

City of Worcester, Massachusetts

Edward M. Augustus, Jr.
City Manager

Michael E. Traynor, Esq.
Chief Executive Officer
Worcester Redevelopment Authority



WORCESTER REDEVELOPMENT AUTHORITY

December 14, 2018

8:00 A.M.

City Hall, Levi Lincoln Chamber
Worcester, MA 01608

Present:

Worcester Redevelopment Authority Board

Vincent Pedone, Chair
Michael Angelini
Jennifer Gaskin
David Minasian

Staff

Michael Traynor, Chief Development Officer
Jennifer Beaton, Deputy City Solicitor
Thomas Zidelis, Chief Financial Officer
John Odell, Energy & Asset Management
Erin Cahill, WRA Financial Manager
Stephen Rolle, Office of Economic Development
Jeanette Tozer, Office of Economic Development
Jane Bresnahan, Office of Economic Development

Pursuant to a notice given (attached), a meeting of the Worcester Redevelopment Authority was held at 8:00 A.M. on Tuesday, December 14, 2018.

1. Call to Order

Chair Pedone called the meeting to order at 8:02 A.M.

2. Roll Call

Mr. Traynor called the roll.

3. Approval of Minutes: November 9, 2018 and December 4, 2018

Chair Pedone asked the Board to review the minutes of November 9, 2018 and December 4, 2018 meetings. The meeting minutes were moved by Mr. Angelini and seconded by Mr. Minasian.

New Business

1. Presentation By Donald J. Mancini - Kelleher & Sadowsky - Report on a Redevelopment Strategy for Union Station

Chair Pedone requested that the presentation by Mr. Mancini be held until the next meeting to allow the Board additional time to read the report. Mr. Angelini agreed with the request and noted that the Board should read the report beforehand in fairness to Mr. Mancini. Mr. Minasian and Ms. Gaskin agreed, and Item No. 1 was held until the next scheduled meeting.

2. Authorize the Execution of a Lease with the Commonwealth of Massachusetts acting through the Division of Capital Asset Management and Maintenance to provide office space for the Cannabis Control Commission

Mr. Traynor stated that the Cannabis Control Commission, through the Division of Capital Asset Management and Maintenance (DCAMM) has chosen the WRA's proposal to locate their offices at Union Station. The Cannabis Control Commission will vote the following Monday and has asked that the WRA authorize the execution of a lease first. The Board was provided the schematic plan, a breakdown of the rent, and the specifications for the premises, which are the attachments that go with the State's boilerplate lease. The lease terms include fifteen (15) parking spaces in the Union Station Garage.

Ms. Gaskin noted that the Kelleher & Sadowsky report referenced the Cannabis Control Commission lease and office space in Union Station, and while it does not impact her decision to move forward with the lease, she stated the importance of recognizing the recommendation in the report that the WRA should not move forward with the lease and should instead pursue a boutique hotel at Union Station. Chair Pedone stated that he and Mr. Traynor had a related conversation the previous day, and noted that the WRA had asked Kelleher & Sadowsky to provide said report in March 2018. Mr. Pedone further stated that it would have been helpful if the report had been provided to Mr. Traynor prior to the WRA agreeing to move forward with a lease. The Board has put the discussion off, and therefore that part of the report is no longer relevant. Mr. Angelini responded that he had not read the report, but does know that there have been extensive efforts to get the State to move offices to Worcester and he does not believe they can pull back at this time.

Mr. Angelini moved the following motion as written:

Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute a lease agreement with Commonwealth of Massachusetts, acting by and through its Division of Capital Asset Management and Maintenance of the Executive Office for Administration and Finance on behalf of the User Agency, the Cannabis Control Commission, demising approximately 14,381 square feet on the second floor of Union Station, as shown on Exhibit A attached hereto, for a term of ten (10) years at the base rent set forth in Exhibit B attached hereto and in accordance with the specifications set forth in Exhibit C attached hereto;

And Be It Further Resolved that the chief executive officer of the Authority is hereby authorized to take any and all actions necessary to implement this resolution.

Mr. Minasian and Ms. Gaskin both seconded the motion.

The motion was approved 4-0.

3. Authorize a revised Amendment No. 1 to the Design Services Agreement with D'Agostino Izzo & Quirk Architects, Inc. to provide for Additional Services

Mr. Traynor asked to hold this item until the next meeting in order to finalize the scope and fee for additional services. The agenda had to be posted on the previous Tuesday, and the hope was to have the details finalized by the time of the meeting. It was agreed that Item No. 3 would be held until the next meeting.

4. Authorize Change Order No. 4 to the Owner-Contractor Agreement between the Worcester Redevelopment Authority and Kronenberger & Sons Restoration, Inc. relative to the Union Station Exterior Stucco project in the amount of \$490,625.52

Mr. Odell stated that the vote before the Board is for a change order for the façade work. The exterior stucco project continues, and the discovery of both more extensive water infiltration and an algae substance behind the coating has increased the costs and extended the schedule. The WRA is addressing the issue in two ways, which is why the costs are higher than originally anticipated. The existing coat is being removed and copper shielding is being added in order to more thoroughly address the issues. Mr. Angelini inquired about how the change order was determined to be a fair price, and Mr. Odell explained that two consultants have reviewed the change order to determine that it is both the best course of action and that the costs are consistent with what they expected them to be. Mr. Angelini asked if this was received in writing and Mr. Odell stated that it was from one of the consultants.

Mr. Angelini moved the following motion as written:

Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute Change Order No. 4 to the Owner Contractor Agreement between the Worcester Redevelopment Authority and Kronenberger & Sons Restoration, Inc. relative to the exterior stucco project at Union Station in the not to exceed amount of Four Hundred Ninety Thousand Six Hundred Twenty Five Dollars and Fifty Two Cents (\$490,625.52).

Mr. Minasian seconded the motion.

The motion was approved 4-0.

Mr. Angelini followed up that he was struck by the detail of the requested amount and that it suggests that the WRA received an itemized estimate. Mr. Odell noted that a large portion of the change order amount is based on labor costs, which are hourly to the penny. The dollar amount is calculated by multiplying hourly labor rates by the anticipated number of hours.

5. Authorize Amendment No. 1 to the Cooperation Agreement between the City of Worcester and the Worcester Redevelopment Authority relative to the Downtown Urban Revitalization Plan

Mr. Traynor informed the Board that this is an amendment to the previous Cooperation Agreement that was executed for the Downtown Urban Revitalization Plan. This amendment would transfer the bonded money that was authorized by City Council from the City to the WRA for the ballpark project. Mr. Minasian noted that the Board packet does not include the actual Cooperation Agreement and inquired about the bonds. Mr. Zidelis responded that the \$94.5 million does include the \$6 million contribution from the team. Relative to the bonding, the City will issue two series of bonds – one being the Series B bonds, which have already been issued by the City and which will be backed by the rent or the lease payment of the Team for the facility. The Series A bonds will be in the range of roughly \$60 million to \$70 million depending on the total project cost, and that will be paid for with the incremental revenue of the ancillary development in the project area. Mr. Minasian asked if the \$6 million would go directly to the City, and Mr. Zidelis stated that, as it is currently envisioned, all costs will eventually flow through the WRA, and at this point in time it is assumed that the \$6 million would go to the City and then eventually to the WRA. An exception would be if the team directly purchases certain items for the facility, which will be a WRA/City-owned property – in this case gifts may be accepted in lieu of the \$6 million.

Mr. Angelini moved the following motion as written:

Voted that the Worcester Redevelopment Authority hereby authorizes its chair or vice-chair to execute Amendment 1 to the Cooperation Agreement between city of Worcester and Worcester Redevelopment Authority relative to Downtown Urban Revitalization Plan to provide additional funding in the amount of Ninety Four Million Five Hundred Thousand Dollars and No Cents (\$94,500,000.00).

Ms. Gaskin seconded the motion.

The motion was approved 4-0.

6. Authorize an Amendment to the Responsible Employer & Inclusionary Participation Policy

Chair Pedone introduced the item to amend the Responsible Employer & Inclusionary Participation Policy, which had been discussed at the past couple of meetings. Mr. Traynor stated that this item follows up on a discussion the Board had at the November meeting. The policy had lumped minority and women participation into twenty (20) percent with no breakdown of how that would apply to each. For the amended policy, the WRA has chosen to utilize the participation percentage numbers that the State currently uses, which is similar to what the Board had heard from the UMass Building Authority. This is based on the State's disparity study that would require goals of 15.3 percent people of color and indigenous people work hours, and 6.9 percent women work hours. The amended policy also includes a Worcester resident participation goal of 25 percent for those workers that are Massachusetts residents. The City is undertaking its own disparity study right now but it will not be completed in time for the WRA's policy. Therefore, the Board may revisit the policy's participation goals depending on the results of the local study.

Mr. Angelini stated that his reading of the proposed language is such that it would allow a contractor to hire an out-of-state workforce entirely of all white males, but only to the extent

that it applies to Massachusetts' workers would it have to comply with these requirements. In taking the language literally, the requirement in terms of percentages only applies to Massachusetts workers. Mr. Traynor clarified that the intention is for the participation goals to apply to all workers. The language regarding the out-of-state and in-state workers was split apart because we once had a City residence job ordinance that was struck down. The policy is saying that we recognize that we cannot limit this to Worcester and Massachusetts residents; of the in-state hires, the goal is 25 percent Worcester residents.

Mr. Angelini suggested that the policy state that every contractor shall commit to the participation goals of 25 percent Worcester residents, 15.3 percent people of color and indigenous people work hours, and 6.9 percent women work hours. Mr. Traynor explained that they do not want to get tripped up on the legal argument that out-of-state workers are being excluded from the project. Mr. Angelini stated that there is a hole in the language that requires more attention. Mr. Traynor suggested moving the distinction between the in-state and out of state workers to after the percentage goals so that it is clear that the 15.3 percent and 6.9 percent participation goals apply to everyone. Mr. Angelini inquired if revised language could be provided to the Board at a future date, and Mr. Traynor stated that the amended policy is needed in order to issue the Construction Manager at Risk Request for Qualifications the following week. Mr. Angelini followed up with a suggestion to change the language to say that "Every contractor, at every tier, shall, in addition to committing to workforce diversity, use its best efforts to utilize 25 percent Worcester resident work hours, 15.3 percent people of color and indigenous people work hours and 6.9 percent women work hours..." and to strike the words beginning with 'that' in the first line through the word 'contractor' in the third line. Mr. Minasian agreed with the validity of Mr. Angelini's concern and suggested flipping the language around to address the diversity participation goals first, and, as Mr. Traynor suggested, follow that with language regarding best efforts to utilize 25 percent Worcester resident work hours for the workers that are residents of Massachusetts.

Mr. Angelini inquired about voting in general terms instead of constructing language in the meeting. Chair Pedone questioned the Board's authority to vote for something that would be written afterwards, and it was agreed that they could reconstruct the motion.

Mr. Angelini moved the following motion as dictated:

Move that we approve a policy which commits every contractor not only to commit to workforce diversity but commits that contractor to use its best efforts to utilize at least 25 percent Worcester resident work hours, 15.3 percent people of color and indigenous people work hours and 6.9 percent women work hours in addition to the other requirements set forth in Paragraph 1 of Article 1 of the proposal.

Ms. Gaskin seconded the motion.

The motion was approved 4-0.

Chair Pedone asked that the revised language be sent to the Board the same day.

7. Authorize Award of Contract for 3-Year, On-Call, Architectural Services for Miscellaneous Projects to Nault Architects, Inc., per the Recommendation of the City's Designer Selection Board

Mr. Traynor requested that Items 7, 8, 9 and 10 be taken collectively. Mr. Traynor stated that Mr. Odell was involved in the Designer Selection Board (DSB), which issues a request every three years for an on-call architectural firm and on-call engineering firm for miscellaneous

projects at Union Station and for the City. This year the DSB has recommended hiring two on-call architectural firms and two on-call engineering firms because of the volume of work on both the City side and the WRA side. Mr. Odell followed up that the DSB process looked at qualifications first and negotiated the price after, and noted that the firms would be used by both the City and WRA. Mr. Minasian inquired about the reasoning behind having two architects, and Mr. Odell responded that it is an issue of volume; over the last few years the City and the WRA have relied on one firm, which has been a strain for all parties. The DSB felt it would be beneficial to have two on-call firms for both architectural services and engineering.

Mr. Minasian inquired about the anticipated scope of work and whether or not it is just Union Station or if it includes other work related to the Downtown Urban Revitalization Plan. Mr. Zidelis clarified that the City means the municipal side, which includes the Worcester Public Schools with their fifty buildings. The scope of work can vary as situations arise in each of the City's buildings, and the intent of the DSB and the Purchasing Agent is to have two companies on-call because the scope can vary from year to year.

Mr. Angelini moved the following motion as written:

Voted that the Worcester Redevelopment Authority accepts the recommendation of the City of Worcester Designer Selection Board to award a contract with a term through December 31, 2021, for non-exclusive, on-call architectural design services for miscellaneous projects at the Union Station Intermodal Transportation facility to Nault Architects, Inc.;

And Be It Further Resolved that the Authority hereby authorizes its chair or vice-chair to execute a Design Services Agreement with Nault Architects, Inc., which shall be based on the hourly rates attached hereto as Exhibit A.

Mr. Minasian seconded the motion.

The motion was approved 4-0.

8. Authorize Award of Contract for 3-Year, On-Call, Architectural Services for Miscellaneous Projects to Lerner/Ladds + Bartels, Inc., per the Recommendation of the City's Designer Selection Board

Ms. Gaskin moved the following motion as written:

Voted that the Worcester Redevelopment Authority accepts the recommendation of the City of Worcester Designer Selection Board to award a contract with a term through December 31, 2021, for non-exclusive, on-call architectural design services for miscellaneous projects at the Union Station Intermodal Transportation facility to Lerner/Ladds + Bartels, Inc.;

And Be It Further Resolved that the Authority hereby authorizes its chair or vice-chair to execute a Design Services Agreement with Lerner/Ladds + Bartels, Inc., which shall be based on the hourly rates attached hereto as Exhibit A.

Mr. Minasian seconded the motion.

The motion was approved 4-0.

- 9. Authorize Award of Contract for 3-Year, On-Call, Mechanical, Electrical, Plumbing and related Engineering Services for Miscellaneous Projects to Weston & Sampson, Inc., per the Recommendation of the City's Designer Selection Board**

Mr. Minasian moved the following motion as written:

Voted that the Worcester Redevelopment Authority accepts the recommendation of the City of Worcester Designer Selection Board to award a contract with a term through December 31, 2021, for non-exclusive, on-call design services (MEP engineering services) for miscellaneous projects at the Union Station Intermodal Transportation facility to Weston & Sampson, Inc.;

And Be It Further Resolved that the Authority hereby authorizes its chair or vice-chair to execute a Design Services Agreement with Weston & Sampson, Inc., which shall be based on the hourly rates attached hereto as Exhibit A.

Ms. Gaskin seconded the motion.

The motion was approved 4-0.

- 10. Authorize Award of Contract for 3-Year, On-Call, Mechanical, Electrical, Plumbing and related Engineering Services for Miscellaneous Projects to E D M Services, Inc., per the Recommendation of the City's Designer Selection Board**

The Board requested where the company was from, and Mr. Odell stated they are from Pittsfield and local to Massachusetts.

Mr. Angelini moved the following motion as written

Voted that the Worcester Redevelopment Authority accepts the recommendation of the City of Worcester Designer Selection Board to award a contract with a term through December 31, 2021, for non-exclusive, on-call design services (MEP engineering services) for miscellaneous projects at the Union Station Intermodal Transportation facility to E D M Services, Inc.;

And Be It Further Resolved that .the Authority hereby authorizes its chair or vice-chair to execute a Design Services Agreement with E D M Services, Inc., which shall be based on the hourly rates attached hereto as Exhibit A.

Ms. Gaskin seconded the motion.

The motion was approved 4-0.

- 11. Status Reports:**
- a) Union Station Exterior Stucco Project**
 - b) Union Station – Vendor & Maintenance Performance**
 - d) Union Station – Leak Remediation Project**
 - e) Tenant Updates – Former Tenant**
 - f) Security Update**
 - g) Urban Revitalization Plan**

John Odell informed the Board that there were no other updates at this time.

12. Adjournment

There being no further business, the meeting adjourned at 8:32 A.M.

Respectfully submitted,

Michael E. Traynor, Esq.
Chief Executive Officer