



Actions

Capital Projects Committee Meeting

New Mexico Higher Education Department

Animas Conference Room

2044 Galisteo Street, Suite 4

Santa Fe, NM 87505

Wednesday, July 12, 2023

9:30 a.m.

Minutes

1. Call Meeting to Order

Meeting called to order at 9:30 am

2. Roll Call of Committee Members

Member Brown called the roll. Chairman Campos present, Member Hoehne present, Member Trujillo present, Member Carswell present, Member Serrano present

3. Approval of Agenda

Agenda revised as follows:

- Item 10 pulled from consideration
- Item 11 amount changed to \$21,322,500

Approved as amended

4. Announcements:

- a. Next Capital Projects Committee Meeting will be held on September 13, 2023.

5. Approval of Minutes from June 14, 2023, Capital Projects Committee Meeting

Approval of Minutes deferred as they were not ready

Projects to be reviewed

6. Central New Mexico Community College – \$11,320,538

Renovation of Louis Saavedra Administration Building

Presenters: Andrew Jacobson, Associate Vice President of Budget, Finance, and Administration, CNM; Marvin Martinez, Executive Director of the Physical Plant Department, CNM; Martin Olea, Policy Liaison, CNM



This is the oldest building on campus. The east building is being demolished and is connected via utilities and they are being relocated. There is asbestos remediation and abatement. Vice President of Finance Olivia Padilla-Jackson is joining online as well.

Does this complete funding for everything they want to do with this building. Answer is yes.

This is not on the historical register, any reason it was not designated? Answer: In house it is treated as though it is on the historical register. By not being on the register they are able to do things like enhance energy efficiency but if it was on the historical register that would not be allowed. They want the flexibility to do what they want to do but retain historical features. This is the only building on campus of a historical nature.

It was discussed during the campus tour about coordinating with UNM regarding scheduling contractors and projects due to limited availability so both could complete their projects.

NMHED closing out FY23 appropriations, C5082 is a small piece of this project and is set to revert, has the final draw been finalized? The answer is yes and submitted.

Motion for approval and seconded, roll call vote unanimously approved.

7. New Mexico Institute of Mining and Technology – \$16,651,051
Construction of New Petroleum Research Recovery Center – Phase I

Presenters: Dr. Dan Lopez, Interim President, NM Tech; Lonnie Marquez, Vice President of Administration and Finance, NM Tech; Alex Garcia, Director of Capital Projects, NM Tech

This project will be done in phases. The PRRC is known on campus as Kelly Hall. Building was built in 1978 and is 27,550 square feet. In 2008 there was a 12,000 square foot addition. This project will concentrate on the old Kelly. The PRRC was established by statute as a division of NM Tech. The primary focus is carbon storage, hydrogen, produced water and sustainability, and traditional hydrocarbon research. In 2019 NMT proposed \$21M project to replace Kelly Hall, only approved for \$10M. There have been no major upgrades. The PRRC has expanded and construction costs have risen so the project was broken into two phases. Both phases will be 26,000 SF. Phase 1 will be a 2 story, 16,234 SF building. The construction schedule pending approval will begin September 2023 and have a contractor ready to go and complete phase 1 in August 2024 at a cost of \$16,651,051. Source of the funding is 2020 General Obligation Bond - \$10M; 2021 Severance Tax Bond - \$351,000; 2022 General Obligation Bond - \$3.3M; and NMT Construction reserves - \$3,000,051.

Member Trujillo noted that they are very close to LEED silver. Response is the goal is LEED silver.

Member Carswell didn't see costs as bid out to subcontractors yet. NMT does have a CMAR



contractor who has bid out the prices to their subs, so they are confident in the price. What are the major drivers to the costs right now? Materials and labor both. Labor is the major driver right now. There has been some value engineering accomplished as well. The remaining amount needed will be their number one request at the summer hearings.

NMT gets about \$100M in research but the programs require them to maintain adequate cash reserves on hand precluding using the funds for capital projects.

Motion made to approve with the contingency that the project meets LEED Silver standards. The motion was seconded. Roll call vote unanimously approved.

8. Santa Fe Community College – \$2,455,049.88

Emergency Management and Infrastructure Upgrades Campus Wide

Presenters: Nick Telles, Vice President of Finance and Chief Financial Officer, SFCC; Dobby Schmidt, Director of Facilities, SFCC; Jared Birmingham, Senior Discipline Engineer, Coffman Engineers; Tom Waldron, Senior Engineering Technician, Coffman Engineers

This project is critical to the campus. Recently completed a campus master plan and safety and security was deemed important. They will be addressing access control and outdated equipment. Planning RFP for construction in August 2023. Want to complete the RFP process by the end of September and would like to start construction in October. Motion made for approval and seconded. Roll call vote unanimously approved.

9. Santa Fe Community College – \$9,613,418

Infrastructure & Energy Efficiency Upgrades & Improvements - REVISION

Presenters: Dr. Becky Rowley, President, SFCC; Nick Telles, Vice President of Finance and Chief Financial Officer, SFCC; Dobby Schmidt, Director of Facilities, SFCC; William Kipnis, Consultant, Siemens; Monte Rae Montgomery, Senior Project Manager, Siemens

This is a revision of what was approved previously. They had to do an interconnection agreement with PNM and that process was lengthy, so this project was delayed. Due to the delay, they had the inflation issue and that caused higher costs than even their contingency planning. This is a microgrid project. Will create redundancy on campus and reduce CO2 emissions. It was noted by Member Trujillo that they had to work with a reluctant utility. A motion was made to approve the project and seconded. Roll call vote unanimously approved.

10. New Mexico Junior College – \$7,150,000

Watson Hall Renovation - REVISION

Presenters: Dr. Derek Moore, President, NMJC; Charley Carroll, Vice President for Operations and Special Programs, NMJC; Josh Morgan, Vice President for Finance, NMJC

NMJC pulled from consideration

11. New Mexico Junior College – ~~\$25,000,000~~ \$21,322,500

Construction of New Industrial Training Center

Presenters: Dr. Derek Moore, President, NMJC; Charley Carroll, Vice President for Operations and Special Programs, NMJC; Josh Morgan, Vice President for Finance, NMJC

The facility will be used mainly for workforce training. The estimated project cost was developed by their CMAR, Bradbury Stamm. Project has been bid to subcontractor market and a guaranteed



maximum price has been established. Funding consists of \$150,000 in STB funds, \$2.1M in GOB funds, \$19,072,500 from the NMJC mill levy funds. One of the major hurdles is bringing contractors to the rural southeast corner of the state. The major cost drivers is labor costs, getting them to Hobbs and per diem, hotels, etc. The second major driver is use of the building which requires upgraded systems. The GMP for the CMAR is \$18M and the total project cost includes soft costs. A motion was made to approve the project and seconded. Roll call vote unanimously approved.

12. New Mexico State University – \$1,510,000

Construction of New Corona Agricultural Science Research Ranch Cabins

Presenters: Raghu Raghavan, Associate Vice President of Facilities, NMSU; Jose Loera, Interim Executive Director of Project Development, NMSU; Kimberly Hilburn, Project Manager, NMSU

This is to house twelve research students. The major cost is the rural area and finding local contractors to do the work in that area. Motion made to approve this project contingent on submittal of a letter from the Commission on Disabilities stating that this building does not require universal design. The motion was seconded. Roll call vote unanimously approved.

13. New Mexico State University – \$9,410,000

Construction of New Ag Modernization Facility – Phase II – Arena (Judging Pavilion)

Presenters: Raghu Raghavan, Associate Vice President of Facilities, NMSU; Jose Loera, Interim Executive Director of Project Development, NMSU; Kimberly Hilburn, Project Manager, NMSU

No action taken

14. University of New Mexico – \$650,000

La Posada Dining Hall – Renovation and Dishwasher Replacement

Presenters: Dr. Garnett S. Stokes, President, UNM; Teresa Costantinidis, Executive Vice President, Fin & Admin, UNM; Lisa Marbury, Vice President, Institutional Support Services, UNM

This meets the needs of 3,000 students who eat at the dining hall daily. It is UNM's only dining hall. It is an all you care to eat facility. There are many upgrades, and the current dishwasher is thirteen years old. This allows UNM to avoid using disposables. The project is funded from food service reserves. A motion was made to approve the project and seconded. Roll call vote unanimously approved.

15. University of New Mexico Hospital – \$0.00

Sandoval Regional Medical Center (SRMC) Acquisition and Restructuring

Presenters: Dr. Garnett S. Stokes, President, UNM; Dr. Douglas Ziedonis, Executive Vice President, UNM HSC; Kathleen Becker, Chief Executive Officer, UNM Hospitals; Jamie Silva-Steele, President and CEO, Sandoval Regional Medical Center Dr. Michael Richards, Senior Vice President for Clinical Affairs, UNM HSC

This is a transaction that transfers the assets of SRMC to UNM hospitals so it will be under the UNMH license. Both entities already are under the Regents of UNM. SRMC is a corporation and the only sole member of that corporation is the Regents of UNM. Assets and debt is already under UNM. This will put two entities together under one license. This will improve the educational opportunities for the trainees. UNMH is an academic hospital and has access to funding to



support the training of residents and students. SRMC is not an academic hospital cannot support that training. They have attempted to find a way to access funding, but they are under two different licenses. The second reason is continuity of patient care. If they have a patient at SRMC that needs to go to UNMH for care, they have to be discharged at SRMC and admitted as a new patient at UNMH. It is a lot of paperwork and difficulty for the family and the hospitals. With this transaction with both being under the same license it will be the same as moving a patient from one floor to another. The third reason is financial stability. SRMC as a community hospital has been challenged over the years in its financial situation and the stability of having those academic programs and the reimbursement that comes with it will allow for a firmer footing. SRMC is eleven years old. They serve not only residents of Sandoval County but also people from all over the state. It is a sixty-bed facility, they have twenty-four sub specialties. They have six operating rooms, 648 employees, and over six hundred medical staff that are credentialed to the hospital.

This will not result in additional capital requests for the state. Mainly funded by capital initiatives fund. The counties do not have to approve the merger but are aware of it. It was asked that they submit paperwork to NMHED once the transaction is completed. A motion was made to approve the project and seconded. Roll call vote unanimously approved.

16. Adjourn

Meeting adjourned at 12:04pm