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University of New Mexico Board of Regents Minutes for December 21, 1957

University of New Mexico Board of Regents

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THE MINUTES OF THE MEETING OF
THE REGENTS OF THE UNIVERSITY OF NEW MEXICO

December 21, 1957

The Regents of the University met at 9:30 AM on Saturday, December 21, 1957, in the Regents' Room.

Present: Mr. Jack Korber
Dr. Dorothy Woodward
Mr. Finlay MacGillivray
Dr. Ralph R. Lopez
Mr. Wesley Quinn

Also present: President Popejoy

* * * * *

Mr. John Gaw Meem and Mr. Edward O. Holien, architects, appeared before the Regents to present and explain the final plans and specifications for the proposed new student union building. After a great deal of discussion in regard to these plans, the following resolution was presented.	Approval of Plans and Specifications for Student Union Building
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RESOLUTION

PROJECT NO. N.Mex. 29-CH-12(S)

WHEREAS, the Regents of the University of New Mexico have determined that it is necessary to construct a Student Union Building; and

WHEREAS, Meem, Holien, Buckley and Associates were engaged to prepare plans and specifications for the aforesaid work, and said architects have completed the plans and specifications and submitted them for approval; and

WHEREAS, the completed plans and specifications have been carefully studied and are considered to comprise adequate planning of the work and which is within the financial ability of the Regents of the University of New Mexico to construct;

NOW, THEREFORE, BE IT RESOLVED BY the Regents of the University of New Mexico, the governing body of said applicant, that the plans and specifications submitted by Meem, Holien, Buckley and Associates for the construction of the Student Union Building, dated December 21, 1957, be and the same are hereby approved.

CERTIFICATE OF RECORDING OFFICER

I, the undersigned, the duly qualified and acting Secretary of the Regents of the University of New Mexico (herein called the "Applicant") and the keeper of the records of the applicant including the Journal of Proceedings of the Regents (herein called the "Governing Body"), do hereby certify:

1. That the attached resolution is a true and correct copy of the resolution as finally adopted at a meeting of the governing body held on the 21st day of December, 1957, and duly recorded in my office;

2. That said meeting was duly convened and held in all respects in accordance with law and to the extent required by law due and proper notice of such meeting was given; and a legal quorum was present throughout the meeting, and a legally sufficient number of members of the governing body voted in the proper manner and for the adoption of said resolutions; that all other requirements and proceedings under the law incident to the proper adoption or passage of said resolution, including publication, if required, have been duly fulfilled, carried out, and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 19____.

(SEAL)

Secretary, Regents of the University of New Mexico

It was moved by Dr. Woodward and seconded by Mr. Quinn that this resolution be adopted. Carried.

* * * * *

Interior
Decorating
for Student
Union Building

It was moved by Mr. Quinn and seconded by Dr. Woodward that the interior decorating contract or proposals for the student union building be brought back to the Regents for additional discussion at a later time. Carried.

* * * * *

President Popejoy presented to the Regents a loan agreement in connection with the student union building. The agreement follows.

Loan
Agreement

Project No. N. Mex. 29-CH-12(S)
The Regents of the University
of New Mexico
Albuquerque, New Mexico
Contract No. H-502-225

L O A N A G R E E M E N T

THIS LOAN AGREEMENT, dated as of November 1, 1957, by and between The Regents of the University of New Mexico, a public, non-profit educational institution of higher learning located in Albuquerque, New Mexico (herein called the "Borrower"), and the United States of America (herein called the "Government"), WITNESSETH:

Section 1. Amount, Purchase Price and Purpose. Subject to the Terms and Conditions (8-56), as amended herein, attached hereto, and made a part hereof, and the provisions of this Agreement, the Borrower will sell and the Government, acting by and through the Housing and Home Finance Administrator (herein called the "Administrator"), will purchase \$2,000,000 aggregate principal amount of the obligations of the Borrower described below (herein called the "Bonds"), or such lesser amount thereof as the Administrator estimates will be required, together with the Borrower's funds provided from other sources, to pay the development cost of the Project (estimated to be \$3,000,000) hereinafter described, at a price equal to the principal amount thereof plus accrued interest, the proceeds of the sale of such Bonds to be used solely for the development of the said Project.

Section 2. Description of the Bonds. The Bonds which the Borrower agrees to sell and the Government agrees to purchase, and the bonds to be sold on the Open Market, are described as follows:

- (a) Designation: The Regents of the University of New Mexico Student Union Bonds, Series 1957.
- (b) Date: December 1, 1957.
- (c) Principal Amount: Total issue \$3,000,000; \$1,000,000 to be sold on the Open Market (herein called "Open Market Bonds"); and \$2,000,000 to be sold to the Government or the Open Market (herein called the "Bonds").

(d) Denomination: \$1,000.

(e) Type: Negotiable, serial, coupon Bonds, payable to bearer.

(f) Interest Rate: Not yet established on Open Market Bonds; 3% per annum on the Bonds; payable semi-annually on June 1 and December 1 in each year, first interest payable June 1, 1958.

(g) Maturities: December 1, in years and amounts as follows:

<u>Year(s)</u>	<u>Principal Payment</u>	<u>Year(s)</u>	<u>Principal Payment</u>
(OPEN MARKET BONDS)		(BONDS)	
\$1,000,000	Nos. 1 to 1,000	\$2,000,000	Nos. 1,001 to 3,000
1959-1962	\$ 5,000	1981	\$ 90,000
1963-1964	35,000	1982-1983	95,000
1965-1967	40,000	1984	100,000
1968-1969	45,000	1985-1986	105,000
1970-1971	50,000	1987	110,000
1972-1973	55,000	1988-1989	115,000
1974	60,000	1990	120,000
1975-1976	65,000	1991-1992	125,000
1977	70,000	1993	130,000
1978-1979	75,000	1994	135,000
1980	80,000	1995	140,000
		1996	145,000
		1997	150,000

(h) Numbers: Total: 1 to 3,000 inclusive, in order of maturity.

(i) Security: A special obligation of the Borrower secured by:

- (1) A first lien on and pledge of the net revenue derived from the operation and ownership of the Project including, but not limited to, the Bookstore, Cafeteria and food service facilities which are located within the Project, and
- (2) A first lien on and pledge of the gross revenue derived from a Student Union Building Fee of at least \$16 (Regular Term) for full-time students

and \$6 (Regular Term) for part-time students which will be levied against each student enrolling at the University.

(j) Place and Medium of Payment: Payable as to both principal and interest at the principal office of the official depository of the Borrower, which shall be a bank or trust company in the State of New Mexico, which is a member of the Federal Deposit Insurance Corporation, or at the option of the holder, at a bank or trust company in the Borough of Manhattan, City and State of New York, in any coin or currency which, on the respective dates of payment of such principal and interest is legal tender for the payment of debts due the United States of America.

(k) Registerability: Registerable, at the option of the holder, as to principal only.

(l) Redemption Provisions: Bonds numbered 1 through 210 inclusive, maturing December 1, 1959 through December 1, 1967 inclusive, to be non-callable. Bonds numbered 211 through 2300 inclusive, maturing December 1, 1968 through December 1, 1992 inclusive, to be callable at the option of the Borrower prior to the stated maturities thereof, in whole or in part and in inverse numerical order on any interest payment date after December 1, 1967 upon at least thirty (30) days' prior notice, at the principal amount thereof, plus accrued interest to the date of redemption and a premium for each Bond as follows:

	3%	if redeemed June 1, 1968 through December 1, 1972 inclusive
2	1/2%	" " " 1, 1973 " " 1, 1977 inclusive
	2%	" " " 1, 1978 " " 1, 1982 inclusive
1	1/2%	" " " 1, 1983 " " 1, 1987 inclusive
	1%	" " after December 1, 1987

Bonds numbered 2301 through 3000 inclusive, maturing December 1, 1993 through December 1, 1997 inclusive, to be callable at the option of the Borrower in whole or in part and in inverse numerical order on any interest

payment date during the entire life of the loan, upon at least thirty (30) days' prior notice, at par plus accrued interest to the date of redemption.

Priority as to call shall extend to Bonds numbered 2301 through 3000 inclusive, over Bonds numbered 211 through 2300 inclusive.

Section 3. Sale of Bonds. The Bonds will be sold by the Borrower at public sale, the call for bids specifying that bids will be received and considered on the following basis:

- For (1) all maturities in the years 1981 through 1995;
- (2) all maturities in the years 1996 through 1997; and
- (3) the entire issue.

The Government will submit its bid for the Bonds and such bid will be for all of the \$2,000,000 Bonds at their par value, plus accrued interest, at the rate of three per centum (3%) per annum on all of any one or more of the above blocks of Bonds.

In the event any other bidder(s) offer to purchase all the Bonds, or any portion of the Bonds in blocks as specified at an interest cost of not more than 3% per annum, the Bonds or any such portion thereof shall be sold to such bidder(s). In the event of a sale of all the Bonds to a purchaser(s) other than the Government, this Agreement shall terminate except with respect to obligations hereunder between the Borrower and the Government as of the date of such sale of the Bonds. In the event any of the Bonds are awarded to the Government, it is agreed that the obligations hereunder shall continue in the same manner as if all the Bonds were sold to the Government. In the event no bid is received from a bidder (s) other than the Government within the terms herein specified, all the Bonds shall be sold to the Government. It is agreed and understood that so long as the Government owns any of such Bonds, it will waive the non-callable provisions, redemption premium and publication of notice of call applicable thereto.

Section 4. Description of the Project. The Project shall consist of a student union building, including dining facilities, and necessary appurtenances (herein called the "Project").

Section 5. Audit and Inspection Expenses. The amount of the fixed fee for audit and inspection expenses referred to in Section 36 of the attached Terms and Conditions shall be \$7,500.

Section 6. Special Conditions. The Government's obligation to purchase the Bonds of the Borrower is subject to the following special conditions:

- (a) The Borrower shall covenant and agree that as soon as any portion of the Project becomes revenue-producing, all rentals, fees, charges, income and revenue arising from the operation or ownership of the Project and all receipts from the student union building fee shall be deposited to the credit of a special fund, to be known as the "1957 Project Revenue Fund Account" and held in the custody of the Treasurer of the Borrower, separate and apart from all other funds. Such 1957 Project Revenue Fund Account shall be maintained so long as any of the Bonds are outstanding, in a bank which is a member of the Federal Deposit Insurance Corporation and shall be expended and used by the Treasurer only in the manner and order specified below.
- (b) Current Expenses of the Project shall be payable, as a first charge, from the 1957 Project Revenue Fund Account as the same become due and payable. Current Expenses shall include all necessary operating expenses, current maintenance charges, cost of food served, expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance and all other expenses incident to the operation of the Project, but shall exclude depreciation, all general administrative expenses of the Borrower and the payment into the "Building Maintenance and Equipment Reserve" hereinafter provided for.
- (c) The Borrower shall establish with the official depository and maintain so long as any of the Bonds are outstanding, a Student Union Building Bond and Interest and Retirement Fund of 1957 (which may be designated the "Bond Fund") which shall be a separate account into which shall be deposited all accrued interest received from the sale of the Bonds. Thereafter, as soon as any portion of the Project becomes revenue-producing, and after providing for the payment of Current Expenses, the Borrower shall transfer from the 1957 Project Revenue Fund Account and deposit to the credit of the Bond Fund, on or before each May 15 and November 15 the balance therein until the funds and/or investments therein are sufficient to meet the debt service requirements on the outstanding Bonds for the then current year plus a debt service reserve of \$10,000 and, thereafter, on or

before each May 15 and November 15 such sums from said sources as may be necessary to meet the then current year's debt service and maintain the debt service reserve in the sum of \$10,000.

- (d) As soon as the required reserve is accumulated in the Bond Fund, the Borrower shall establish with the official depository a separate account called the "Building Maintenance and Equipment Reserve Account" into which shall be deposited from the 1957 Project Revenue Fund Account on or before the close of each fiscal year, the balance therein until the funds and/or investments in the Building Maintenance and Equipment Reserve Account shall aggregate \$300,000. Thereafter, such sums annually as may be required to restore and maintain the balance of \$300,000. All monies in the Building Maintenance and Equipment Reserve Account may be drawn on and used by the Borrower for the purpose of paying the cost of unusual or extraordinary maintenance or repairs, renewals and replacements, and the renovating or replacement of the furniture and equipment not paid as part of the ordinary and normal expense of Project operation. However, in the event the funds in the Bond Fund shall be reduced below the amount required to meet the then current year's debt service and a debt service reserve of \$10,000 on the outstanding Bonds, funds on deposit in the Building Maintenance and Equipment Reserve Account shall be transferred to the Bond Fund to the extent required to eliminate the deficiency in that account.
- (e) After (1) transferring from the 1957 Project Revenue Fund Account to the Bond Fund such sums as are necessary to meet all debt service requirements on the outstanding Bonds for the then current year plus a debt service reserve of \$10,000 and (2) after transferring such sums from the 1957 Project Revenue Fund Account to the Building Maintenance and Equipment Reserve Account sufficient to restore or maintain a balance therein of \$300,000, the Borrower shall at the close of each school term, withdraw from the 1957 Project Revenue Fund Account the balance therein and deposit said funds to the credit of a special "Redemption Account" within the Bond Fund for the purpose of redeeming outstanding Bonds on the next interest payment date, in inverse numerical order and in amounts of not less than \$5,000 par value at one time.

(f) Prior to filing any requisition for loan funds, the Borrower shall market (with approval of HHFA) the first \$1,000,000, of this \$3,000,000 bond issue, deposit the accrued interest received therefrom in the Bond Fund, and deposit the principal \$1,000,000 in the Project Building and Improvement Fund (In accordance with New Mexico Statute, the title, "Building and Improvement Fund" is substituted for and used in place of "Construction Account").

Section 7. Delete Section 19 of the attached Terms and Conditions and insert in lieu thereof: "The Borrower shall require of its contractors general compliance with all applicable state and local laws or ordinances with respect to the hours worked by laborers and mechanics engaged on the Project and with respect to compensation for overtime."

IN WITNESS WHEREOF, this Agreement has been executed in the name and on behalf of the United States of America, Housing and Home Finance Administrator, by the undersigned Regional Administrator, and in the name of The Regents of the University of New Mexico, by the undersigned President of said Regents, and under the official seal thereof, attested by the Secretary of said Regents.

UNITED STATES OF AMERICA
Housing and Home Finance Administrator
Community Facilities Commissioner

Date

By _____
Regional Administrator

THE REGENTS OF THE UNIVERSITY OF
NEW MEXICO

(SEAL)

By _____
President of the Regents of
the University of New Mexico

ATTEST:

Secretary of The Regents of the
University of New Mexico

It was moved by Mr. Quinn and seconded by Dr. Woodward that the following resolution in regard to the loan agreement be approved. Carried.

RESOLUTION APPROVING A LOAN AGREEMENT
WITH UNITED STATES OF AMERICA

PROJECT NO. N. Mex. 29-CH-12(S)

WHEREAS, there has been filed with the Housing and Home Finance Agency in behalf of The Regents of the University of New Mexico (herein called the "Borrower"), an application for aid in financing college housing under the provisions of Title IV of the Housing Act of 1950, as amended, and the UNITED STATES OF AMERICA, Housing and Home Finance Administrator, has transmitted to the Borrower for consideration a Loan Agreement tendering such aid, dated November 1, 1957, in connection with the Project referred to in said application and generally described in said Agreement; and

WHEREAS, said Agreement has been duly read in open meeting, fully considered in accordance with all pertinent rules of procedure and legal requirements, and made a part of the Borrower's records; and

WHEREAS, it is deemed advisable that said Agreement be accepted;

NOW, THEREFORE, be it resolved by The Regents of the University of New Mexico, that the said Agreement, a true and correct copy of which is hereto attached, be and the same hereby is accepted without reservation or qualification, and the proper officials of the Borrower are authorized to execute documents evidencing such acceptance and take such further action as is necessary to provide the project.

ADOPTED AND APPROVED by The Regents of the University of New Mexico on the 21st day of December, 1957.

(SEAL)

President of The Regents of the
University of New Mexico

ATTEST:

Secretary of The Regents of
the University of New Mexico

* * * * *

It was moved by Mr. Quinn and seconded by Dr. Woodward that we negotiate for an amendment to the loan agreement. Carried.

Amendment to Loan Agreement

* * * * *

It was moved by Mr. Quinn and seconded by Dr. Lopez that the following resolution concerning wage rates be adopted. Carried.

Resolution re Wage Rates

RESOLUTION RE WAGE RATES

WHEREAS, The Regents of the University of New Mexico (hereinafter called "University") has caused plans to be prepared for and intends to construct a New Mexico Union on the Campus of the University of New Mexico, and

WHEREAS, it is desirable that the rates of pay for laborers and mechanics engaged in the construction of such project will not be less than the prevailing per diem wage rates for similar work at the place such work is to be performed; and

WHEREAS, the governing authority of the University has made an investigation of the wage rates prevailing in the area:

BE IT RESOLVED BY THE GOVERNING BODY OF SAID UNIVERSITY:

That it is found and determined that the rates shown for the classifications listed on the attachment marked "Exhibit B" are the prevailing rates of per diem pay for laborers and mechanics engaged in similar work at the place where such work is to be performed.

Dated December 21, 1957.

ATTEST:

President, The Regents of the University of New Mexico

Secretary

I, Finlay MacGillivray, Secretary of the Regents of the University of New Mexico, do hereby certify that the above and foregoing is a true and correct copy of a resolution duly adopted by the governing authority of said University of New Mexico on the date given.

WITNESS my hand this 21st day of December, 1957.

(SEAL)

Secretary

Contract with Architects

It was moved by Dr. Lopez and seconded by Dr. Woodward that the contract between the Regents of the University of New Mexico and Meem, Holien, Buckley and Associates, architects, in connection with the new student union building, be approved. Carried.

* * * * *

Sale of State Land

A letter from Mr. Murray E. Morgan, State Land Commissioner, asking whether or not the Regents would protest the sale of certain blocks of state land located near the Sandia Mountains east of Albuquerque, the benefits of which would accrue to the University, was presented to the Regents. It was the unanimous opinion of the Regents that no protest should be made at this time.

* * * * *

Contract with Los Alamos Laboratory

A revision in the contract which the University of New Mexico has with the Los Alamos Laboratory for research in the Chemistry Department was presented. The main item of change was the establishment of a fixed overhead rate of thirty per cent.

It was moved by Mr. Quinn and seconded by Mr. MacGillivray that this overhead rate and revised contract be approved. Carried.

* * * * *

Traffic Light

Mr. MacGillivray called the attention of the Regents to the serious traffic hazards for students and others at the corner of Cornell and Central. He moved that the city of Albuquerque be requested to install a traffic light at this site at the earliest possible date. The motion was seconded by Dr. Lopez and carried.

* * * * *

The meeting adjourned at 12:30 PM.

APPROVED:

John L. ...
President

ATTEST:

Lucy MacGillivray
Secretary-Treasurer