New Mexico Higher Education Department
Capital Projects Committee Meeting
Animas Conference Room
2044 Galisteo Street, Suite 4
Santa Fe, NM 87505

Wednesday, January 14, 2026
9:30 a.m.

ACTIONS

1. **Call Meeting to Order**

   Meeting called to order at 9:31am

2. **Roll Call of Committee Members**

   Present were Chairman Campos, Member Jorgensen arrived at 9:40am, Member Trujillo, Member Martinez, Member Billingsley, and Member Brown

3. **Approval of Agenda**

   Approved

4. **Approval of Minutes from December 10, 2025, Capital Projects Committee Meeting**

   Committee approved reviewing the December minutes at a future meeting

5. **Announcements:**

   a. **Next Capital Projects Committee Meeting will be held on March 11, 2026.**

Projects to be reviewed

6. **UNM School of Medicine Enabling Project - Presentation**

   University of New Mexico (UNM) provided an informational update outlining how a $30 million General Fund appropriation is being utilized to advance enabling infrastructure projects necessary for the School of Medicine expansion. The update explained that the funding supports a sequenced set of projects intended to clear the development site, relocate impacted operations, and prepare the broader Lomas Corridor district for future academic growth. The committee discussed how enabling projects are being grouped and tracked within the overall program, including whether statutory requirements such as Art in Public Places (AIPP) should be reflected within individual project budgets or reviewed across the enabling program. The committee

indicated that reviewing these requirements holistically at the program level is appropriate, provided compliance is ensured as the full appropriation is expended.

No formal action was taken, as the item was presented for context ahead of related project approvals.

7. **University of New Mexico – $13,966,000**
   New Construction of Facility Services Building

   Presenters: Dr. Garnett Stokes, President, UNM; Teresa Costantinidis, Executive VP, Finance & Administration, UNM; Ed Manzanares, ISS Strategy Associate, UNM; Kurt Schlough, Director, Facilities Design & Construction, UNM

   UNM presented a new construction project to relocate key facility services functions—including grounds and landscaping, recycling operations, and small engine repair—to a new 11,300-square-foot facility located north of the main campus. The project is an enabling component supporting the School of Medicine expansion by clearing existing site uses while also improving operational efficiency through consolidation and space optimization.

   Approved

8. **University of New Mexico – $944,104**
   A0010 - Scholes - Roberts Room Refresh

   Presenters: Dr. Garnett Stokes, President, UNM; Teresa Costantinidis, Executive VP, Finance & Administration, UNM; Ed Manzanares, ISS Strategy Associate, UNM; Kurt Schlough, Director, Facilities Design & Construction, UNM

   UNM presented a renovation project for key meeting spaces in Scholes Hall including the Roberts Room, Conference Room 101, the President's Meeting Room, and a Provost meeting room. The scope includes new flooring, wall finishes, lighting and electrical modifications, updated window coverings, flexible modular conference furniture, and upgraded audiovisual systems. Additional AV upgrades in adjacent meeting rooms are included to improve functionality and consistency across executive and academic meeting spaces.

   Committee discussion focused on the disposition of an existing large conference table in the Roberts Room and logistics for its removal. It was noted that the table is planned for reuse in a future humanities facility and may require disassembly and removal through an exterior window. No concerns were raised regarding scope or funding.

   Approved

9. **University of New Mexico – $7,522,708**
   Tow Diehm Athletic Facility Student Athlete Space Re-Approval

   Presenters: Dr. Garnett Stokes, President, UNM; Ryan Berryman, Deputy Athletic Director – Chief Operating Officer, UNM

   UNM presented a re-approval for renovations and expansions at the Tow Diehm Athletic Facility, including expanded strength training space, a new tiered team/video room, upgrades to nutrition, laundry, and equipment areas, and associated mechanical, electrical, and HVAC revisions. The project is funded entirely through state capital appropriations and was reported as approximately 70% complete, with final completion anticipated by May 2026.

   Committee discussion addressed scope changes, construction progress, and utility system modifications, including a transition from older electric heat pump systems to gas. The project team reported anticipated annual utility savings and improved reliability. Additional questions focused on how supplemental appropriations were used, confirmation that no athletic department funds were utilized for construction, and alignment with longer-term stadium renovation planning. UNM noted that the project supports recruitment, retention, and operational functionality and fits within broader athletic facility planning.

   Approved

10. **University of New Mexico Hospital – $750,000**
    University Hospital Main Ambulatory Care Center Elevators 16 and 17 Upgrades

    Presenters: Dr. Michael Richards, Executive Vice President, UNM Health Sciences; Enrico Volpato, Executive Director, UNMH Facility Services, UNMH; Gregory Smith, Director, Planning & Construction, UNMH

    UNM Hospital presented a project to refurbish and replace major components of two elevators serving the Main Ambulatory Care Center. The elevators are original to the facility and have exceeded their useful life. Scope includes replacement of elevator equipment, controls, motors, emergency communications, and fire alarm connections, as well as interior cab finish upgrades. Work will be completed in phases to minimize service disruption.

    Committee questions focused on the Hospital Capital Renovation Fund, including overall balance and typical annual expenditure patterns. The hospital clarified that spending varies depending on whether major new construction projects are underway, with routine annual allocations typically supporting ongoing infrastructure renewal.

    Approved

11. University of New Mexico Hospital – $550,000
Children's Psychiatric Center - Cafeteria - Boiler Replacement

Presenters: Dr. Michael Richards, Executive Vice President, UNM Health Sciences; Enrico Volpato, Executive Director, UNMH Facility Services, UNMH; Gregory Smith, Director, Planning & Construction, UNMH

UNM Hospital presented a project to replace an original 1970s atmospheric draft boiler serving the Children's Psychiatric Center administration, cafeteria, and education buildings. The existing boiler is beyond its useful life and replacement parts are no longer manufactured. The project will install two high-efficiency boilers, an expansion tank, and associated piping and components.

The committee discussed maintenance and operational risks associated with continued reliance on the aging system, including potential impacts to climate control and patient services. The project team reported anticipated reductions in fuel consumption and carbon emissions of approximately **10–15%**, along with improved reliability and reduced maintenance costs.

Approved

12. University of New Mexico Hospital – $1,275,000
Pavilion 3rd Floor Milk Bank

Presenters: Dr. Michael Richards, Executive Vice President, UNM Health Sciences; Enrico Volpato, Executive Director, UNMH Facility Services, UNMH; Gregory Smith, Director, Planning & Construction, UNMH

UNM Hospital presented a renovation project to establish New Mexico's first breast milk donor bank by renovating approximately 1,500 square feet on the third floor of the Pavilion. The space will support intake, storage, processing, enrichment, and distribution of donor breast milk for neonatal intensive care and other patients, with design features supporting strict hygiene and safety standards.

Committee discussion focused on operational impacts, including staffing, long-term costs, and reimbursement. The hospital indicated that services are currently provided on a limited basis and that the new facility formalizes and scales existing operations. Any incremental operational costs are expected to be absorbed within existing clinical revenues. The committee also noted a discrepancy in square footage between submitted forms.

Approved contingent on the following:

- Update Form 1 and any others to reflect square footage accurately

13. New Mexico Junior College – $12,511,744
Construction of Rodeo District Loop Road & Utilities

Presenters: NMJC; Josh Morgan, VP for Finance, NMJC; Dr. Charley Carroll, VP of Operations & Special Projects

NMJC presented an enabling infrastructure project for the Rodeo and Agricultural Education District, including construction of a loop road and consolidated utilities (water, sewer, storm drainage, electrical, telecommunications, fire protection, and natural gas). The project addresses current access and safety needs in the district where existing routes are unpaved caliche roads, and adds ADA-compliant pedestrian features, lighting, and organized utility corridors to support current and planned agricultural and rodeo facilities. NMJC noted the cost estimate is based on 90% construction documents and CMAR budget development.

Committee discussion focused on program growth assumptions and ensuring the project narrative reflects broader impacts beyond student headcount, including community use and economic activity. The committee encouraged NMJC to begin tracking and presenting economic impact. Additional discussion included the scale of local community support for the mill levy and a request to incorporate that into NMJC's project story.

Approved

14. New Mexico Junior College – $15,552,359
Expansion of Indoor Rodeo Arena

Presenters: NMJC; Josh Morgan, VP for Finance, NMJC; Dr. Charley Carroll, VP of Operations & Special Projects

NMJC presented an expansion of the existing indoor rodeo arena to support growing men's and women's rodeo programs and related agricultural instruction. The project adds to the existing facility, creating a total of 87,669 SF, including a large unconditioned covered warm-up area and conditioned support areas. The project includes associated site improvements for access, ADA connectivity, and long-term infrastructure capacity, with modern building systems designed for reliability and energy efficiency.

Committee questions focused on space policy and whether any existing facilities could be removed or repurposed to offset the expansion. NMJC explained that existing spaces are heavily utilized and that future instructional growth will absorb any space that becomes available through reorganization. Clarification was provided that this facility will be non-I&G space, while a later facility will be.

Approved

15. New Mexico Junior College – $10,956,119
Construction of Agricultural Education Facility

Presenters: NMJC; Josh Morgan, VP for Finance, NMJC; Dr. Charley Carroll, VP of Operations & Special Projects

NMJC presented a new, one-story 14,343 square foot Agricultural Education Facility to support expanding agricultural and animal science programs. The proposed building includes classrooms, laboratories, faculty offices, conference space, an agricultural shop, working pens and specialized animal science areas, and supporting spaces. Site work includes parking, ADA sidewalks, curbs, landscaping/irrigation, and utility upgrades. The project was presented as necessary due to specialized instructional requirements that cannot be met through repurposing existing facilities. Cost estimates were described as based on 90% construction documents, with CMAR budgeting and a stated focus on controlling costs through guaranteed maximum pricing.

Committee discussion included the institution's broader financial planning for mill levy reserves, including steps toward a restricted fund and exploration of creating an endowment/private foundation to invest a portion of reserves. The committee also asked about change-order expectations; NMJC emphasized an approach of minimizing or avoiding change orders by managing scope within budget and maintaining discipline through CMAR controls. Questions also touched on architectural/material choices in the ag district, with NMJC noting an intentional exterior palette aligned with the rodeo/ag context and cost-effective durability.

Approved

16. San Juan College – $5,985,435
Infrastructure Building Controls Phase 2

Presenters: Edward M. DesPlas, Executive Vice President, SJC; Chris Harrelson, Senior Director of Physical Plant, SJC; Shelley R. Pickett, Director, Risk Management, SJC

San Juan College presented a project to replace an obsolete campus building automation system, noting the current system is aging and includes components that are no longer manufactured. The proposed solution uses a Honeywell Niagara platform described as open-protocol (non-proprietary), allowing multiple vendors to bid and service the system to support competitive pricing and long-term maintainability. The system will operate on an internal standalone network to reduce vulnerability and support future expansion. The institution explained that this request is Phase 2, with Phase 1 (boiler equipment replacement) to be brought later due to design and bidding timelines.

Committee questions addressed the difference between the prior proprietary system and the proposed open system, implementation planning to minimize disruption during installation/commissioning, and the practical realities of troubleshooting after cutover. Committee members also discussed audit timing concerns and the potential need for a fiscal agent arrangement for projects approved by the committee.

Approved contingent on the following:

- A fiscal agent agreement is executed

17. San Juan College – $4,150,000
Sherman Dugan Museum of Geology Expansion

Presenters: Edward M. DesPlas, Executive Vice President, SJC; Chris Harrelson, Senior Director of Physical Plant, SJC; Shelley R. Pickett, Director, Risk Management, SJC

San Juan College presented a project to enhance geology museum display capacity and related interior improvements, funded solely through private donations held by the San Juan College Foundation. The presentation emphasized expanded capacity to display significant mineral and fossil collections and support future donations. Committee discussion included how the museum contributes to community value and potential tourism, as well as student engagement and recruitment (including attraction for youth and school visits). The institution described the museum as a unique community asset and noted its role in broader regional economic development efforts.

Committee members recommended tracking measurable community and economic impact to strengthen the narrative and demonstrate return on philanthropic investment. Questions also raised the value of formalizing inter-institutional collaboration, with the institution indicating willingness to confirm and strengthen agreements where appropriate.

Approved

18. New Mexico State University – $1,485,000
Agricultural Science Center (ASC) Statewide-Housing Units

Presenters: Berta Zubiate, University Architect, NMSU; Jose Loera, Executive Director, NMSU

NMSU presented a request to fund short- to medium-term prefabricated housing units intended to provide stable, affordable lodging for visiting students and researchers, reduce research-related travel costs, and support multi-site research across climate zones. NMSU noted that in FY24, state funding supported the second group of prioritized units, and that a previous set of housing units had been installed in Clovis, Farmington, Los Lunas, and Mora. The current request totals $1,485,000, with an average cost per unit of $189,914, including site preparation, utility connections (electrical, water, septic), and ADA compliance. NMSU projected construction start in February 2026 with completion by August 2026.

Committee members raised concerns about life-cycle cost, depreciation, and energy efficiency of manufactured housing compared to site-built construction — especially at the Fabian Garcia site near Las Cruces, where alternatives (dorms, extended-stay lodging, or site-built housing) exist. NMSU responded that the units are similar to prior installations and described upgrades. Procurement approach via CES vendor and subcontracting structure was discussed; committee members questioned whether alternative contracting (CMAR/RFP) could yield better long-term value.

Approved contingent on the following:

- Provide an energy performance/efficiency and savings estimates analysis including relative to New Mexico energy code expectations across all modular housing units proposed statewide
- Provide a comparative analysis of life cycle costs (construct, repairs, operations and maintenance, etc.) between all proposed modular housing versus site-built housing units

19. New Mexico State University – $2,574,000
Farmington Agricultural Science Center (ASC)-Shop Replacement

Presenters: Berta Zubiate, University Architect, NMSU; Jose Loera, Executive Director, NMSU

NMSU presented a renovation/replacement scope for the Farmington Agricultural Science Center shop, a 4,055 square foot facility built in 1968 used for research space and equipment storage. NMSU cited a 2021 facility assessment indicating the building is in poor condition, with a facility condition index noted as exceeding thresholds for poor condition. The scope includes roof replacement; interior/exterior finish renovation; ADA restroom improvements; replacement of electrical and plumbing; HVAC upgrades; overhead door replacements; exterior wall panel replacement; concrete apron repairs; gutter/downspout improvements; exhaust systems; high-bay lighting; ADA access/parking; and site grading/drainage work. NMSU noted a prior approval in 2024 for $800,000, but bid pricing based on original design exceeded available funding. Construction is projected to start March 2026 with completion in 11 months (February 2027).

Committee members requested a clearer breakout/spreadsheet of how NMSU plans to use the full $15,000,000 GO Bond appropriation across multiple ag science center projects, noting difficulty tracking project-by-project draws without a consolidated plan. Significant discussion centered on procurement strategy and cost efficiency—committee members compared NMSU's state pricing agreement/CES approach to other institutions' CMAR strategies, which they argued can reduce risk and contingency through pricing at 90%+ design and stronger cost controls. NMSU indicated CMAR contract updates were in progress, but also stated this particular project is already at 100% design, making it a candidate for competitive bidding. The committee ultimately sought to delay action to allow NMSU to pursue a more competitive process and return with updated information:

- Provide a breakdown spreadsheet showing planned use of the $15,000,000 appropriation; and
- Return with results utilizing a CMAR strategy for bidding/procurement

Tabled

20. New Mexico State University – $3,960,000
Artesia Agricultural Science Center (ASC)-Office Replacement

Presenters: Berta Zubiate, University Architect, NMSU; Jose Loera, Executive Director, NMSU

During discussion of the Farmington shop project, committee members proposed applying the same approach to the Artesia Agricultural Office Replacement, with an intent to package procurement and improve pricing/oversight. NMSU agreed to move both projects forward for bidding and return with updated information and the requested funding breakdown.

Tabled

21. Luna Community College – $1,520,715.03
Luna Community College HVAC project

Presenters: Dr. Carol Linder, President, LCC; Matthew Griego, Facilities and Life Safety Director, LCC; Norman Sena, Technical Maintenance Supervisor, LCC

Luna Community College presented a request from the FY22 GO Bond appropriation (G5384) to replace aging HVAC systems in the Instructional Program Center (IPC) building. The IPC houses the cafeteria, culinary arts program, and nursing simulation labs. The project rationale emphasized improving indoor air quality, supporting regulatory compliance, and ensuring uninterrupted instructional operations and campus services (including the Luna Eats program).

A committee member raised a fiscal agent issue and institutional leadership agreed to work on this immediately.

Approved contingent on the following:

- A fiscal agent agreement is executed

22. Dine College – $9,677,568
Math and Science - Revision

Presenters: Leon Jackson, Director of Project Operations, Dine

Dine College returned for an update to amend project documentation for the Math & Science Building in Shiprock, originally funded through GO Bond appropriations (C5089). They explained the project experienced COVID-era material cost increases and required a change order, prompting the institution to seek and receive state supplemental capital outlay appropriations.

College contribution: $3.3 million, bringing overall project resources to approximately $9.6 million. Building construction is complete; FF&E outfitting is ongoing. A committee member noted FF&E spending was in progress and flagged urgency related to reversion timing; the institution indicated contracts were in place. Comments included praise for design and noted LEED certification.

Approved

23. New Mexico Highlands University – $14,295,000
Series 2026 Refunding of Two Existing Loans

Presenters: Mark Valenzuela, Managing Principal, NMHU; Stephane Gonzales, VP of Finance and Administration, NMHU; Aaron Flure, AVP of Finance and Administration, NMHU; Kimberly Blea, VP of Student Affairs, NMHU

New Mexico Highlands University returned to request approval for a single combined refinancing after the New Mexico Finance Authority consolidated two previously approved refinance items into one transaction. Highlands reported $16.25 million in remaining principal across the existing obligations and approximately $2.5 million held in reserve funds. The new structure replaces the cash reserve with a surety policy (Build America Mutual) and uses released reserves to pay down principal, reducing the financed amount. The university projected approximately $1.2 million in net present value savings and roughly $4 million in nominal savings over the repayment period (numbers described as preliminary pending final pricing). Committee discussion covered interest rate uncertainty and noted refinancing would be effectively locked in under Finance Authority terms, limiting near-term re-refinancing. Highlands indicated savings would support improved reserves and cash flow.

Approved

24. Adjourn

Adjourned at 12:42pm