: To approve the FY2021 Budget.

Policy Discussion

Chairman Woolridge turned the meeting over to Deputy Director/General Counsel Mullen for his remarks on the revised UMBA By-laws and an update on Risk Management.

Mr. Mullen highlighted some of the changes made to the existing UMBA By-laws.

Board member Charles Wu asked if the Board wanted to meet remotely, would the directive come from the Board Chairperson or the Governor. Mr. Mullen said that the decision would have to be in compliance with the general laws.

Chairman Woolridge asked for a motion to approve the amended UMBA By-laws.

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

VOTED: To approve the amended UMBA By-laws.

Mr. Mullen proceeded to give his update on the work the Authority has been doing on the Enterprise Risk Management and Business Continuity Plan.

Mr. Mullen said COVID-19 is truly an extraordinary event that forced the Building Authority to evaluate how we do business and adapt processes and procedures. He also said that soon after the COVID crises began, UMBA instituted daily project meetings on all construction sites. He noted that UMBA has filed as a recipient for FEMA/ MEMA reimbursement for COVID-19 related costs. Mr. Mullen said that FEMA/MEMA will only cover reimbursements at only 75% on the dollar.

Mr. Mullen discussed UMBA's insurance carrier, FM Global, and its plans to establish a more efficient manner in which to facilitate and improve responses to recommendations FM. Mr. Mullen also stated that UMBA has drafted a Premises Use Agreement to be entered into with the University to memorialize in greater detail the responsibility of the campuses and provide for the greater protection of UMBA property to honor its bond covenants. Mr. Mullen said that the Agreement is being finalized for discussion with the University.

Mr. Mullen said that they would update the Board as this work continues.

Chairman Woolridge asked Executive Director Barbara Kroncke for an update on COVID-19 and the Capital projects.

Executive Director Kroncke said that the continued public health emergency is something UMBA attends to on a daily basis and monitors and implements changes in law, regulations and recommendations. The Capital projects report is included in the Board materials. Subject to some delays related to C-19 and working out issues related to COVID related costs, she noted that all projects are going well. UMBA continues to monitor the costs of the SDQD project at the Boston campus.

Chairman Woolridge asked Maggie Drouineaud, Compliance Analyst, for the MBE/WBE Compliance update. Ms. Drouineaud opened her remarks with appreciation towards the great work that the General Contractors and their teams have been doing to monitor compliance on all construction sites especially during the pandemic, when it was not possible to physically go on site. Ms. Drouineaud noted that she continues to conduct virtual pre-con and corrective action meetings, when necessary, with subcontractors to ensure that they bring the required core crew on site. Thus far, it that has been working well.

Ms. Drouineaud noted that five years ago, UMBA embarked on a journey with the Policy Group in Tradeswomen Policy (PGTI) to work with the Technical Schools in Massachusetts to increase the number of women in the construction trades by 20% in 2020. As of this month, there are currently 19.7% registered women in the construction program at Technical Schools throughout Massachusetts. Ms. Drouineaud stated that this initiative will help create the pipeline between the Technical Schools and the construction trades to help facilitate the demand for more women, especially in the mechanical trades.

Ms. Drouineaud spoke of the Commonwealth and the City and their drive to mitigate the fiscal divide and have documented goals for the participation of minority-owned businesses and women-owned businesses. She said that UMBA's main focus is to exercise maximum efforts to increase the MWE/WBE participation on its construction projects.

Ms. Drouineaud said that back in February, UMBA reached out to schedule meetings with several MWE/WBE firms to talk about challenges with bidding for UMBA's construction projects and to hear their recommendations. Unfortunately, with the pandemic, UMBA has not been able to schedule the meetings. She also noted that UMBA is interested in meeting with the General Contractors to talk about their challenges and recommendations in hiring minority firms. Ms. Drouineaud is hopeful to schedule these meetings with all the stakeholders immediately after the pandemic restrictions have subsided.

Lastly, Ms. Drouineaud is hopeful that these compliance efforts will attract more minority General Contractors to bid on UMBA construction projects and help create a set of "best practices" in hiring minority firms.

Chairman Woolridge turned the meeting over to Charles Wu for the Nominating Committee update.

Report of Committees

Charles Wu opened his remarks with an update on the Nominating Committee that met prior to the Board Meeting. Mr. Wu stated that he would like to present the following Slate of Officers for the coming fiscal year. The slate is as follows:

- Chairman – Victor Woolridge
- Vice Chair – Gerry-Lynn Darcy
- Secretary-Treasurer – Mary Burns
- Assistant Secretary-Treasurer – Barbara J. Kroncke

Chairman Woolridge asked for a motion to approve the Slate of Officers for FY2021.

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

VOTED: To approve the Slate of Officers for FY2021.

With no further business to discuss in open session, Chairman Woolridge adjourned the meeting at 2:13 p.m.

At 2:13 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. A roll-call vote was taken and it was moved, seconded and unanimously

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