

CAPITAL OUTLAY 2021 TRAINING SERIES

Session 1: Capital Outlay Process Overview



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**Block 2: Date: Forms and Instruction Manual for Annual Capital Outlay Funding
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Presentation Overview

What we will be discussing today

- 2019 Process Review Recommendations
- Metric/Prioritization Process
- Instruction Manual and New Forms



SECTION 1



Recommendations



Recommendations

- Develop and Implement Project Prioritization
 - Develop and implement a formal scoring and ranking rubric
 - Invest in software that will assist with scoring and ranking
 - Develop formal recommendations for standard elements to be prioritized or included in the Master Plans
- Reinstate and update Building Renewal and Repair Process
 - Return to the mandate that BRR be expended only for the reduction of deferred maintenance
- Increase the NMHED Role
 - Conduct periodic audits and reviews

Recommendations



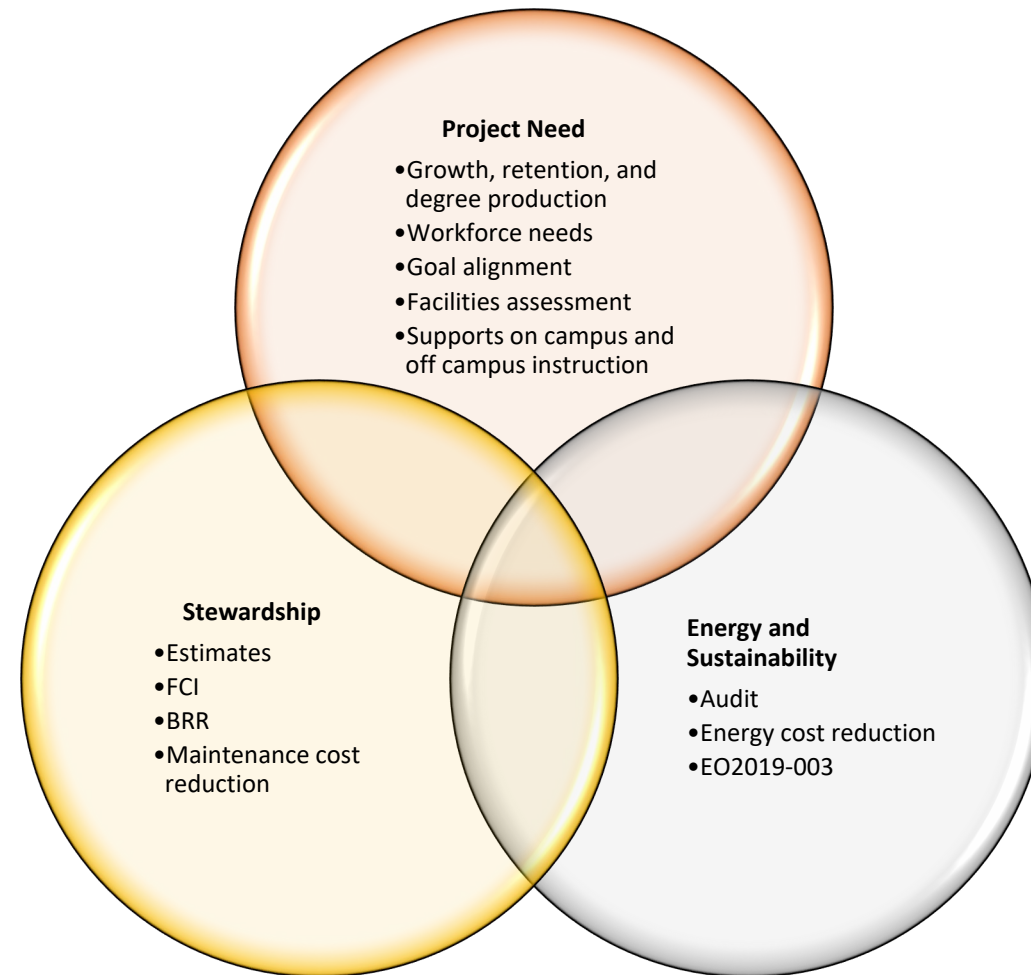
SECTION 2



Metric/Prioritization Process



Project Evaluation Measures





Formal Scoring and Ranking Rubric

| | | Scoring Criteria | Maximum Points | |
|-----------|----|--|------------------|--|
| A. | | Project Rationale and Need | Up to 100 | |
| | A1 | Promotion of enrollment growth, retention, and degree production | 30 | |
| | A2 | Impact on education and workforce needs in local and regional economies | 20 | |
| | A3 | Alignment with institutional mission and advancement of the institution's strategic plan | 20 | |
| | A4 | Facilities assessment for determining project need | 20 | |
| | A5 | Supports online education | 10 | |
| B. | | Energy and Sustainability | Up to 45 | |
| | B1 | Energy Assessment or Audit | 15 | |
| | B2 | Operational Cost Reduction | 15 | |
| | B3 | Support of Executive Order 2019-003 | 15 | |
| C. | | Stewardship | Up to 80 | |
| | C1 | Preparation of Project Estimates | 15 | |
| | C2 | FCI or NAV reduction | 15 | |
| | C3 | Use of Building Repair and Renewal (BRR) | 15 | |
| | C4 | Maintenance Costs Reduction | 15 | |
| | C5 | Health, safety, and security issues (including ADA) | 20 | |
| | | Total Possible Points | 225 | |



SECTION 3



Instruction Manual and New Forms



Instruction Manual

Section 1 : General Information

- 1.1 INTRODUCTION
- 1.2 STATUTORY AUTHORITY
- 1.3 FUNDING SOURCE
- 1.4 SUBMISSION PROCESS

Section 2 : Capital Construction/Capital Renewal Request Requirements

- 2.1 INSTRUCTIONS FOR THE CAPITAL CONSTRUCTION/CAPITAL RENEWAL REQUEST
- 2.2 CAPITAL OUTLAY EVALUATION CRITERIA AND OBJECTIVES
- 2.3 FORMS



What Forms Are Required

- A. Checklist**
- B. Certification**
- C. Project Evaluation Form**
- D. Five Year Plan for Capital Project Funding**
- E. I&G Spreadsheet**
- F. Status of all Active Projects**
- G. Status of all Closed Projects**
- H. I&G Campus –Wide Space Verification**



Project Evaluation Form

A. Name of Institution:

List the name of the institution. If a branch community college also list the name of the branch campus

B. Location of Project: (Attach Aerial Map):

Provide the street address of the project and attach an aerial map/view of the project location

C. Project Title:

Provide a unique descriptive title for the project



Project Information

D. FY23 Priority #:

List the rank in the Five-Year Plan

E. Master Plan Priority #:

List the rank in the Campus Master Plan

F. Total Project Cost: \$

List the total cost of the project

G. State Funding Request: \$

List the amount of funding that is being requested from the State



Project Information

H. Committed Match Funding: \$

List the amount of funding provided by the HEI

I. Specify Source of Committed Match funding, how funding was generated, and when it will be budgeted:

List the funding type, source of funds, and year budgeted

J. If funding was requested in the past for this project, provide a brief summary to include when it was presented, amount of funding received and any changes from original request(s) (Cost, Scope, etc.):

Was project previously submitted for funding?



Project Evaluation Measures

Project Need

- Growth, retention, and degree production
- Workforce needs
- Goal alignment
- Facilities assessment
- Support Online Education



Measure B1: Projects promotion of enrollment growth, retention, and degree production

Measure B1: Projects promotion of enrollment growth, retention, and degree production

Scoring:

- | | |
|--------------------|---|
| 30 - Substantially | – specifically targets programs that are constrained by the quantity or the quality of the space, and where programs have demonstrated expansion and growth |
| 20 - Somewhat | – improves space for expanding programs to a lesser extent |
| 10 - Very little | – improves or adds space for elective programs that add to or enhance other programs |
| 00 - Not at all | |

Institution proposed score
(if an affiliated community college) ____



Measure B2: Projects impact on education and workforce needs in local and regional economies

Scoring:

- | | |
|--------------------|--|
| 20 - Substantially | – specifically and demonstrably improves facilities for programs that target state workforce goals |
| 13 - Somewhat | – improves space for programs that advance workforce goals |
| 06 - Very little | – improves space for elective programs |
| 00 - Not at all | |

Institution proposed score
(if an affiliated community college) ____



Measure B3: Projects support of HEI Strategic Plan or Facility Master Plan

Scoring:

- | | |
|--------------------|---|
| 20 - Substantially | – this project is <u>specifically listed</u> in the institutional strategic plan or Facility Master Plan |
| 13 - Somewhat | – project goals are symmetrical with (mentioned as a vague goal) initiatives expressly stated in the institutional strategic plan or Facility Master Plan |
| 06 - Very little | – project goals are broadly described in institutional plans with comments such as “improve retention” |
| 00 - Not at all | |

Institution proposed score
(if an affiliated community college) ____



Measure B4: Facilities Assessment

Scoring:

- | | |
|--------------------|---|
| 20 - Substantially | – HEI has an updated detailed facility assessment of every facility on campus or system showing the needs |
| 15 - Somewhat | – the HEI has detailed component assessments but not for all facilities and not possibly all components |
| 10 - Some | – has some detailed assessments for elevators, chillers, and boilers |
| 00 - None at all | |

Institution proposed score
(if an affiliated community college) ____



Measure B5: Projects impact on On-campus and Off-campus Instruction

Measure B5: On-campus and Off-campus Instruction

Provide information on how this project request will support both on-campus and off-campus instruction.

Scoring:

- | | |
|--------------------|--|
| 10 - Substantially | – This project will support both on-campus and off-campus instruction |
| 05 - Somewhat | – This project will support only on-campus or off-campus instruction |
| 03 – Very Little | – This project will indirectly support on-campus or off-campus instruction |
| 00 - None at all | – This project has no impact on instruction |

Institution proposed score
(if an affiliated community college) ____



Project Evaluation Measures

Energy and Sustainability

- Audit
- Energy cost reduction
- EO2019-003



Measure C1: Energy Audit

Scoring:

- | | |
|--------------------|---|
| 10 - Substantially | – The HEI has completed an assessment by an energy services company for the facility |
| 05 - Somewhat | – An audit has been conducted by a vendor or supplier for parts of the campus |
| 03 - Very little | – HEI staff have self-performed an energy audit and have a staff PE or licensed architect on the team |
| 00 - Not at all | |

Institution proposed score
(if an affiliated community college) ____



Measure C2: Projects impact on Energy / Utility Cost Reduction

Scoring:

- | | |
|--------------------|--|
| 15 - Substantially | – Project will drive a significant net energy and utility cost reduction |
| 07 - Somewhat | – Project will drive a nominal energy and utility cost reduction |
| 00 - Not at all | – Utilities will remain unchanged |

Institution proposed score
(if an affiliated community college) ____



Measure C3: Executive Order (EO) 2019-003

Scoring:

- | | |
|--------------------|---|
| 15 - Substantially | – Integrates verifiable actions to achieve the EO goals |
| 07 - Somewhat | – Integrates unverifiable actions to achieve the EO goals |
| 00 - Not at all | – No actions taken to achieve the EO goals |

Institution proposed score
(if an affiliated community college) ____



Project Evaluation Measures

Stewardship

- Estimates
- FCI
- BRR
- Maintenance cost reduction



Measure D1: Project Estimates

Scoring:

- | | |
|--------------------|---|
| 15 - Substantially | – Estimates were professionally prepared by an external firm or by in-house staff when the HEI has a PE or licensed architect on staff |
| 07 - Somewhat | – Estimates were prepared by non-licensed in-house staff using RS Means or other construction estimating database/program |
| 05 - Very little | – Estimates were calculated based on past project costs |
| 00 - Not at all | – Estimates are not supported |

Institution proposed score
(if an affiliated community college) ____



Measure D2: Projects impact on reducing deferred maintenance

Scoring:

Check the box that best describes how this project impacts or reduces the campus Facility Condition Index (FCI) (reduces deferred maintenance).

- ☐ The approximate restoration cost is 46– 60 percent of building replacement cost.
(20 - points)
- ☐ The approximate restoration cost is 31–45 percent of building replacement cost. The physical conditions currently adversely affect building operations.
(15 - points)
- ☐ The approximate restoration cost is 16–30 percent of building replacement cost. The physical conditions may affect building operations.
(12 - points)
- ☐ The approximate cost of restoration is 5–15 percent of building replacement cost.
(7 - points)
- ☐ Renewal or replacement project cost is less than 5 percent of building replacement cost.
(0 points)

Institution proposed score
(if an affiliated community college) ____



Measure D3: Asset Stewardship

Scoring:

- | | |
|--------------------------|--|
| 15 - Substantially | – There is an annual BRR maintenance plan |
| 07- Somewhat | – There are the beginnings of an annual BRR plan |
| 05 - Very little planned | – Maintenance funds are used for emergency maintenance |
| 00 - Not at all | – No BRR maintenance plan in place |

Institution proposed score
(if an affiliated community college) ____



Measure D4: Impact to Operation and Maintenance Budget

Scoring:

- | | |
|--------------------|--|
| 15 - Substantially | – Detailed impact and plan provided for addressing O&M costs |
| 00 - Not at all | – No information provided |

Institution proposed score
(if an affiliated community college) ____



Measure D5: Health, safety, and security

Scoring:

- | | |
|--------------------|---|
| 20 – Two + plans | – HEI has two or more formal plans and is following (such as for Cameras, Door Locks, or Fire Alarm upgrades) |
| 15 – A single plan | – HEI has a plan in place for one initiative and is following |
| 10 – This project | – HEI plans whole building upgrades as part of this project (no points for a new facility unless the old facility is demolished) |
| 00 - Not at all | – the project makes minor improvements |

Institution proposed score
(if an affiliated community college) ____





OK,
SO WHAT'S
NEXT?



- NMHED issued an RFP on October 1, 2020
- Vendor was brought on board and has started work on this project





- Nothing that we discussed today is going to change as a result of this new software



IMPORTANT



- What to expect over the next few months
 - Request for Point of Contact
 - Request for Information and Data
 - Request for volunteers to test





- What to expect after implementation
 - Submittal portal for Capital Funding Requests
 - Training, training, training







Resources

Website for NMHED Training <https://hed.state.nm.us/resources-for-schools/capital-projects/training>

Website for NMHED Summer Hearings <https://hed.state.nm.us/resources-for-schools/capital-projects/summer-hearings>

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