

NEW MEXICO HIGHER EDUCATION DEPARTMENT



MICHELLE LUJAN GRISHAM
GOVERNOR

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

**Capital Projects Committee Meeting
July 10, 2019
Higher Education Center – Room 159
1950 Siringo Road
Santa Fe, New Mexico 87505
9:30 a.m. to TBD**

Meeting Minutes

1. Call Meeting to Order

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

2. Approval of Agenda

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

Member Roybal made a motion to approve the agenda. Member Suazo seconded the motion.

Motion passed. (6-0)

3. Announcements:

a. No Capital Projects Meeting in August due to Summer Hearings

Chairman Burke announced that there will not be a NMHED Capital Outlay Committee hearing in August due to the summer hearings.

b. Next Capital Projects Meeting will be held on September 11, 2019

4. Approval of Minutes from June 11, 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.

Chairman Burke seconded the motion.

Motion passed. (6-0)

Projects to be reviewed

5. Northern New Mexico College - \$382,417.65 Exterior Paint & Stucco Campus Wide

Presenters: Dr. Richard Bailey, President, NNMC; Ricky Bejarano, VP of Finance and Administration, NNMC; Clarence V. Lithgow, Comptroller, NNMC; Andy Romero, Director of Facilities/Safety & Security, NNMC

Mr. Ricky Bejarano introduced himself, Mr. Andy Romero and Mr. Vince Lithgow. He then presented the project as outlined in the project submittal.

Chairman Burke asked why the cost for painting handrails within the proposal is so high.

Mr. Romero noted that the cost includes labor and materials for all of the handrails within the interior portion of the campus which includes the main walkway.

Member Edwards asked if due to the age of the building the proposed stucco work is worthwhile.

Mr. Romero noted that the structure of the building is intact and in good shape. The stucco work will protect and extend the life of the building.

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

Motion seconded by Member Suazo.

Motion passed. (6-0)

**6. Northern New Mexico College - \$947,689.92
Campus wide Fire Alarm Upgrade – Phase II**

Presenters: Dr. Richard Bailey, President, NNMC; Ricky Bejarano, VP of Finance and Administration, NNMC; Clarence V. Lithgow, Comptroller, NNMC; Andy Romero, Director of Facilities/Safety & Security, NNMC

Mr. Ricky Bejarano introduced himself, Mr. Andy Romero and Mr. Vince Lithgow. Mr. Romero then presented the project as outlined in the project submittal and further explaining that Phase II will upgrade the fire alarm systems throughout the entire campus upgrade.

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

Motion seconded by Member Hoehne.

Motion passed. (6-0)

**7. Northern New Mexico College - \$425,214.13
Roofing Repairs – Espanola Campus**

Presenters: Dr. Richard Bailey, President, NNMC; Ricky Bejarano, VP of Finance and Administration, NNMC; Clarence V. Lithgow, Comptroller, NNMC; Andy Romero, Director of Facilities/Safety & Security, NNMC

Mr. Ricky Bejarano introduced himself, Mr. Andy Romero and Mr. Vince Lithgow. Mr. Romero then presented the project as outlined in the project submittal.

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

Motion seconded by Member Suazo.

Motion passed. (6-0)

8. Mesalands Community College – \$800,000

MCC Building A Renovation

Presenters: Dr. John D. Groesbeck, President, MCC; Jim Morgan, Director of NAWRTC; MCC

Dr. John Groesbeck introduced himself and Mr. Jim Morgan. Dr. Groesbeck 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 contingent upon the sale of the bonds.

Motion seconded by Member Suazo.

Motion passed. (6-0)

9. University of New Mexico Health Science Center/Hospital – \$732,710.93

UH Main Inpatient Positron Emission Tomography (PET) – Nuclear Medicine – Replacement

Presenters: Michael “Rocky” Kearney, Director, Planning and Construction, UNM Hospitals

Mr. Rico Volpato introduced himself and Mr. Michael “Rocky” Kearney. Mr. Kearney then presented the project as outlined in the submittal.

Member Edwards asked if this is the only PET scanner at the hospital. She also asked how the replacement will affect patients.

Mr. Kearney noted that while this scanner is offline patients will be treated at an offsite facility. He also informed the committee that all inpatients that require scans will be transported to the offsite facility.

Member Edwards asked what the life cycle is for a PET scanner.

Mr. Kearney noted that the existing scanner is about 10 years old however the replacement is being done to address technological updates and patient treatment not to replace an end-of-life 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.

Motion seconded by Member Suazo.

Motion passed. (6-0)

10. University of New Mexico – \$1,500,000

Dana C. Wood Formula Society of Automotive Engineers (FSAE) Racing Lab Project

Presenters: Dr. Craig White, Interim Senior Vice President of Finance and Administration; Chris Vallejos, Associate Vice President of Institutional Support Services; Lisa Marbury, Executive Director, Institutional Support Services

Mr. Chris Vallejos presented the project as outlined in the submittal as well as noting that the racing car program space being vacated within the mechanical building will be taken over by mechanical engineering.

Chairman Burke asked if this space is on the institutions I&G space file.

Mr. Vallejos noted that this space is on the current I&G space file.

Member Edwards asked if there will be a need for additional funding to upgrade or modify the space in the mechanical engineering building.

Mr. Vallejos noted that there will not be a need to renovate this space. The current lab configuration can be used as is by the Mechanical Engineering Department.

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

Motion seconded by Member Suazo.

Motion passed. (6-0)

11. University of New Mexico – \$141,585

Donation of Antoine Predock Center

Presenters: Thomas M. Neale, Director of Real Estate, UNM; Chris Vallejos, Associate Vice President of Institutional Support Services; Lisa Marbury, Executive Director, Institutional Support Services

Mr. Chris Vallejos introduced himself and Mr. Thomas Neale. He then presented the project as outlined in the submittal and turned it over to Mr. Neale for additional comments. Mr. Neale noted that the transfer of property occurred in 2017. The property was valued at \$866K and UNM only incurred \$141K in costs for the transfer. The property will allow UNM to facilitate approximately 24 architectural students along with archival materials that are part of the transfer.

Member Hoehne discussed the increased square footage without a planned offset. He also asked that UNM consider creating a plan to address square footage increases with an offset over an extended period of time.

Mr. Vallejos noted that he would discuss this with their new administration.

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

Motion seconded by Member Suazo.

Motion passed. (6-0)

12. New Mexico Junior College – \$3,329,000

NMJC Facility Management System Upgrade

Presenters: Dan Hardin, Vice President for Finance, NMJC; Josh Morgan, Comptroller, NMJC; Abbas Shirian, Engineer, Bridgers & Paxton

Mr. Dan Hardin introduced himself, Mr. Josh Morgan, and Mr. Abbas Shirian. He then presented the project as outlined in the project submittal, further noting that three buildings on their campus will not be tied into the new Facility Management System upgrade. The facilities are the Allied Health (new building), McClain Hall and Caster Hall (both will be renovated soon).

Chairman Burke made a motion to approve the project for submittal to the NMHED Cabinet Secretary contingent upon the sale of the bonds.

Motion seconded by Member Suazo.

Motion passed. (6-0)

13. Eastern New Mexico University – \$1,500,000

Greyhound Arena Re-roofing

Presenters: Scott Smart, Chief Financial Officer, ENMU

Mr. Scott Smart presented the project as per the project submittal. He also noted that the dollar amount on the agenda should be \$1,600,000.

Member Hoehne asked for the signed Form 6.

Mr. Smart noted that Form 6 is signed and will be submitted once he returns to the office.

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 receipt of the signed Form 6.

Motion seconded by Member Suazo.

Motion passed. (6-0)

14. New Mexico Military Institute – \$17,500,000

NMMI Cahoon Hall Athletic Facility Renovation – Revised

Presenters: COL Judy Scharmer, Chief Financial Officer, NMMI; COL Jose Barron, Athletic Director, NMMI; Kent Taylor, Director of Facilities, NMMI; Larry Hopkins, Asst. Director of Facilities, NMMI COL Jose Barron, Athletic Director, NMMI

COL Judy Scharmer introduced herself, Mr. Kent Taylor, Mr. Jose Barron, Mr. Eric Harrigan, Mr. Larry Hopkins, and Ms. Katherine McKinney. She then presented the project as per the project submittal.

Member Hoehne informed the committee that this project is a revision to an already approved project. He also noted that the increase in project costs will be covered using financing through the New Mexico Finance Authority which is part of a separate submittal that will not be heard during this meeting.

Chairman Burke asked if land and permanent fund were going to be used as pledged revenue for the payback.

COL Judy Scharmer noted that land and permanent fund will be pledged. She also informed the committee that NMMI will not be increasing student tuition or fees as a result of this financing.

Chairman Burke asked if the premium decrease on the 2013 bond issuance is greater than the annual projected debt service.

Mr. Harrigan concurred and also noted that the energy performance contract savings will cover the payback on that portion of the bonds.

COL Scharmer turned it over to Mr. Taylor for presentation of the construction portion of the

project. He presented the project per 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 with the following contingencies:

- Approval of the financing by the New Mexico Higher Education Department
- Approval of the financing by the New Mexico Finance Authority
- Approval of the financing by the New Mexico State Board of Finance

Motion seconded by Member Suazo.

Motion passed. (6-0)

15. New Mexico Military Institute – \$6,744,537

NMMI Campus Wide ESPC

Presenters: COL Judy Scharmer, Chief Financial Officer, NMMI; COL Jose Barron, Athletic Director, NMMI; Kent Taylor, Director of Facilities, NMMI; Larry Hopkins, Asst. Director of Facilities, NMMI; Eric Harrigan, RBC Financial Advisor; John McAllister, Regional Sales Engineer, ENGIE Services; Scott Stevens, Business Development Manager, ENGIE Services; Marco DelPiccolo, Project Engineer, ENGIE Services

Mr. Larry Hopkins presented the project as outlined in the submittal.

Mr. Harrigan noted that this project will be funded with the 2019B issuance of system revenue bonds.

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

- Approval of the financing by the New Mexico Higher Education Department
- Approval of the financing by the New Mexico Finance Authority
- Approval of the financing by the New Mexico State Board of Finance

Seconded by Member Zigich.

Motion passed (6-0)

16. New Mexico State University - Dona Ana Community College Campus –\$16,000,000

DACC Bond Election – “Informational Presentation Only”

Presenters: Dr. Monica Torres, President, DACC; Kelly Brooks, VP Business and Finance, DACC; Heather Watenpugh, University Architect, NMSU; Robert Herrera, Assistant Director, PDE, NMSU; Katherine E. McKinney, Attorney, Modrall Sperling

No Action Taken – Informational Presentation Only

17. Adjourn