



**SPECIAL UNM HOSPITAL BOARD OF TRUSTEES - OPEN SESSION AGENDA**

**May 7, 2021 @ 9:00 AM**

<https://hsc-unm.zoom.us/j/91343180702> Meeting ID: 913 4318 0702 / Passcode: 725240

1-346-248-7799 / 913 431 807 02# 725240# US (Houston)

1-669-900-6833 / 913 431 807 02# 725240# US (San Jose)

- I. CALL TO ORDER – Mr. Del Archuleta, Vice Chair
- II. ADOPTION OF AGENDA (Approval/Action - 5 Minutes)
- III. RESOLUTION: NEW HOSPITAL TOWER PRE-COMMITMENT WORK (Approval/Action – 25 Minutes)
- IV. ADJOURN MEETING (Approval/Action)

**THE REGENTS OF THE UNIVERSITY OF NEW MEXICO  
RESOLUTION**

RATIFYING AND APPROVING THE EXECUTION AND DELIVERY OF THE PRE-COMMITMENT WORK DOCUMENTS RELATING TO THE REGENTS OF THE UNIVERSITY OF NEW MEXICO'S HUD-INSURED LOAN; AND AUTHORIZING ANY OTHER NECESSARY ACTION TO EFFECT THE DELIVERY OF THE PRE-COMMITMENT WORK DOCUMENTS.

**WHEREAS**, the Regents of the University of New Mexico (the "**University**") is a state educational institution and body corporate under the Constitution and laws of the State of New Mexico with requisite corporate power and authority to operate hospital facilities and to carry on its business as presently being conducted; and

**WHEREAS**, the Board of Regents (the "**Board**") is constituted and empowered under the Constitution and laws of the State of New Mexico to control and manage the affairs of the University, including the care and preservation of all its property, the erection and construction of all buildings necessary for its use, with the authority to contract and be contracted with; and

**WHEREAS**, the Board previously approved the development of a project to construct a new hospital tower as a part of the UNM Hospitals (the "**Hospital**") as described more fully in Attachment A to these Resolutions and incorporated herein by reference (collectively, the "**Project**"); and

**WHEREAS**, the Board previously determined it was appropriate for the University and the Hospital to seek a Commitment for Mortgage Insurance (the "**HUD Commitment**") in an amount not to exceed \$320,000,000, to finance the Project pursuant to a mortgage loan insurance program administered by the U.S. Department of Housing and Urban Development ("**HUD**") under Section 241, pursuant to Section 242, of Title II of the National Housing Act; and

**WHEREAS**, HUD is currently underwriting the application for the project and the Board has determined that certain portions of the Project must be undertaken prior to HUD's issues of the HUD Commitment (as further described in Exhibit A attached hereto, the "**Pre-Commitment Work**") and the Board has determined that the Hospital has the following urgent and compelling reason for beginning construction of the Project before the HUD Commitment is issued: The proposed work will allow onsite construction to proceed uninterrupted between the parking garage construction work and the Project, and with regard to the Mock-Up, will allow the Hospital see finishes and test material performance ahead of the actual construction of the building. The Board has determined that if the Hospital is unable to start construction, it will suffer the following harm: the project timeline may be extended resulting in higher construction-period interest and other soft costs of the Project.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the University and the Hospital through the Authorized Officers (as defined below), is authorized to prepare, execute and file with HUD the Representations and Certifications regarding the Pre-Commitment Work, all relevant

attachments, instruments, certificates, and other documents thereto necessary to secure HUD's approval of the Pre-Commitment Work (each, an "**Pre-Commitment Work Document**" and, collectively, the "**Pre-Commitment Work Documents**"); and be it

**FURTHER RESOLVED**, that the Board designates and authorizes the following: the President, Vice-President and Secretary of the Board of Regents, and the President, Senior Vice President for Finance & Administration, the Executive Vice President for Health Sciences and Chief Executive Officer of the UNM Health System, the HSC Senior Executive Officer for Finance and Administration, the Hospital CEO, and the Hospital CFO (each, an "**Authorized Officer**," and, collectively, the "**Authorized Officers**") to do or cause to be done all such acts or things, and to sign and deliver, or cause to be signed and delivered, all documents, instruments, and certificates, in the name and on behalf of the University and the Hospital or otherwise, including the Pre-Commitment Work Documents, as they deem necessary, advisable or appropriate to effectuate or to carry out the purposes and intent of the foregoing resolutions; and be it

**FURTHER RESOLVED**, that in the event that the Application for Mortgage Insurance is denied, and the HUD Commitment for Mortgage Insurance would not be forthcoming, the Board of Trustees of the Hospitals is prepared to finance the Precommitment Work using cash on-hand. The Board affirms that financing the Pre-Commitment Work in this manner would not impose a significant financial hardship on the Hospital as demonstrated by the following: At March 31, 2021, the Hospital has cash in excess of \$400 million with days cash on hand of 125 ; and be it

**FURTHER RESOLVED**, the Board of Trustees of the Hospitals understands that HUD's agreement to include the cost of the Pre-Commitment Work in a subsequently approved application does not in any way indicate its approval of the Project.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

**ADOPTED AND APPROVED** this \_\_\_ day of \_\_\_\_\_, 2021.

THE REGENTS OF THE UNIVERSITY OF NEW MEXICO

[SEAL]

By: \_\_\_\_\_  
Douglas M. Brown, Regent President

ATTEST:

By: \_\_\_\_\_  
Sandra K. Begay,  
Regent Secretary and Treasurer

**Exhibit A**

**Description of the Pre-Commitment Work**

## **New Hospital Tower Pre-Commitment Work**

The proposed pre-commitment work will allow onsite construction to proceed uninterrupted between the parking garage construction efforts and phase III of the hospital tower project.

### **The proposed Pre-Commitment Work includes:**

- I. Deep Foundation Contractor Engineering Shop Drawings and Test Pier
- II. Plumbing Underground and Sleeve Coordination
- III. Electrical/Communications Underground and Sleeve Coordination
- IV. Fire Protection Underground and Sleeve Coordination
- V. Structural Concrete Frame Shop Drawing Release
- VI. Exterior mockup
- VII. Tower Crane Anchor Stool Procurement
- VIII. Temporary Power Gear and Feeders for the Tower Cranes

The cost of the work is expected to be approximately \$1,650,000, inclusive of general conditions, overhead and bonding costs.

### **Advantage of pre-commitment work:**

- Timing of various governance meetings and financing meetings, combined with Covid related production delays for precast concrete, have resulted in approximately a one to two month delay in the start of this phase of the construction work.
- Delay in the start of this phase of the construction work means incurring additional costs for labor, materials, and down time between the parking garage construction project and the New Hospital Tower construction project.
- By doing pre-commitment work, this delay and associated additional costs can be avoided.
- Tower cranes can be installed immediately following relocation of the PNM power transmission lines.
- Foundation contractor can mobilize, perform soil bearing tests, and begin structural engineering and shop drawing submittals.
- Underground utility conduits and sleeves can be coordinated with the installation of foundation systems.
- Exterior mock-up allows testing of the material assemblies and resolution of conflicts to occur in advance of material deliveries on the site.