

# NEW MEXICO HIGHER EDUCATION DEPARTMENT

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GOVERNOR



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ACTING CABINET SECRETARY

## Capital Projects Committee Meeting

October 7, 2020

Held via GoToMeeting

<https://global.gotomeeting.com/join/310411981>

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, Stevie Olson, Harrison Rommel, Harold Trujillo, and Gerald Hoehne. Member Wesley Billingsley joined the meeting shortly after agenda item # 5.

#### 3. Approval of Agenda

Chairman Burke made a motion to approve the agenda.

Member Hoehne seconded the motion.

Motion passed. (5-0)

#### 4. Approval of Minutes from September 9, 2020 Capital Projects Committee Meeting

Chairman Burke asked the committee if they had any comments on the minutes.

Member Hoehne made a motion to approve the minutes.

Member Olson seconded the motion.

Motion passed. (5-0)

#### 5. Announcements:

- a. Next Capital Projects Committee Meeting will be held on November 11, 2020

### Projects to be reviewed

#### 6. Central New Mexico Community College - \$1,400,000

##### Lighting Controls for Westside and Rio Rancho Campuses - REVISED

*Presenters: Marvin Martinez, Executive Director, Physical Plant Department, CNM; Andrew Jacobson, Associate Vice President of Budget, CNM*

Mr. Andrew Jacobson introduced himself and Mr. Marvin Martinez. He noted that this project was originally heard by this committee during the June meeting and there were some clarifications to the project that needed to be addressed. He informed the

committee that CNM has worked on addressing the items and he turned it over to Mr. Martinez to go over the project in more detail.

Mr. Martinez presented the project as outlined in the project submittal.

Mr. Jacobson further clarified that this project is a maintenance project and not being designed for the purpose of energy savings. He felt it was important to bring this up because this was a question that the committee brought up in the June meeting.

Member Hoehne informed the committee that there were concerns by the committee at the June meeting which have been clarified in this new submittal, specifically the fact that they will experience efficiencies in the redesign of the lighting controls on these specific campuses and also a reduction in maintenance costs associated with bringing in a vendor from out of state to service the existing system.

Member Olson noted that the application has a start date of August 2020 and completion by July 2021. He asked if CNM anticipated any delays to this schedule as a result of COVID.

Mr. Martinez stated that they don't expect any delays at this point however with COVID it is hard to be completely sure.

Member Trujillo complimented CNM on the work they are doing on this project to replace outdated systems with newer and better technologies for the lighting systems.

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)

## **7. New Mexico State University – \$16,550,000**

### **New Mexico Department of Agriculture, Building Renovation and Addition**

*Presenters: Jeff M. Witte, Director/Secretary, NMDA; Heather Zack Watenpaugh, University Architect, NMSU; Robert Herrera, Assistant Director PDE, NMSU; Jose Loera, Assistant Director PDE, NMSU*

Secretary Jeff Witte introduced himself and thanked the committee for the support over the past couple of years for the NMDA and this building. This funding will give the NMDA the opportunity to make this building safe and workable for their employees. He then turned the presentation over to Ms. Heather Watenpaugh and Mr. Anthony Parra.

Chairman Burke informed the committee that Secretary Witte is the Cabinet Secretary for the New Mexico Department of Agriculture on the Governor's Cabinet and he is also an employee of NMSU.

Ms. Watenpaugh introduced Mr. Luis Campos the new associate vice president for facilities and services.

Mr. Campos introduced himself, Mr. Robert Herrera, and Mr. Jose Loera. He then presented the project as outlined in the project submittal. He then turned it over to Ms. Watenpaugh for more specifics on the project.

Ms. Watenpaugh noted that in 2018 the NMHED held their summer hearings in Las Cruces. At that time several members of the committee were provided a tour of the NMDA building #330 and its existing conditions. Since that time NMSU has focused on the most critical life safety needs within that facility identified in the 2016 NMDA Space Needs Assessment, which makes up this combined project. The NMDA Las Cruces office houses approximately 78 employees in 7 different divisions and 4 labs. This project will remove the laboratories from the main building and address the immediate life safety concerns for code compliance and proper separation of labs that work with petroleum, fertilizer and pesticide products. The newly constructed lab building will house the metrology, petroleum and seed labs as well as central receiving and lab administrative offices. The existing NMDA addition constructed in 2011 will be renovated and repurposed for the state chemistry lab. In the main building, originally constructed in 1973 with small additions constructed in 1981 and 1991, budget will allow for minor renovations, HVAC modifications, and finish upgrades for the marketing to relocate from the 2011 building. This will include one office and an engine room which will be used for storage. The construction sequence is as follows: NMDA will vacate existing building # 643 and a parking lot where the new lab building will be constructed. This will allow the contractor to renovate building # 643 and construct the new lab building concurrently. No work will be done in the existing building # 330 during this first construction sequence. Once the new lab building is completed, substantial completion of this work will be given and the NMDA will move metrology, seed, and petroleum staff out of building # 330 and into the new facility and renovated building # 643. The abatement and renovations in building # 330 will then be done, with a second substantial completion being given, including additive alternates for a walkway canopy, exterior lighting, entry improvements for sidewalk and drainage, and roof repairs for building # 330.

Chairman Burke informed the committee that the Department of Agriculture in New Mexico as well as the Department of Agriculture in Indiana are the only two departments that are housed at a University. This makes this project unique in that it is an NMSU project as well as a state agency project. He then asked if there was going to be any excess space once this project is completed.

Ms. Watenpaugh noted that there will not be any excess space, in fact they will still need additional space even after completion. The labs do not currently meet space standards and requirements. The new lab will meet these requirements however the space in building # 330 will not be addressed with the exception of areas where the marketing department will be relocated to.

Chairman Burke asked what will happen to the existing space in building # 330 where the labs used to be.

Ms. Watenpaugh noted that next week they will be presenting the third phase of this project which will address the administrative offices and the spaces left behind by the labs that have been relocated, except for Metrology since that area is being addressed on this

project. This will be a separate project that is not part of this Phase I and Phase II work.

Chairman Burke asked NMSU to clarify the statement of another project coming forward for the NMDA building.

Ms. Watenpugh noted that there is a phase III project for \$10.5M that NMSU will be presenting that is part of the infrastructure capital improvement project for the NMDA.

Member Olson asked if the \$10.5M request that is coming to the statewide capital outlay committee next week will be the end of the infrastructure improvements to this facility.

Ms. Watenpugh noted that they anticipate this funding request will complete the space needs and life safety concerns for the agency.

Member Olson noted that the existing request states that there are 80 employees that use this facility regularly. Is that number planning on changing with Phase II or Phase III being complete?

Deputy Secretary Parra noted that these phases are for the current employees and in anticipation of future growth.

Member Olson asked if the anticipated operations and maintenance costs were going to be covered in-house or if NMDA anticipates an adjustment in their operating budget.

Deputy Secretary Parra noted that they should be covered in-house.

Member Olson noted that the logistics of moving the labs seems like a big concern for the NMDA. He asked if there are any other concerns that they have with this project.

Deputy Secretary Parra informed the committee that NMSU has done a great job of staging so the development and construction of the new building allows them the opportunity to only have to relocate 7-8 staff members during the construction instead of the entire group.

Secretary Witte also noted that they have worked very closely with NMSU to ensure that there is very little downtime in the availability of the labs. This is critical and the staging is key to minimizing any downtime.

Member Olson asked if they anticipate any delays or cost overruns as a result of COVID.

Ms. Watenpugh informed the committee that they certainly have concerns and they do not know where things will be at when they start construction. They have seen and continue to see is possible impact regarding certain materials and the quality of general contractors in the area as well.

Member Olson noted that this looks like a project that will complete a functional phase. He also expressed concerns with the availability of the \$10.5M in such a lean year and the fact that this facility may be left unusable if funding is not available.

Chairman Burke agreed and he asked what the impact is on this project if the next phase is not funded.

Ms. Watenpaugh informed the committee that the phase I and phase II work will result in a fully functioning lab building. The next phase will not have an impact on this project at all.

Deputy Secretary Witte also noted that the completion of this project will address the major life safety issue of having the labs within the same building as 79 of their employees. The separation and isolation is a huge task and extremely important to meeting life safety and code compliance issues.

Member Hoehne commented about the questions Member Olson brought up regarding funding and how this committee is always concerned with whether or not we will get a functional phase out of the funding provided and secondly understanding the impact of future requests. He expressed concerns in the fact that this project submittal did not have any information indicating that this was a phased project and there was also no indication of unfinished space. He asked if the NMDA will be doing any work in the space that is part of the \$10.5M request being brought forward next week.

Ms. Watenpaugh noted that the only area that will be addressed in Building # 330, which is the Phase III request, will only be the Metrology Lab, one office and an engine room that will be used for storage. The seed, chemistry and petroleum lab that will be vacated will not be touched.

Member Hoehne clarified that the remainder of the facility that will be part of the Phase III funding request will not be impacted by this project. He then asked if the space that is not being renovated is safe and if so what does NMDA plan on doing with it until such time as the funding is made available to renovate it.

Deputy Secretary Parra explained that they have done the stabilization and there is a little bit of settling issues in areas that were added in the 80's however the building and spaces are still usable. He noted that those areas will be vacated and ideally if they receive the \$10.5 funding they will get it renovated and remodeled. They could piece meal it if possible however they are requesting the full amount of funding for the next phase.

Member Hoehne asked that NMSU provide a better understanding of what the phases are of this project, noting that this request is a phase I and phase II approach based on sequencing, and what phase III is going to look like, and what the impact is on each phase. He requested that NMSU put together a schedule with the phasing dates and an explanation of what is being completed in each phase. He emphasized that the phasing was not clear in this submittal and that it would be important for this committee and the State Board of Finance to have the information.

Chairman Burke asked if the NMHED was aware of a phase III on this project.

Member Hoehne noted that the NMHED was not aware that there was going to be a phase III which is why it is so important to better understand the phasing.

Chairman Burke expressed his concerns with the fact that NMSU did not provide any information on a phase III for this project. This information should have been made available to the NMHED ahead of time when this project was submitted. He noted that this is a state agency project however the approvals come through this committee and he feels strongly that this information should have been brought forward sooner.

Member Hoehne also informed NMSU that the NMHED has been having briefings prior to these committee hearings for projects of this scale in order to get a better understanding of the projects because of their complexity. He recommended that NMSU consider reaching to the NMHED, LFC, and DFA to start a conversation to give us all a heads up and to allow us the opportunity to provide guidance early on. This is an important step that has been working well with other institutions who have large and complex projects.

Member Olson noted that LFC spends a lot of time informing Legislators and LFC management of what goes on with capital and priming them of current projects and future projects is effective. If they think a project is completed they may be less likely to understand a new funding request.

Member Rommel informed the committee that he understands all of the comments made however he does not want to delay the approval of this project due to its health and safety implications.

Member Rommel 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:

- NMSU to provide supplemental documentation explaining the different phases of this project to include; funding available and needed for each phase, timeline for each phase, and impact each phase has on future phases

Member Billingsley seconded the motion.

Motion passed (6-0)

## **8. Adjourn**

Chairman Burke adjourned the meeting at 10:14 a.m.