

# NEW MEXICO HIGHER EDUCATION DEPARTMENT



MICHELLE LUJAN GRISHAM  
GOVERNOR

STEPHANIE M. RODRIGUEZ  
CABINET SECRETARY

## Capital Projects Committee Meeting

April 14, 2021

Held via TEAMS

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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. Roll Call of Committee Members

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

Quorum noted.

#### 3. Approval of Agenda

Chairman Burke asked for comment on the agenda. No comments were made and agenda was approved.

#### 4. Announcements:

a. **Next Capital Projects Committee Meeting will be held on May 12, 2021**

b. Chairman Burke also noted that the NMHED Capital Outlay summer hearings have been scheduled for April 12, 13, and 14. He asked that all institutions review the materials on the NMHED website and request any changes to the summer hearing agenda as soon as possible.

#### 5. Approval of Minutes from January 13, 2021 Capital Projects Committee Meeting

Member Trujillo made a motion to approve the minutes as presented.

Chairman Burke seconded the motion.

Motion passed. (6-0)

### Projects to be reviewed

#### 6. University of New Mexico Health Science Center— \$10,000,000

##### **Interdisciplinary Substance Use and Brain Injury (ISUBI) Domenici Expansion**

*Presenters: Dr. Garnett Stokes, President, UNM; Dr. Doug Ziedonis, Executive Vice President and CEO, UNM HSC; Ava Lovell, Sr. Executive Officer for Finance and Administration, UNM HSC; Ryan Reynolds, Group Manager Capital Projects, UNM HSC*

Dr. Stokes thanked Dr. Burke and the members of the NMHED Capital project committee for hearing two UNM projects. She noted that the first project is the Domenici building expansion to house the interdisciplinary substance use and brain injury research facility. New Mexico experiences a dramatic impact from a range of substance use disorders. In addition, the burden of brain injury is disproportionately high in rural and frontier states such as New Mexico and substance abuse

disorders are common and devastating for morbidity. Both topics there are faculty working on them across campus but they're relatively isolated and lack access to space and technologies that make their programs nationally competitive. The ISUBI project is a home for HSC central campus collaborations on these topics. This facility isn't assigned to individual faculty but instead what it will do is provide core facilities that will be open for you by all faculty at UNM and is designed to facilitate interaction and cross fertilization of programs. The project supports discovery of new treatment mechanisms to ensure efficacy in real-world settings. This two-story 16,000 sq ft biomedical research facility addition provides state-of-the-art laboratories in clinical research testing spaces. The ground floor is designed for state-of-the-art rodent model generation behavioral and neurophysiological analysis. The upper floor is designed for the conduct of human studies across the lifespan. The design of the upper floor also includes specialized research space for carefully controlled studies of drug and alcohol exposure, customized observational suites that simulate real-world scenarios, collection of biological specimens and brain activity data, and an assessment room specifically focused on pediatric populations. The upper floor also provides some specialized research suites for the analysis of big data. \$4M of the construction cost is being funded by a federal grant. The grant was awarded to UNM to set up a new facility that would be a national base for brain and substance abuse research. This facility will also support current and new interdisciplinary research programs and will allow recruitment and retention of the best talent to UNM and to New Mexico. Researchers from all across campus from different departments will use the facility to grow and create programs and obtain future grants. It will serve as a hub for regional and National trials which will provide benefits to vulnerable New Mexico populations.

The second project is the University Stadium turf replacement. The University Stadium is used not only by our student-athletes and the university community but we also host High School games, special events, and many other competitions. The highly used turf has a lifespan of 8 to 10 years and it was last replaced in 2012. Replacing the turf provides a high-level facility for college and high school athletes to compete and for the community to enjoy the many events at University Stadium.

She then turned it over to other members of the UNM team for more specific information on the project.

Ms. Ava Lovell introduced herself and asked if the committee would allow UNM HSC to present some information on the screen. She then went through the slides with the committee, noting that with NIH grant funding they had to build in quite a bit of redundancy, such as special valves for the animal holding areas which do increase the cost for this project. She also noted that the UNM match funding of \$6M is coming from funding set aside each year from F&A overhead return. She then passed the project over to Dr. Bill Shuttleworth for additional comments.

Dr. Shuttleworth discussed the project as outlined in the slide presentation.

Member Rommel asked about the ongoing operational costs after the construction is completed. He noted that the information in the packet indicated that extramural grants would cover operational costs but those cannot always be relied on. Will there be an additional request for RPSP or an increase in I&G funding forthcoming?

Ms. Lovell noted that UNM HSC will not be coming to the state for any funding requests for this facility. The way they manage the F&A return is they pull the funding for all F&A and pay the "top slice", which is the operational cost, of facilities that support research. This includes utilities, janitorial, salaries, etc. The difference is then split among the groups that generate the F&A funding.

Member Rommel asked how much of the \$4M in NIH funding is going to be used for Indirect Costs.

Ms. Lovell noted that NIH funding for capital must be used entirely on construction.

Member Olson asked how much money was in the UNM HSC capital fund.

Ms. Lovell noted that there is not much funding left in the account right now. She noted that this project has reduced the amount and they also agreed to put in \$3M for the College of Nursing and Population Health which leaves about \$4M.

Member Olson asked if there are any anticipated construction cost increases on this project.

Ms. Lovell noted that they have encountered increased costs as this facility was being designed and that has all been taken into consideration in the estimated construction cost. She also noted that they have a built-in contingency as well to assist with a possible increase in costs.

Member Olson asked for clarification on what will be done with the space that will be vacated once this project is completed.

Dr. Shuttleworth noted that the vacated space will allow them to have a quarantine space which they did not have and some space new recruits to support existing programs.

Member Olson asked UNM HSC to explain the measure that will be used to verify that this project was be successful over the next 2 to 5 years' time.

Dr. Shuttleworth noted that the NIH asked the same question and the primary metric is the generation of new programs that are sustainable with intramural funding. For UNM HSC the secondary metric is how many interdisciplinary programs across campus are facilitated in this new facility because this is the biggest gap they are seeing right now. There are a number of Grand Challenge programs that have seed funding but do not have sustained funding and they need those programs to launch. If in the next 3 years this facility led to 2 or 3 programs launching that would be a measure of success and would be reported to the NIH in the annual report.

Member Olson asked for more information on the Grand Challenge programs.

President Stokes informed the committee that the University underwent a process by which they solicited proposals from the campus for interdisciplinary work that would be focused on problems and the big issues in New Mexico that we could help solve. This started in 2018 and ended in 2020 and three grand challenges were identified. One of those is tied to substance use disorders. We have tremendous strength in Health Sciences and really across UNM in tackling this major challenge for New Mexico. The other two grand challenges include one related to water; its use and policy in New Mexico, and the other is related to successful aging. This has been an area of investment for the University and area of investment for our Board of Regents. The Grand Challenge itself is associated with particular goals that are intended to better serve the community in tracking the really serious problems related to substance use disorders in New Mexico.

Member Hoehne noted that the Certificate of Adequate Parking was not signed off on by UNM.

Ms. Lovell noted that they would review the form and get it signed and resubmitted.

Member Trujillo informed the UNM that EMNRD is concerned with energy costs and carbon footprint. He then asked President Stokes if on future projects UNM would comply with the new energy codes which have already been in effect for over six months. He noted that following these codes would help reduce the annual energy costs of the facility.

President Stokes informed the committee that UNM very much supports the energy codes and the intention behind them. She noted that she would look into it for this project and could not imagine that they would propose anything that does not meet the code.

Member Trujillo clarified that his comments were based on UNM's response stating that they would not be following the 2018 energy code.

Mr. Matt McKim with DPS informed the committee that this project went out for permitting prior to the deadline for implementing the new code. He then noted that all projects moving forward will be designed using the new code. He also asked that the committee review Form 3 where they have listed all of the energy and sustainability features being implemented in this project.

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:

- Receipt of a signed parking certification by the University Architect

Member Trujillo seconded the motion.

Motion passed. (6-0)

## **7. University of New Mexico – \$700,000**

## **University Stadium Turf Replacement**

*Presenters: Dr. Garnett Stokes, President, UNM; Teresa Costantinidis, Senior Vice President for Finance and Administration, UNM; Lisa Marbury, Executive Director for Institutional Support Services, UNM; Ryan Berryman, Associate Athletic Director for Business Operations, UNM; Ed Manzanares, Associate Director, Athletic Events Management, UNM*

Mr. Ed Manzanares introduced himself and presented the project as outlined in the project submittal and presentation.

Member Olson noted that the STB appropriation was for \$1.6M so he asked for a status of the balance of the funds.

Mr. Manzanares informed the committee that they have \$700K for this project, \$500K towards a new facility for strength and conditioning on the south end of the stadium, and several small projects that have been done since the appropriation was received that support the intended use of the funding.

Member Olson asked what lessons UNM learned from having a turf field, such as cost to maintain, how users are impacted, how it compares to grass, and other positive and negative feedback they can provide.

Mr. Manzanares stated that there are many positives in using a turf field. For instance, right now ten out of the eleven schools that play football in the Mountain West Conference have a turf field so we have familiarity in playing on that type of field. Also, they have the ability to host other events such as soccer, concerts, sunrise service for Easter Sunday, and many other events that a grass field would not allow. The maintenance of a grass field is very difficult with the limited staff and there is a savings in water usage since they do not need to water an artificial turf field. The only negative is that the turf field cannot be painted differently for different events like a grass field. The turf field has all of the logos sewn into it so changes cannot be made.

Member Olson noted that the submittal showed 75% of the new field as being recyclable. He asked what would be done with that portion.

Mr. Manzanares informed the committee that in the past UNM has reached out and asked if local high schools or other smaller schools could use the existing turf. This is the same approach they plan on taking this year for the turf. The part that is reusable is the rubber and sand that sits in the field. This will be reused so there will be minimal waste.

Member Hoehne noted that the STB appropriation would be spent on several different projects including the \$500K Tow Diehm Weight Room addition. How does UNM anticipate completing the Tow Diehm Weight Room addition knowing that the funding included in HB285 was line item vetoed? Has UNM considered using the \$700K from this project to cover that shortfall?

Mr. Manzanares responded by noting that they do have funding that is intended for general facility use that will be used. He also stated that there are naming right gifts that have also been provided that will be used. These funds will be used to cover the Tow Diehm Weight Room addition. The \$700K has already been earmarked for the turf so moving these funds is not something that UNM is considering.

Chairman Burke informed UNM that this project will need to come back to the NMHED and SBOF if the cost of the project exceeds \$750K.

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)

## **8. New Mexico State University – \$1,045,790 Espina Street Repave, Phase II**

*Presenters: Luis Campos, Associate Vice President of Facilities and Services, NMSU; Heather Watenpaugh, University Architect, NMSU; Robert Herrera, Interim Executive Director of PD&E, NMSU*

Mr. Luis Campos introduced himself, Ms. Heather Watenpaugh, and Mr. Robert Herrera and the provide a brief overview of the project. He then turned it over to Ms. Watenpaugh for more details.

Ms. Watenpaugh 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 Trujillo seconded the motion.

Motion passed. (6-0)

## **9. New Mexico Institute of Mining and Technology – \$165,757.80**

### **Mechanical Department – Mini Baja Shop Demo and Replace**

*Presenters: Dr. Stephen Wells, President, NMIMT; Dr. Cleve McDaniel, Vice President of Administration and Finance, NMIMT; Alex Garcia, Director of Capital Projects, NMIMT; Bin Lim, Mechanical Engineering Director, NMIMT*

Dr. Stephen Wells introduced himself, Dr. Cleve McDaniel, Mr. Alex Garcia, and Dr. Bin Lim. He then provided an overview of the project, noting that NMIMT has a reputation for experiential and hands-on research and engineering projects for their students. This ultimately increases their ability to get hired upon graduation. Approximately 80% of their students have job offers in hand prior to walking across the graduation platform. According to the National Science Foundation NMIMT is the number one public institution with a percent of undergrads who go onto get their PhD.

Member Trujillo noted that he did not see any information on the insulation levels or if this facility will meet the 2018 Energy Code. He asked for additional clarification from NMIMT on this.

Mr. Garcia informed the committee that they will be utilizing several Green Screen Features as called on Form 3 for this facility, including a high efficiency 12-ton heat pump, LED lighting with occupancy sensors throughout, low flow fixtures in the restroom, and the building will be insulated with fiberglass insulation to meet the required codes.

Member Trujillo asked if the insulation levels would meet the 2018 Energy Code.

Mr. Garcia stated that it would.

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)

## **10. New Mexico Institute of Mining and Technology – \$4,945,000**

### **Playas Training and Research Center (PTRC) – Fiber and Wireless Network Buildout**

*Presenters: Dr. Stephen Wells, President, NMIMT; Dr. Cleve McDaniel, Vice President of Administration and Finance, NMIMT; Carlos Romero, Associate Vice President for Research, NMIMT; Alex Garcia, Director of Capital Projects, NMIMT*

Dr. Stephen Wells introduced Carlos Romero and then provided a brief history of the Playas Training and Research Center. He noted that NMIMT purchased the town in 2003 using funding from the Department of Homeland Security and begin converting the town into a counter-terrorism training facility. This project will serve as an infrastructure backbone and allow NMIMT to further develop a new added mission at the Playas Training and Research Center. NMIMT will provide expertise and support for research and development of the physics and phenomenology in regards to the interface between the physical world and the cyber realm.

Chairman Burke asked how long the contract is between NMIMT and the Federal Government.

Mr. Romero informed the committee that the contract length is 7 years for this particular project. The way the contract is set up NMIMT receives funding 2 years at a time so they are due for their next

allocation. Right now, there are several task orders that are issued on an IDIQ contract. There is currently a \$93M contract of which \$39M has been allocated for this infrastructure piece.

Chairman Burke asked if there are five years left on this contract.

Mr. Romero noted that the contract expiration date is October 6, 2026.

Member Olson noted that today we are reviewing the broadband piece for \$4.9M so is it NMIMT's plan to bring the other \$39M back to the committee for formal approval.

Mr. Romero informed the committee that they will be bringing projects forward over the next several months for an expanded power grid and new facilities being built in the area.

Dr. Wells noted that once all of these projects are completed the facilities will be used over a long period of time by many agencies. This is going to become a major research and training center in the state for physical/cyber interactions.

Member Olson asked what the anticipated results of the broadband investment will be. He also asked what the bottlenecks are as far as getting strong internet access at Playas.

Mr. Romero noted that the system is being designed to meet a research backbone which will be a 40-gigabit backbone. The bottle neck is that NMIMT does not control the network. By installing this backbone they will be able to control their network and provide a more secure environment. The major distribution hub is located on our facility so there are not really any concerns regarding connectivity.

Member Hoehne informed the committee that this project is one of the first projects that has come forward that highlights the research arm of NMIMT outside of the Socorro campus. He thanked NMIMT for providing the information and documentation on this project and he also expressed his appreciation of the history of Playas and the important role that it plays in the state. He asked that NMIMT continue to promote the work that is being done at La Playas. He then asked for NMIMT to confirm that all projects at Playas were self-funded.

Mr. Romero informed the committee that all operations at the Playas are set up as a cost recovery model. NMIMT charges a particular percentage of the contract activity that goes to support the baseline operations. There are some expansion opportunities that they are working on for the future that may need to have some capital investment but for now everything is set up to be self-sustaining.

Mr. Mark Valenzuela asked why federal funded projects have to come to this committee and then to the State Board of Finance.

Member Hoehne noted that the NMHED is responsible for approving the construction of all capital projects regardless of the funding source. This project falls under that guidance because the facilities are owned by NMIMT.

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. New Mexico Institute of Mining and Technology – \$8,620,524.10**

### **Brown Hall Renovation**

*Presenters: Dr. Stephen Wells, President, NMIMT; Dr. Cleve McDaniel, Vice President of Administration and Finance, NMIMT; Alex Garcia, Director of Capital Projects, NMIMT*

Dr. Stephen Wells provided a brief overview of the project and presented the project as outlined in the project submittal. He also noted that as part of this project they will be renovating West Hall in order to relocate staff during the Brown Hall renovation.

Member Trujillo asked what the correspondence was with Construction Industries Division regarding the use of the 2009 Energy Code for this project.

Mr. Garcia noted that NMIMT spoke with CID when the project was being designed and it was agreed that the use of the 2009 Energy Code was sufficient since that is the code that was in place when the project design was started. He also noted that some of the features, such as the LED fixtures and controls, are based on the 2015 Energy Code while others are, although they do not meet the 2018 Energy Code do exceed the 2009 code for efficiencies.

Member Trujillo asked NMIMT to submit correspondence from CID allowing this exemption to the 2018 Energy Code. He also asked that NMIMT submit their justification for not meeting the code as well.

Member Rommel asked if this property is on the Historic Register.

Dr. Wells noted that this facility is on the Historic Register.

Member Rommel asked if this was going to cause any issues as it relates to the renovation of the facility.

Mr. Garcia noted that they have been in close contact with the Historical Society throughout the process and they are pleased with the renovations that are taking place on this facility.

Dr. Wells also stated that the renovation will bring the building back to its original look by exposing the original windows and removing some of the shelled in features that have not been visible for some time.

Member Olson asked for clarification on the scope of work since the title of this project is Brown Hall Renovation however there is a portion of this project that will also address West Hall. He also noted that the bond sale date for the appropriation was July 2019 and in CPMS the comment for delay states COVID. He asked for clarification on the delay.

Dr. McDaniel informed the committee that the renovation of the West Hall dormitories was scheduled to start a year ago however when COVID hit there became a need for single occupancy student housing. In order to meet this requirement NMIMT decided to bring West Hall back into operation as a dorm facility for one year.

Member Olson noted that his concern is that the construction end date provided in the packet is February 2023 and the reversion date for the GO Bonds is June 2023. Since there is not much of a buffer it will be important for NMIMT to draw down the GO Bonds as soon as possible to prevent reversion.

Dr. McDaniel explained that NMIMT is very much aware of the tight timelines and it is their intent to draw down the GO Bonds during the early stages of the construction.

Chairman Burke mentioned that the NMHED has been very concerned with the fact that these funds have not been expended and as a result has been in consultation with the institution for some time on this.

Member Olson noted that NMIMT's cash balances were around \$30M the last time they were reviewed. He asked for an overview of what NMIMT has planned for those cash balances.

Dr. McDaniel informed the committee that most of those cash balances are restricted or already encumbered for projects. NMIMT did a review of the appropriated capital outlay available for all of their projects and there is a shortfall in funding of about \$16M that had to be encumbered from these cash balances for these projects. He noted that when they allocate this funding to these projects there is little to no cash balances remaining.

Member Olson asked if NMIMT could provide a sources and uses table to Mark Valenzuela at LFC for his review.

Dr. McDaniel noted that NMIMT has discussed this in great detail with Mr. Valenzuela and they would be happy to provide this information.

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

- Updated Project Evaluation Forms to include;
  - Change in project title to include West Hall; and,
  - Make a note on Form 1 that Brown Hall is on the Historic Register.
- Formal documentation from Construction Industries Division approving an exemption to the 2018 Energy Code requirements for this project;
- Documentation provided to the NMHED outlining the impact COVID-19 had on the schedule for this project; and,
- Project schedule showing construction sequence and completion.

Chairman Burke seconded the motion.

Motion passed. (6-0)

## **12. Adjourn**

Chairman Burke adjourned the meeting at 11:02 a.m.