

# NEW MEXICO HIGHER EDUCATION DEPARTMENT



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GOVERNOR

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DEPUTY CABINET SECRETARY

## Capital Projects Committee Meeting

June 10, 2020

Held via GoToMeeting

<https://global.gotomeeting.com/join/760670773>

9:30 a.m. to TBD

### Minutes

#### 1. Call Meeting to Order

Chairman Burke called the meeting to order at 9:30 a.m.

#### 2. Introduction of Participants

Roll call of members present was taken. Committee members joining via phone/webinar were Chairman Gerald Burke, Harrison Rommel, Wesley Billingsley, Harold Trujillo, Mark Valenzuela and Gerald Hoehne. Quorum present.

Member Valenzuela introduced Steve Olson as the new Capital Outlay Analyst for the LFC. He asked if there is something that needs to be done to add him to the committee.

Member Hoehne asked that LFC Director David Abbey send an email to the NMHED formalizing the appointment.

#### 3. Approval of Agenda

#### 4. Approval of Minutes from May 13, 2020 Capital Projects Committee Meeting.

Chairman Burke asked for a motion to approve the minutes.

Member Trujillo made a motion to approve the minutes.

Member Rommel seconded the motion.

Motion passed. (6-0)

#### 5. Announcements:

Chairman Burke made the following announcements

a. Next Capital Projects Committee Meeting will be held on July 8, 2020

b. REMINDER SBOF will not have a meeting in August. Next meeting is September 15, 2020

### Projects to be reviewed

#### 6. Institute of American Indian Arts – \$960,777

##### Academic Building HVAC Upgrades – Phase II

*Presenters: Dr. Robert Martin, President, IAIA; Lawrence Mirabel, Chief Financial Officer, IAIA; Peter Romero, Facilities Director, IAIA; Laurie Logan Brayshaw, Director of Sponsored Projects, IAIA*

Dr. Robert Martin introduced himself, Larry Mirabel, Laurie Logan Brayshaw, and Peter Romero. He noted that in 2016 IAIA requested funding for Phase I. With that funding they replaced the roof on the Academic Building along with replacement of nine HVAC units. He then turned it over to Mr.

Mirabel who presented the project as outlined in the project submittal.

Chairman Burke noted that the dollar amount on the agenda does not match the amount listed in the project submittal.

Member Hoehne noted the correction and informed the committee that that agenda has not been formally approved.

Chairman Burke made a motion to approve the agenda with the change in dollar amount. Member Trujillo seconded the motion. Motion passed. (6-0)

Chairman Burke asked if this project will completely eliminate evaporative coolers on the entire campus.

Mr. Mirabel informed the committee that this project addresses the entire Academic Building however not the entire campus.

Member Trujillo stated that in general when there is a transition from evaporative cooling to refrigerated cooling utility bills increase. In the submittal he noted that there is an energy efficiency of R11 which is the minimum. He asked if IAIA had looked into more efficient units so their utility bills would not increase as much.

Mr. Mirabel informed the committee that they looked at the water cost as well as electricity cost when making the determination of which units to purchase. He also noted that the units meet Energy Star.

Member Trujillo reiterated that the R11 is a minimum and if possible IAIA should choose an R12 or higher if they can.

Mr. Romero noted that these units are consistent with what was purchased in Phase I to ensure maintenance and parts would be universal.

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

Member Billingsley seconded the motion.

Motion passed. (6-0)

## **7. University of New Mexico Health Science Center/Hospital - \$17,000,000**

### **Construction of New Comprehensive Movement Disorders Center & Senior Health Clinic**

*Presenters: Michael Chicarelli, Chief Operating Officer, UNMH; Enrico Volpato, Executive Director Facilities Services, UNMH; MK Rocky Kearney, Director Facilities Planning & Construction, UNMH; Jeremy Jerge, Facilities Planner, UNMH*

Dr. Paul Roth introduced himself, Michael Chicarelli, Ava Lovell, and Jessica Kelly. He then turned it over to Mr. Chicarelli to present the project.

Mr. Chicarelli presented the project as outlined in the project submittal. He noted that this project is a combined building that will house two different clinical practices. He noted that UNMH believes that having the two clinics connected with a single use gymnasium for physical therapy services for

both patient groups is a smart design. He also noted that there are about 8,000 patients that require care for movement disorders. Right now there is a wait time of as much as 6 months for patients to be seen and it is their hope that the addition of this clinic will reduce the wait times and provide a synergistic facility which will provide the highest quality of care for both patient groups. Construction is scheduled to start in September following approval by the SBOF with project completion anticipated in December of 2021.

Member Olson asked if UNM could provide more detail on when the Senior Clinic was added to the programming and design of the Movement Disorders Center.

Mr. Chicarelli informed the committee that the Senior Clinic was added just prior to the design of the building. Mr. Kearney noted that a feasibility study was completed prior to the project being brought forward to the NMHED for funding. After the funding for the Movement Disorders Clinic was secured, UNM administration decided to incorporate the Senior Clinic into the design.

Member Olson asked UNM to provide a specific time period of when the Senior Clinic was added.

Mr. Kearney noted that the Senior Clinic was added on September 4, 2019. He also informed the committee that when the feasibility study was completed the intent was for the Movement Disorders Clinic to be a stand-alone facility. Just prior to hiring the Architect the decision was made to incorporate the Senior Clinic to the design. The Architect was hired under two separate contracts one for each facility. Because of this the funding is separate as well. These are two separate facilities attached by a single wall.

Member Olson noted that there was a \$2M request from UNM for operating expenses for the Movement Disorders Center. He asked if UNM could explain the impact to the operating expenses as a result of the new Senior Clinic.

Ms. Ava Lovell noted that the operating expenses Member Olson mentioned are for the Movement Disorders Clinic only because this is a new facility. She also noted that UNM expects billing revenues to cover the operations of the Movement Disorders Clinic however if revenues don't fully generate they felt it was important to put in the \$2M request. The administration of UNM, the HSC, and Hospital are very supportive of this project and they have committed to making sure it is successful. This is the reason why the idea of combining the two clinics is so important, both for patient convenience and for operational efficiencies.

Member Olson asked if the current COVID-19 pandemic has had an impact on the design of the facility.

Mr. Chicarelli noted that the overall design of the building has not changed as a result of the pandemic however minor interior changes have been made. Some of the changes include the installation of barriers between desks, polycarbonate barrier installation in certain areas and proper distancing.

Chairman Burke asked if the Senior Clinic facility is already in operation.

Mr. Chicarelli noted that the current senior clinic is located in the Medical Arts Facility and is co-located with the LoboCare employee clinic. The plan is to move the clinic from that location into this new facility.

Chairman Burke noted that this facility along with the new hospital and the new parking structure

are going to restrict the space in that area of campus. Has UNM looked at building a multi-story facility instead of a single story facility?

Mr. Kearney noted that the site sits on a hill which would have increased the costs exponentially if they opted for a multi-story building. Also during the planning they had several meetings with the UNM Observatory group and going any higher would block their line of site for the telescope.

Member Valenzuela noted that early on in the presentation UNM stated that this project had been brought forward for review. He asked for clarification on which project was brought forward.

Mr. Kearney noted that the project had not come forward for approval however it was brought forward as informational.

Member Valenzuela noted that he was not aware that it had come forward as an informational item. He also informed UNM that when this project changed from the Movement Disorders Clinic, which was supported by the Legislature, to a combined Movement Disorders and Senior Care Clinic, no discussion or information was provided to LFC.

Mr. Chicarelli concurred that the project change had not been discussed with the LFC. He noted that the decision to combine these two projects was extremely important for UNM have a structure to be able to take care of the senior health population because the current structure is inadequate. The opportunity to have things like X-Ray and the gymnasium for PTOT speech created a synergy and opportunity to combine the clinics.

Ms. Lovell noted that as UNM HSC was looking at this, even prior to COVID, they felt that they were exposing seniors to more risk that they needed to with the Senior Clinic located with the LoboCare clinic. After COVID it became apparent that protecting seniors in clinic environments was even more important so finding ways to reduce exposure became a priority.

Dr. Roth informed the committee that UNM HSC did ask the Legislature for support of a Mobility Disorders Clinic of which \$3.5M would come from the state and \$3.5M would be provided by UNM HSC. As design and planning of the facility continued it became apparent that the kinds of functions in the Movement Disorder Center would also be facilities that seniors would require. Rather than duplicating similar space for rehabilitation and other activities they elected to combine the spaces to save money and to have doctors and nurses in the same building. The two facilities combined have a cost of \$17M however UNM HSC is funding all but \$3.5M. The operations of the facility will be much more efficient by combining the two facilities.

Member Valenzuela noted that UNM HSC requested \$2M to operate the Mobility Disorders Clinic of which \$200 to \$300K was provided. By doubling the space it seems like there is going to be an increase in the operating expenses for this facility that hasn't been thought through. He reiterated that the Legislature supported the Mobility Disorders Clinic however the addition of the Senior Clinic and the cost to the state to support this new addition has not been discussed. He noted that this is a concern and additional discussion needs to be had to better understand the operating costs and implications.

Dr. Roth informed the committee that having the two facilities constructed in this manner would create synergy as well as operational efficiencies. He also noted that UNM HSC is more than willing to continue to have conversations about the project if the committee feels that is appropriate.

Member Valenzuela noted that he does want to have further discussions however he will leave it up

to the committee to decide next steps.

Chairman Burke informed the committee that the questions are legitimate and he feels that it would be best for the committee to consider deferring the vote on this project until the July NMHED hearing. This would give UNM HSC an opportunity to discuss the project and provide any additional detail the NMHED and LFC may need.

Member Hoehne asked UNM HSC to validate that the Board of Regents did approve both of the projects at their August 28, 2019 meeting. He also asked about the LoboCare facility and what UNM HSC's plan is with that facility once the new Senior Clinic is constructed. Will it be renovated and repurposed?

Mr. Chicarelli confirmed that the Board of Regents did approve each of the projects separately. As for the LoboCare clinic; UNM HSC does intend to renovate the space vacated by the Senior Clinic. The hospital and HSC have approximately 10,000 employees that use the clinic and the current space in the LoboCare clinic is only about 4-5 rooms so expanding that space is necessary.

Member Hoehne informed UNM that the current Five-Year Capital Outlay Plan submitted by UNM HSC did not contain the Senior Clinic. He also asked UNM HSC to explain how the inclusion of the Senior Clinic with the Mobility Disorders Clinic in September of 2019 came about if it was not included on their capital outlay plan.

Ms. Lovell noted that all outpatient clinics are lumped into a single line item on their capital outlay plan however in the future they can make sure to list each clinic if that would be helpful.

Member Hoehne noted that he did see an outpatient clinic on the plan which may have been what Ava is talking about. He also asked that UNM HSC list out specific clinics on the five-year plan in the future. Also member Hoehne informed the committee that he felt the questioning by LFC and the additional details that have come up in the hearing do warrant some additional information and documentation.

Chairman Burke made a motion to delay formal action on this project until all questions brought up during this hearing are addressed.

Member Olson seconded the motion.

Motion passed. (6-0)

Member Hoehne asked that any additional documentation submitted by UNM HSC to the LFC also be sent to the NMHED for inclusion in the file so that it can be made available to the entire committee when the project is brought back for approval. He also asked that UNM HSC be prepared to provide an updated presentation at the July 8, 2020 NMHED meeting.

## **8. University of New Mexico – \$820,000 Reconstruction of Redondo Court Parking Area**

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

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

Member Olson asked if this parking will be used by the students who live in the dorms. He also asked if the private contractors who run the dorms support any of the parking lots on campus.

Ms. Marbury noted that this particular project location is not designated as dorm parking and the only students that will park in this area are those who are going to the Student Health Center. Mr. Vallejos noted that ACC students living in private dorms do pay for parking and they utilize the R lot which is west of this lot.

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)

**9. University of New Mexico Taos – \$5,575,000  
Construction of New College Pathways to Careers Center**

*Presenters: Teresa Costantinidis, Senior Vice President of Finance and Administration, UNM; Chris Vallejos, AVP of 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 brought up the fact that there are programs within leased space in downtown Taos that this project will be offsetting.

Ms. Marbury noted that UNM Taos is looking at relocating programs from downtown however the new Health Careers Center which was just completed a couple of years ago is not part of the transition.

Chairman Burke asked how much of the leased space in downtown Taos is going to be offset by this new facility.

Member Hoehne informed the committee that approximately 13,072 square feet of space will be reduced in downtown Taos once this new facility is constructed. He also reminded the committee that when this project came forward for funding the initial request was for the renovation of leased space downtown. The capital outlay committee at that time requested that UNM Taos look at constructing a new facility at the Klauer campus instead with the caveat that they reduce their footprint of leased space in downtown Taos. He reiterated the importance of making sure the leased space in downtown Taos is removed.

Chairman Burke concurred with Member Hoehne. He also noted that the only space that should be left in downtown Taos is the space that was renovated a couple of years back.

Member Hoehne also noted that there were water pressure and fire suppression issues at the Klauer campus which delayed occupancy of the STEM-H Career Tech Center. He asked UNM to confirm that these issues will not affect this project.

Ms. Marbury noted that this was a major hurdle in obtaining occupancy on the last project. She also noted that they feel very comfortable that there will not be any water pressure issues related to this facility. She also informed the committee that UNM Taos is working closely with Main campus

on an infrastructure improvement master plan which includes a detailed study of utility infrastructure to ensure enough capacity and reliability exists to support this and future projects on campus.

Member Trujillo asked if there was any opportunity to make this a flagship building with Photovoltaic or other innovative approaches.

Ms. Marbury informed the committee that they look for efficiencies specifically related to energy and sustainability efforts. Because project budgets are sometimes tight they do the best they can to optimize design and this building is no different.

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:

- Lease amount paid for leased space in downtown Taos;
- Lease term and expiration date of all leased space in downtown Taos; and,
- What specific downtown property will remain leased/owned by UNM

Member Olson seconded the motion.

Motion passed. (6-0)

#### **10. University of New Mexico Valencia – \$4,900,000**

##### **Infrastructure Upgrades and Improvements Campus wide**

*Presenters: Teresa Costantinidis, Senior Vice President of Finance and Administration, UNM; Chris Vallejos, AVP of 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)

#### **11. Central New Mexico Community College – \$625,000**

##### **Renovation of Alameda Technology Center (ATC) Shell Space**

*Presenters: Clint Elkins, Executive Director of Finance and Business Operations, CNM; Marvin Martinez, Executive Director of Physical Plant, CNM*

Mr. Clint Elkins introduced himself and Mr. Marvin Martinez. He presented the project as outlined in the project submittal, specifically noting that the goal of this project is to bring the space within the facility into code compliance.

Chairman Burke asked if the square footage included in this project request is included on CNM's I&G square footage file.

Mr. Martinez noted that the square footage is included on the I&G file.

Member Hoehne asked CNM to explain what this space is going to be used for. What type of

programs are you planning on having in these spaces, where are these programs currently housed, what is the student count for these programs?

Mr. Martinez noted that this project is specifically to bring the space up to code. CNM was using the space to store equipment and materials however the Fire Marshall came through and made CNM remove all the stored items. The future plan is to use the space for film programs as well as drone programs. The space is not yet assigned to a program however bringing it up to code will allow CNM to use as temporary space as needed.

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

Member Rommel seconded the motion.

Motion passed. (6-0)

## **12. Central New Mexico Community College – \$7,000,000**

### **Art Classroom Renovations**

*Presenters: Clint Elkins, Executive Director of Finance and Business Operations, CNM; Marvin Martinez, Executive Director of Physical Plant, CNM*

Mr. Clint Elkins presented the project as outlined in the project submittal.

Chairman Burke asked what the cost per square foot is on this renovation.

Mr. Martinez noted that the cost per square foot is \$335. He informed the committee that the cost is high due to the type of programs within the facility and the need to do extensive demo and reconstruction within the building. The existing design is a donut shaped building with a courtyard in the center. The courtyard is being enclosed to create classrooms with high ceilings for the Art Department. To offset the square footage certain portions of the building are being transformed into an exterior Kiln Room and Sculpture gardens.

Member Olson asked if CNM anticipates seeing an uptick in credit hours or if there will be a shift in what students are choosing to complete their degrees or courses.

Mr. Elkins noted that they have fewer seats available than what the community is demanding on an annual basis so they should see an increase in student credit hours with the increased capacity.

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

Member Trujillo seconded the motion.

Motion passed. (6-0)

## **13. Adjourn**

Chairman Burke adjourned the meeting at 11:00 a.m.