

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

Monday, May 13, 2024, 10:00 am

Annual Board Meeting

REMOTE MEETING

PUBLIC LINK (Via Zoom)
<https://umassp.zoom.us/j/97048586270>

DIAL-IN INFORMATION
646-876-9923 or 312-626-6799
Webinar ID: 97048586270

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: Chairperson Mary Burns, Members Jerry Colella, Angela Davis, Thomas Green, James McGaugh, Michael O'Brien, Kelly O'Neill, Norm Peters, and Charlie Wu.

Building Authority Personnel: Barbara Kroncke, Executive Director; David P. Mullen, Deputy Director/General Counsel/Director of Capital Projects; Aaron D'Elia, Chief Financial Officer; Maggie Drouineaud, Chief Diversity Officer for Compliance, Capital Projects; Julie Kenny, Manager of IT and Administration.

University of Massachusetts System Office: Marty Meehan, President

In total, including all individuals mentioned above, there were 32 participants in this meeting.

Chairperson Mary Burns convened the meeting at 10:02 a.m.

Chairperson Burns opened her remarks by welcoming everyone. Ms. Burns asked Mr. Mullen to review the rules of the Technology Usage for remote meetings.

Mr. Mullen reviewed the Governor's Executive Order that allows for remote participation which has been extended through March 31, 2025, and explained the requirements of the Open Meeting Law. Mr. Mullen then turned the meeting over to Chairperson Burns.

Chairperson Burns thanked everyone for attending the annual meeting of the Building Authority. Chairperson Burns also hoped that everyone has a wonderful weekend and took the opportunity to honor and appreciate the incredible mothers in their lives.

Chairperson Burns asked Dave Mullen to take a roll call vote of all Board members participating remotely. Roll call was taken.

Chairperson Burns turned the meeting over to Executive Director, Barbara Kroncke for her remarks.

Report of the Executive Director:

Executive Director Kroncke thanked Chairperson Burns.

Executive Director Kroncke thanked everyone for attending and also wished everyone a Happy Mother's Day.

Executive Director Kroncke opened her remarks stating that summertime is good for projects. She noted that the Substructure Demolition and Quadrangle Development (SDQD) project on the UMass Boston campus is in the substantial completion stage and will be fully complete by the end of July.

Executive Director Kroncke mentioned that UMass Boston hosted both Chancellor Marcelo Suarez-Orozco's Inauguration and the SDQD ribbon cutting on the same day.

Executive Director Kroncke also mentioned that on June 7th the UMass Chan Medical School will have a ribbon cutting ceremony for the New Education Research Building (NERB) which received substantial completion. The total cost of the NERB project is \$350 Million. This project was also the COVID baby project and started when COVID first began. Over the next few months there will be 400 people moving into this building which has a total occupancy of 1,000.

Executive Director Kroncke showed a few before and after photos of the NERB project.

Executive Director Kroncke praised Shawmut Design and Construction, the project's General Contractor, for being on top of things and ensuring that project supplies were secured before COVID restrictions shut things down. Executive Director Kroncke also praised Terva / Trident, the project's OPM, as well.

Executive Director Kroncke stated that on May 2nd the Building Authority sold bonds. This date was accelerated in order to take advantage of a better rate. She noted that it was a good day in the market and that this new money will be tax exempt.

Executive Director Kroncke stated that the Bonds have been rated AA, Aa2 and AA-, respectively, by Fitch Ratings, Inc., Moody's Investors Service, Inc., and S&P Global Ratings.

Executive Director Kroncke turned the meeting back over to Chairperson Burns.

Chairperson Burns thanked Executive Director Kroncke for her remarks and mentioned that there were minutes to approve from the March 27, 2024 meeting.

A roll-call vote was taken, and it was moved by Board member Jerry Colella, seconded by Board member Tom Green and it was unanimously.

VOTED: To approve the minutes from the March 27, 2024, Board meeting.

Chairperson Burns turned the meeting over to Aaron D'Elia, Chief Financial Officer.

Mr. D'Elia opened his remarks by giving a brief update on the 2024-1 bond issuance. He mentioned that the Building Authority successfully conducted a competitive bond sale on May 2nd where 11 underwriters and banks bid on the Building Authority's bonds. It was noted that the lowest bid and winner of the competitive sale was Bank of America at an all-in true interest rate of 4.199%.

Mr. D'Elia said that the sale will generate \$165 million of tax-exempt proceeds for UMass Amherst capital projects at a par amount of \$150.4 million with a 30-year level debt service. The bond issuance is scheduled to close on Wednesday, May 15th.

Mr. D'Elia gave a brief presentation on Fiscal Year 2024 based on an internal third quarter review of expenses. The Building Authority is projecting that Fiscal Year 2024 spending will be \$272 thousand or 2% under budget. This is primarily due to Compensation and Benefits which are projected to come in under budget by \$155 thousand due to staff vacancies. He also noted that accounting and utilities are also projected to come in under budget.

Mr. D'Elia stated that Fiscal Year 2025 budget recommendation proposes an increase of approximately \$466 thousand or 3% over the Fiscal Year 2024 budget. The proposal includes an increase to Compensation & Benefits of \$252 thousand or 7% due primarily to cost-of-living adjustments and increased fringe costs.

Mr. D'Elia stated that insurance is increasing by approximately \$67 thousand or 2% over the Fiscal Year 2024 budget due to increased premiums and total insured value of property. Mr. D'Elia also stated that rent is increasing by \$147 thousand or 3% over the Fiscal Year 2024 budget due to normal rent increases included in the lease agreements for One Beacon Street and Mt. Ida. The Fiscal Year 2025 budget level funds all other budget categories.

Mr. D'Elia turned the meeting back over to Chairperson Burns. Chairperson Burns stated that a vote was needed to accept the Fiscal Year 2025 budget.

A roll-call vote was taken, and it was moved by Board member Norm Peters, seconded by Board member Tom Green and it was unanimously.

VOTED: To approve the Fiscal Year 2025 Budget.

Chairperson Burns asked Maggie Drouineaud for her update on the Building Authority's compliance initiatives.

Ms. Drouineaud opened her remarks by stating that the Building Authority awarded its first WMBE design contract to Studio Enee, on the Flint Renovation project on the UMass Amherst campus. The value of the contract is \$2 Million. Ms. Drouineaud was very appreciative of the UMBA Capital team for always trying to find ways to improve the MBE/WBE participation on construction projects.

Ms. Drouineaud noted that the Governor's Office reach out to the Building Authority for representation on their Public Construction Advisory Council. At the direction of the Executive

Director, Maggie was appointed and attended the first meeting on April 30, 2024. This Council is charged with exploring opportunities to expand inclusionary contracting for small emerging, and diverse Massachusetts businesses in public construction projects; identifying barriers and recommending reform measures to mitigate such barriers to the Governor. Ms. Drouineaud also noted that this Council will be meeting monthly until September at which time a report of findings will be submitted to the Governor.

Ms. Drouineaud continues to meet with the Building Trade Unions in Western Massachusetts, Lowell and Dartmouth to inform the business agents of the trades on the projects in need of help with the recruitment of minorities and women. Ms. Drouineaud also continues collaborating with pre-apprenticeship programs and vocational/technical schools in those areas to help provide resources to the contractors. She will continue to meet with MBE/WBE organizations in the community to attract new contractors to bid on Building Authority projects.

Ms. Drouineaud said that the Building Authority continues site visits and conducts pre-construction meetings with all subcontractors coming on site as well as holding corrective action meetings with subcontractors who are not meeting the compliance requirements.

Ms. Drouineaud turned the meeting back over to Chairperson Burns.

Chairperson Burns thanked Ms. Drouineaud for her remarks.

Chairperson Burns asked Audit Committee Chair, Jerry Colella, to provide an update on the recent Audit Committee meeting.

Audit Committee Chair Colella gave a brief update of the recent Audit Committee meeting that was held on May 9, 2024, at 10:00 a.m. He noted that in addition to the Committee members which included Mary Burns, Kelly O'Neill and himself; David Gagnon and Zachary Penfold of KPMG were also in attendance. Committee Chair Colella stated that the timeline of the audit was discussed, and Mr. Gagnon and Mr. Penfold gave a brief update on the upcoming audit.

Committee Chair Colella turned the meeting back over to Chairperson Burns.

Chairperson Burns thanked Committee Chair Colella for his remarks.

Chairperson Burns asked Nominating Committee Chair, Michael O'Brien, to provide and update on the recent Nominating Committee meeting.

Committee Chair O'Brien stated that the Nominating Committee met at 9:30 a.m. prior to the Board meeting. Committee Chair O'Brien presented the slate of officers for Fiscal Year 2025. The proposed slate of officers are as follows:

Mary Burns – Chairperson
Michael O'Brien - Vice Chair
Gerald Colella– Secretary-Treasurer
Barbara Kroncke – Assistant Secretary-Treasurer

Committee Chair O'Brien asked for a motion to approve the Fiscal Year 2025 slate of officers. A motion to approve the slate of officers was made by Norm Peters, seconded by James

McGaugh.

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

VOTED: To approve the Nominating Committee slate of officers for Fiscal Year 2025.

With no further business in open session, Chairperson Burns asked Mr. Mullen to take a roll call vote to adjourn the meeting and move to Executive Session. She also stated that the Board will not be returning to open session.

A motion to adjourn the meeting was made by James McGaugh, seconded by Kelly O'Neill.

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

VOTED: To unanimously adjourn the meeting at 10:25 a.m.