

NEW MEXICO HIGHER EDUCATION DEPARTMENT



MICHELLE LUJAN GRISHAM
GOVERNOR

KATE M. O'NEILL, ED.D.
CABINET SECRETARY

**Capital Projects Committee Meeting
November 13, 2019
Higher Education Center – Room 159
1950 Siringo Road
Santa Fe, New Mexico 87505
9:30 a.m. to TBD**

Minutes

1. Call Meeting to Order

Meeting called to order at 9:30 a.m. Committee members present are Chairman Gerald Burke, Gerald Hoehne, Theresa Edwards, Tonantzin Roybal (for Wesley Billingsley), Mario Suazo, and Harold Trujillo.

2. Approval of Agenda

Chairman Burke asked for comments on the agenda. No comments were made by the committee.

Chairman Burke made a motion to approve the agenda.

Member Hoehne seconded the motion.

Motion passed. (6-0)

3. Announcements:

Chairman Burke made the following announcements:

a. **Next Capital Projects Meeting will be held on December 11, 2019**

b. **The 2020 Calendar of Events has been posted to the NMHED website**

4. Approval of Minutes from October 9, 2019 Capital Outlay Committee Meeting

Chairman Burke asked for comments on the minutes. No comments were made by the committee.

Member Hoehne made a motion to approve the minutes.

Member Edwards seconded the motion.

Motion passed. (6-0)

Projects to be reviewed

5. University of New Mexico – Not to exceed \$26,250,000 Refunding Revenue Bonds, Series 2019

Presenters: Teresa Costantinidis, Senior Vice President of Finance and Administration, UNM; Vahid Staples, Budget Officer, UNM; Katherine McKinney, Attorney, Modrall Sperling; George Williford, Managing Director, Hilltop Securities

Mr. Vahid Staples introduced himself, Mr. George Williford, and Ms. Katherine McKinney. He then presented the project as outlined in the project submittal, adding that this refunding would change the bonds from non-taxable to taxable with an estimated savings to UNM of about \$395K per year. He also noted that there will be no extension of the debt, keeping it within the term of the original

bond issuance.

Chairman Burke made a motion to approve the project for submittal to the NMHED Cabinet Secretary and then to the State Board of Finance.

Member Suazo seconded the motion.

Motion passed. (6-0)

6. University of New Mexico – \$600,000

Center for High Technology Materials Chiller Installation

Presenters: Teresa Costantinidis, Senior Vice President of Finance and Administration, UNM; Chris Vallejos, AVP Institutional Support Services, UNM; Lisa Marbury, Executive Director Institutional Support Services, UNM

Ms. Lisa Marbury introduced herself and introduced Mr. Al Sena. She then presented the project as outlined in the project submittal.

Chairman Burke made a motion to approve the project for submittal to the NMHED Cabinet Secretary.

Member Suazo seconded the motion.

Motion passed. (6-0)

7. University of New Mexico – \$3,000,000

Chilled Water Capacity Addition

Presenters: Teresa Costantinidis, Senior Vice President of Finance and Administration, UNM; Chris Vallejos, AVP Institutional Support Services, UNM; Lisa Marbury, Executive Director Institutional Support Services, UNM

Ms. Lisa Marbury presented the project as outlined in the project submittal.

Chairman Burke made a motion to approve the project for submittal to the NMHED Cabinet Secretary and then to the State Board of Finance.

Member Hoehne seconded the motion.

Motion passed. (6-0)

8. University of New Mexico – \$3,000,000

Camera Video Surveillance (Parking Lot Video) Installation

Presenters: Teresa Costantinidis, Senior Vice President of Finance and Administration, UNM; Chris Vallejos, AVP Institutional Support Services, UNM; Lisa Marbury, Executive Director Institutional Support Services, UNM

Ms. Lisa Marbury presented the project as outlined in the project submittal.

Chairman Burke made a motion to approve the project for submittal to the NMHED Cabinet Secretary and then to the State Board of Finance.

Member Suazo seconded the motion.

Motion passed. (6-0)

9. University of New Mexico – \$746,759

KNME-TV New Stand-Alone Exterior Elevator Project - REVISED

Presenters: Teresa Costantinidis, Senior Vice President of Finance and Administration, UNM; Chris Vallejos, AVP Institutional Support Services, UNM; Lisa Marbury, Executive Director Institutional Support Services, UNM

Ms. Lisa Marbury presented the project as outlined in the project submittal.

Chairman Burke made a motion to approve the project for submittal to the NMHED Cabinet Secretary and then to the State Board of Finance.

Member Edwards seconded the motion.

Motion passed. (6-0)

10. University of New Mexico Health Science Center - \$730,880

Renovation of HSSB Third Floor HVAC, Electrical and Offices

Presenters: Ava Lovell, SR. Executive Officer Finance & Administration, UNM-HSC; Ryan Reynolds, Group Manager, HSC Capital Projects, UNM-HSC

Mr. Ryan Reynolds introduced himself and Ms. Ava Lovell. He then presented the project as outlined in the project submittal.

Member Hoehne asked Ms. Ava Lovell to provide the committee more information on how the HSC capital budgets are funded.

Ms. Lovell explained that departments are provided budgets at the beginning of the fiscal year. At the end of the fiscal year any excess funds not used are recouped by her office and set aside for HSC capital improvements.

Chairman Burke made a motion to approve the project for submittal to the NMHED Cabinet Secretary.

Member Hoehne seconded the motion.

Motion passed. (6-0)

11. University of New Mexico Health Science Center/Hospital – \$725,200

UH Main Radiology – Replace 1.5T MRI Scanner

Presenters: Enrico Volpato, Executive Director Facilities Services, UNM Hospitals; Michael “Rocky” Kearney, Director, Planning and Construction, UNM Hospitals

Mr. Enrico Volpato and Mr. Michael Kearney presented the project as outlined in the project submittal.

Chairman Burke asked why the title of the project shows the replacement of the MRI scanner when the project is actually the renovation of the radiology room.

Mr. Volpato noted that the title would be changed to reflect the renovation.

Member Trujillo asked if the new equipment would be more energy efficient.

Mr. Kearney informed the committee that the new equipment will allow the radiology department to complete more scans however there will not be a savings realized in energy costs as a result of the new scanner.

Chairman Burke made a motion to approve the project for submittal to the NMHED Cabinet Secretary and then to the State Board of Finance contingent upon the following:

- Resubmittal of the NMHED Capital Project Forms reflecting a change in project title

Member Edwards seconded the motion.

Motion passed. (6-0)

**12. Eastern New Mexico University – Not to exceed \$22,750,000
System Refunding Revenue Bonds, Series 2020**

Presenters: Scott Smart, Chief Financial Officer, ENMU; Gregory Salinas, Attorney, McCall Parkhurst & Horton; George Williford, Managing Director, Hilltop Securities

Mr. Scott Smart presented the project as outlined in the project submittal.

Chairman Burke made a motion to approve the project for submittal to the NMHED Cabinet Secretary and then to the State Board of Finance.

Member Suazo seconded the motion.

Motion passed. (6-0)

**13. New Mexico Institute of Mining and Technology – Not to exceed \$10,500,000
Bond Financing for Energy Savings Performance Contract Upgrades**

Presenters: Dr. Stephen G. Wells, President, NMIMT; Dr. Cleve McDaniel, Vice President for Administration and Finance, NMIMT; Alex Garcia, Director of Capital Projects, NMIMT; Linda Melendres, Bond Counsel, Melendres and Melendres P.C.; John Archuleta, Financial Advisor, Stifel Investments

Dr. Stephen Wells introduced himself and discussed the process the institution went through to procure and complete the Investment Grade Audit. He then went on to present the project as outlined in the project submittal.

Chairman Burke made a motion to approve the project for submittal to the NMHED Cabinet Secretary and then to the State Board of Finance.

Member Trujillo seconded the motion.

Motion passed. (6-0)

**14. New Mexico Institute of Mining and Technology – \$9,803,210
Energy Savings Performance Contract Upgrades**

Presenters: Dr. Stephen G. Wells, President, NMIMT; Dr. Cleve McDaniel, Vice President for Administration and Finance, NMIMT; Alex Garcia, Director of Capital Projects, NMIMT; Allen Sehrt, Ameresco Regional Director of Engineering; Subroto Gunawan, Ameresco Engineering Team Leader

Dr. Cleve McDaniel presented the project as outlined in the project submittal.

Member Edwards asked how NMIMT chose Ameresco as the vendor for the project.

Dr. McDaniel informed the committee that they procured through a competitive bid process.

Member Hoehne asked how much of the Energy Conservation Measures on campus will be addressed with this project.

Dr. McDaniel noted that NMIMT chose the measures that would provide the payback needed to do the project. The other items that are not included were requested as part of the NMHED Capital Outlay Summer Hearings. If funded, this project along with the measures included in the request for funding to the HED would complete approximately 90% of the measures noted in the energy audit.

Member Trujillo made a motion to approve the project for submittal to the NMHED Cabinet Secretary and then to the State Board of Finance.

Member Hoehne seconded the motion.

Motion passed. (6-0)

**15. Western New Mexico University – \$222,065
Real Property Acquisition – Florida Street**

Presenters: Joseph Shepard, President, WNMU; Kevin Matthes, AVP Facilities and Operations, WNMU

Dr. Joseph Shepard introduced himself and Mr. Kevin Matthes. He then presented the project as outlined in the project submittal, explaining that the purchase of this property will allow WNMU to relocate their learning center from a leased space into a to-be-constructed new facility.

Member Hoehne asked what the current student enrollment is at the Deming Learning Center and what programs are currently being offered.

Dr. Shepard noted that Education, Nursing and Criminal Justice are the programs are currently being offered. He also mentioned that the enrollment fluctuates from 450 to 500 students who are enrolled in the programs.

Chairman Burke mentioned that the on campus enrollment has declined and he wondered if the enrollment at the new learning center will take away from the main campus.

Dr. Shepard stated that the FTE enrollment at WNMU has declined however the online enrollment is up which is the case for institutions nationwide. He also noted that the Deming learning center has not had an impact on main campus enrollments.

Chairman Burke expressed concern with building new facilities when FTE enrollments are declining.

Dr. Shepard informed the committee that the city of Deming is very supportive of this project. The local hospital is in need of CNA's, the need for Criminal Justice programs with the close proximity to the border patrol, and the need for expanded dual-credit programs to support the workforce in the area are all driving this project.

Member Hoehne made a motion to approve the project for submittal to the NMHED Cabinet

Secretary and then to the State Board of Finance contingent upon the following:

- A report of review from the property tax division of the taxation and revenue department of the property appraisal
- A Study or analysis documenting the need this project will meet in that part of the state as well as information on the support from the local community, private sector, public schools, etc. for the project

Chairman Burke seconded the motion.

Motion passed. (6-0)

16. Adjourn

Meeting adjourned at 11:30 a.m.