

**PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL MEETING
MINUTES
June 14, 2021**

Members Present: Mr. Joe Guillen, NMSBA Mr. Raúl Burciaga, LSC
Ms. Rachel S. Gudgel, LESC Mr. David Abbey, LFC (arrived 8:35)
Mr. David L. Robbins, PEC Mr. Antonio Ortiz, PED
Mr. Martin Romero, CID Ms. Ashley Leach, DFA
Ms. Mariana Padilla, Office of the Governor (via phone for partial first half;
attended second half in person arriving at 1:38)

1. **Call to Order** – Chair Guillen called the meeting to order at 8:32 A.M.
 - a. **Approval of Agenda** – Chair Guillen asked if there were any changes to the agenda as presented, Mr. Chamblin stated that the Deming Public School District had withdrawn their Pre-K application request and would not be presenting. Chair Guillen asked if there was any objection to the modified agenda; as there was none, the agenda was unanimously approved.
 - b. **Correspondence** – Mr. Chamblin referred to the retirement letter for Ms. Pam Delgado. Ms. Delgado is a long serving PSFA staff member who will be retiring in July. Ms. Delgado was thanked for her years of service and wished well in retirement.
2. **Public Comment** – None.
3. **PSCOC Financial Plan**
 - a. **Financial Plan**

Mr. Evans stated the financial plan(s) had been presented to both Subcommittees and included normal financial business for June.
 - b. **Alternate/Potential Financial Plan**

Mr. Evans stated that the alternate financial plan allows the Agency to be more exact in the project amounts. By working with the Field Team and the Deputy Director, Mr. Evans stated they have been able to determine where projects are (in terms of fiscal year/quarter), what movement needs to occur, and when construction funding should be awarded. Previously, construction funding had been 70% in the first year of construction and 30% in the following year. However, if construction funding is awarded at once, it reflects better on the financial plan to show 100% funding at the time of award. Mr. Evans stated that the financial plan reflecting exact timing on when projects would be coming for funding would be presented going forward beginning in July. Primary months that will be focused on include July, October, January and April, which are the beginnings of each quarter in the fiscal year. On a positive note, Mr. Evans stated \$24M in general fund money for Impact Aid districts, and another \$18.8M, has been sent to the 21 Impact Aid districts.

Mr. Abbey inquired about prior discussions around having a second awards cycle in the fall; Mr. Chamblin replied that the new programs have not yet been built into the financial plan and added that the primary change to the financial plan was to revise the way that construction funding was shown. Mr. Chamblin stated there has been discussion on potentially running a small roofing program and a teacher-housing program by the end of the year. When asked if roofing was seen as a critical need, Mr. Chamblin replied in the affirmative, noting there was significant roofing needs around the state and was a program that could be run, and funded, quickly. Further clarifying, Mr. Chamblin stated that some data had been pulled on deteriorated roofs or those beyond their expected life and the total square footage, total potential replacement cost and state funding could be calculated. Mr. Abbey asked about the need for an additional standards-based cycle, based on districts that had submitted pre-applications but were not ready to proceed with a project for various reasons. Mr. Chamblin replied that some districts who had submitted pre-applications and ultimately withdrew them were interested in applying next spring to support a future bond election. Mr. Abbey stressed the need to open a second awards cycle in October for standards, roofing and teacher housing, with awards made in November or December; Mr. Guillen agreed. Mr. Abbey also suggested looking into contract staffing to help with additional workloads that may arise from a second awards cycle.

c. Certification of SSTBs

Mr. Evans drew member attention to the certification for the June bond sale and reviewed information listed within the executive summary. Programs listed within the certification included the new Roofing Program, the Demolition Program, the Teacher Housing Program and the increase to the BDCP Program. Mr. Evans noted that HVAC could be considered in a later recertification.

Mr. Abbey clarified that the \$104M listed within the executive summary was the same amount for the current funding cycle; Mr. Chamblin replied in the affirmative noting it would be the correct amount if all applicants were awarded. Mr. Ortiz sought clarification that money for school busses allocated in the 2021 Legislative Session was included in the bond series; Mr. Evans stated it was included in the next agenda item entitled Recertification of SSTBs.

MOTION: Council approval of the Awards Subcommittee recommendation to adopt the June 2021 Certification and Resolution to sell SSTBs in the amount of \$170,950,081. As this was a Subcommittee recommendation, a second was not needed and the motion was unanimously approved with Ms. Padilla absent from the vote.

d. Recertification of SSTBs

Mr. Evans drew member attention to the executive summary and noted that SSTB19SD-0004 and SSTB14SB-0001 were presented to the Subcommittees while SSTB18SD-0001 was the one Mr. Ortiz had previously referred to and which was picking up the 2021 legislative appropriation for school busses. SSTB19SD-0004 applies funds to (Roswell) Mountain View MS and for panic buttons paid through HB2 through the general appropriation to the PSCOF. SSTB14SB-0001 is the second half of funding to Sacramento Dormitory and the last, SSTB18SD-0001 is for school busses and an amount for design for (Las Vegas) Sierra Vista ES.

Ms. Gudgel asked if the amount identified for NMSBVI Sacramento Dormitory aligned with the current request that would be discussed later on the agenda. Mr. Chamblin replied that the \$114,721 was the balance of the 2014 appropriation and HB55. This amount will zero out the appropriation and does not include any additional funding Council may take action on now or in the future. Mr. Chamblin added that the request from the school, to be discussed later, is to use the full appropriation that had been planned for Sacramento to be used for work at Garrett Dormitory only. A small amount would be set aside for demolition of Sacramento at the end of the Garrett project.

Ms. Gudgel clarified none of the money would go to Sacramento for demolition as Council would have to approve it per the language; however, if Council approved its use based on the request flexibility was needed in the language. Ms. Leach agreed it would be a good idea as they had the legislative language as well as the reauthorizing language and felt verbiage could state it was “contingent on any small changes.” Referring to the Resolution, Notification and Certification, Ms. Gudgel proposed changing the verbiage under line two to read NMSBVI – Residential Dormitories. Without objection, the modification to the resolution was approved.

MOTION: Council approval of the Awards Subcommittee recommendation to adopt the Resolution, Notification, Certification/Decertification and Resolution of unexpended bond proceeds as follows:

- SSTB19SD-0004 in the amount of \$1,597,142 of unexpended funds from bond balance.
- SSTB14SB-0001 in the amount of \$114,721 of unexpended funds from bond balance.
- SSTB18SD-0001 in the amount of \$7,518,585 of unexpended funds from bond balance.

As this was a Subcommittee recommendation, a second was not needed and the motion was unanimously approved with Ms. Padilla absent from the vote.

e. Local Match Advance Update

Mr. Evans reviewed the list of districts that have outstanding local match advances. Invoices were sent to the districts in April and while most are current, there is a concern with Capitan Schools being able to make their June 2021 payment. Mr. Evans stated this item would be presented in July.

4. Consent Agenda

a. May 10th PSCOC Meeting Minutes

MOTION: Ms. Gudgel moved for Council approval of the consent agenda item. Mr. Ortiz seconded and the motion was unanimously approved with Ms. Padilla absent.

5. 2021-2022 Awards Cycle

a. Overview of Capital Outlay Application Process/Requirements

For Council benefit, Mr. Chamblin identified the type of information included in the meeting material. Members were reminded that no action would be taken on the district requests and awards would be made at the July meeting.

b. District Presentations

1. Gadsden – Gadsden MS (standards), Chaparral MS (standards)
2. Mosquero Combined Campus (standards)
3. Los Alamos – Chamisa ES (standards), Piñon ES (standards)
4. Los Lunas – Ann Parish ES (standards)
5. Raton – Longfellow ES (systems), Raton HS (systems), Raton Intermediate (systems), Columbian ES (systems)
6. House – House Combined (systems)
7. Truth or Consequences – Sierra ES (systems)
8. Tularosa – Tularosa Intermediate School (systems)
9. Floyd – Floyd Combined School (systems)
10. Las Vegas City – Paul D. Henry ES (systems)
11. Portales – James ES (systems), Portales HS (systems)

STANDARDS-BASED PROJECTS

Gadsden

Travis Dempsey – Superintendent
 Rafael “Ralph” Gallegos – Executive Director of Engineering Management and Construction
 Nancy Vela – Coordinator of Construction

Facility	Rank	wNMCI (%)	FCI (%)
Gadsden MS	17	48.16%	56.44%
Chaparral MS	174	32.49%	70.65%

Mr. Chamblin noted that by wNMCI score and by rank, Gadsden MS was eligible for an award this year and that Chaparral MS was not in the top 100, but their campus FCI score was over the 70% threshold; by the numbers, both projects are eligible for award. The Gadsden Independent School District is the fourth largest district in the state with approximately 13,187 students. The district has 28 schools, including four Pre-Ks, and covers over 1,400 square miles.

Mr. Gallegos reviewed the district presentation material for Gadsden MS. Gadsden MS, which has been in existence since 1965 with additions in 1973, 1981, and 2009, is requesting a standards-based award for renovation, replacement and partial demolition of the middle school. The current enrollment is 758 students; projected enrollment is 808 students. The district would like to replace the entire main building, remodel the 600 wing that was added to the gymnasium in 2009, and demolish the existing 1965 building.

The school board approved the FMP in February 2021. The district would use current SB9 funds for maintenance of facilities and small capital improvement projects that could be accomplished through in-house resources. Total estimated project cost is \$47,469,936, which accounts for new construction of 99,229 gross square feet (GSF) for \$30,760,990, demolition of 154,531 GSF at \$15 per GSF for a total of \$2,317,965 and \$150,000 for site work and soft costs. The state/local split is 76/24. Preventive Maintenance is current, FIMS use is satisfactory, the district FMAR average is 75.57% and the applicant school site FMAR is 72.155%.

The district has \$10M remaining from a 2018 bond; their November 2021 GO Bond request will be \$39M. Mr. Abbey clarified that the planning phase would be \$75K; Mr. Chamblin replied in the affirmative, noting it was “up to” \$75K. Mr. Chamblin added that both projects would start with a planning phase, as it was not clear to PSFA or the district if both campuses should be renovated or replaced. A feasibility/building systems analysis would need to be done followed by a campus master plan/Ed Spec with enrollment projections. Mr. Gallegos replied that the district had a feasibility assessment done on Gadsden MS and would be doing so for Chaparral MS.

When asked for staff comment, Mr. Chamblin replied that the scope is currently indeterminate as there is renovation, partial replacement and full replacement considerations. The final determination of enrollment projections will need a year, post COVID, to determine design capacity. The district has their match for all phases for both projects and plans to run the projects concurrently. Mr. Dempsey thanked Council for the opportunity to work with them on the projects.

Ms. Vela reviewed the district presentation material for Chaparral MS, which has been in existence since 1992 with additions made in 1997. The district is requesting a standards-based award for replacement of the middle school. The request is to demolish the existing school. Current enrollment is 610 students; the highest projected enrollment is 631 students. Total estimated project cost is \$38,662,043, which accounts for new construction of 82,630 GSF for \$25,615,300, demolition of 96,542 GSF at \$15 per square foot for a total of \$1,448,130. The state/local split is 76/24. Preventive Maintenance is current, FIMS use is satisfactory, the district FMAR average is 75.57% and the applicant school site FMAR is 73.119%

Mosquero

Johnna Bruhn – Superintendent

Victor “Ray” Vigil – School Board President

Facility	Rank	wNMCI (%)	FCI (%)
Mosquero Combined Campus	39	43.07%	63.70%

Ms. Bruhn reviewed the district presentation material for the Mosquero Combined Campus. Over the past 20 years, the district has only received funding from the PSCOC for a Facility Master Plan award in the amount of \$46,069. Mosquero Municipal Schools is a combined campus serving Pre-K through 12th grade and is comprised of a student population of 110. Mosquero is a large school district, covering 1,254 square miles. The school is the “hub” of the community and is the only shared/joint-use facility in the community. Mosquero is the fifth smallest student population (including the online students), or the smallest student population if the online students are not included. Harding County is the least populated county in the state and is the 14th least populated county in the nation. At 64,823, the school is oversized and the district is looking to right size the school as buildings are updated. Focused learning opportunities are extended to online students with invitations to participate in Vo-Ag shop and other vocational experiences on campus.

The buildings have been in existence since 1935 with additions in 1960, 1967, 1979, 1997, 1998, 2004, 2011 and 2014. Ms. Bruhn stressed that the three most recent additions for the Multi-Purpose, Media and Gym areas were done through GO Bonds and no PSCOC funding. The district would demolish all of the elementary, repurposing some of the multi-purpose room into classroom space, keeping the fine arts program intact. The west building would be up for total demolition along with the east building and portions of the main building depending on the results of the feasibility study. Total demolition would be approximately 28,000 square feet.

The school board approved the FMP in December 2020. Short-term plans for the elementary school include roof repairs; long-term plans include a complete reconstruction. The district plans to replace the high school academic and vocational classrooms and the computer, science and vocational labs as soon as possible. The PSFA recommendation for new construction and total final campus GSF reflects a difference of 800 square feet from the districts recommendation.

Mosquero Schools is desperately in need of new teacher housing as the district teacherages are in severe disrepair. In emergency situations, the district has used some reserve money for construction of a new house. The need for teacher housing is critical as there is no housing available in Mosquero.

The district is requesting a standards-based award to renovate portions of the existing educational building, to construct a small new addition to Mosquero Combined School and to construct four new teacher-housing units on the school site. Total estimated project cost is \$20,637,926, which accounts for new construction of 17,350 GSF for \$7,130,850, renovation of 16,506 GSF for \$4,539,150 and demolition of 28,000 GSF at \$25 per square foot for a total of \$700,000 and \$500,000 for site costs. The state/local split is 94/6. Preventive Maintenance is current, FIMS use is satisfactory, the district FMAR average is 66.68% and the applicant school site FMAR is 87.958%. For teacher housing, the district is requesting 2 two-bedroom units and 2 three-bedroom units at a total estimated project cost of \$2,252,212.

The district is currently bonded above capacity due to a drop in land values and will be eligible to bond again in 2028 for approximately \$4.5M. The district has indicated that it does not have available funds to accommodate the local match and intends to request a local match reduction for the construction phase. Mr. Chamblin reminded members that the district did not need the local match reduction at this time as they would need to do a feasibility study, building systems analysis and structural study of the 1935 building to determine if it could be kept or should be demolished. If the building can be renovated, there is consideration to turn it over to the county.

Los Alamos

Jennifer Guy – Superintendent

Tommy Castillo – Director of Operations, Facilities Manager

Robert “Bob” Hollman – Bond and Construction Manager

Steven Leyos – Occupational Consultant and District representative

Facility	Rank	wNMCI (%)	FCI (%)
Chamisa ES	78	38.67%	75.41%
Piñon ES	94	37.09%	67.50%

The district is requesting funding for two standards-based projects, and per Mr. Chamblin, both projects are eligible for awards. The district has indicated they may need additional state funding assistance for the construction phases only; however, this remains unknown at this time.

Per Ms. Guy, Chamisa ES and Piñon ES are both nearing the end of their life and both are in the Top 100. Chamisa ES has been approved by the state to add a Pre-K program, which would include 40 additional students. The district is asking for funds to design and replace the school buildings. Total estimated project cost is \$20,459,743, which accounts for new construction of 40,125 GSF, demolition of 49,091 GSF at \$20 per square foot and \$500,000 for site costs. The state/local split is 33/67. Preventive Maintenance is current, FIMS use is satisfactory to good, the district FMAR average is 82.35% and the applicant school site FMAR is 85.018%.

Chamisa ES was built in 1968 and has had no additions or remodels. The building is in need of ADA upgrades, electrical upgrades, fire alarm and sprinkler upgrades and replacement of the portables. The school is also in need of a kitchen and security upgrades.

Piñon ES was built in 1966 and had an addition in 1970. There is no insulation in the outside walls, the site needs ADA upgrades, the library/media center needs to be expanded and the school is in need of a kitchen. The district is asking for design and replacement of the school buildings. Total estimated project cost is \$25,070,571, which accounts for new construction of 50,411 GSF, demolition of 45,894 GSF at \$25 per square foot and \$500,000 for site costs. The state/local split is 33/67. Preventive Maintenance is current, FIMS use is satisfactory to good, the district FMAR average is 83.25% and the applicant school site FMAR is 87.103%.

The district is experiencing steady growth and 98% of the students that had left the district during the pandemic have returned and re-enrolled for next year. The (Los Alamos) Lab has indicated there are 200 open positions and 50% are new hires which will potentially bring new families to the area. The Lab plans to increase by 1,200 positions by 2026 and add 800 graduate students.

The district passed a bond for \$20M with 83% voter approval. The community supports rebuilding the two schools and sees these projects as the biggest need in the White Rock Community. The district has completed the planning phase and is ready to move into the design phase in the fall. Mr. Chamblin added that the district has their local share for the design phase if it begins this year; the unknown is the construction phase funding for both projects.

Ms. Gudgel inquired about the district's transfer students recalling that Barranca Mesa has between 14%-17% students that transferred in to the district; Ms. Guy replied that 13% were out of district students as well as approximately 129 students from the Pueblo.

Los Lunas

- Dr. Arsenio Romero – Superintendent
- Claire Cieremans – Chief Financial Officer
- Sonya Mora - Board of Education
- Tiffany Gutierrez – Supervisor of Construction Management
- Michelle Romero – Director of Purchasing, Chief Procurement Officer
- Andy Garcia – Director of Maintenance

Facility	Rank	wNMCI (%)	FCI (%)
Ann Parish ES	87	37.58%	76.65%

The district is requesting a standards-based award for renovation or replacement of Ann Parish ES. The facility was built in 1988 and is still within its expected life. Though it does have issues, it is unclear whether this is a renovation or replacement project. A planning phase is needed to determine what work is required.

Per Mr. Romero, the goal of the project is to create a coherent campus design, accommodate current and future enrollment, replace the outdated building and portables with modern learning spaces, and improve current and future technology needs. The Facilities Master Plan was updated in February 2021.

The scope of the work would include demolition of existing school facilities, construction of a new cafeteria, kitchen equipment, gym, landscape and site, drainage and playground improvements. Mr. Romero acknowledged that dramatic growth is anticipated and a boundary study would be completed. In the area near Ann Parish ES, 150 homes are being built by one developer and another 120 are being developed by another. With growth also occurring on the west, side redistricting will need to occur.

Mr. Chamblin stated that the district has to do planning and a feasibility study with a campus master plan, Ed Spec and updated enrollment projections to provide clarity on this potential project.

Ms. Cieremans spoke on the bonding and noted that the district does have their match. Total estimated project cost is \$34,551,500, which accounts for new construction of 63,807 GSF, demolition of the existing facility at \$853,950 and \$1,000,000 for site costs. The state/local split is 63/37. Preventive Maintenance is current, FIMS use is satisfactory, the district FMAR average is 83.83% and the applicant school site FMAR is 90.987%.

PRE-K PROJECT

Deming

This item was not presented as the district withdrew their application.

Mr. Abbey asked why the district withdrew; Mr. Chamblin replied that there was not much demand for Pre-K this year because this district, as well as others, experienced a lot of volatility in their Pre-K enrollment and would use the following year to gauge enrollment.

SYSTEMS-BASED PROJECTS

Raton

Myra Barrett – Business Manager

Facility	Rank	wNMCI (%)	FCI (%)
Longfellow ES	6	59.34%	68.35%
Raton HS	152	33.17%	68.77%
Raton Intermediate School	204	30.39%	65.77%
Columbian ES	N/A Closed	N/A	N/A

Per Mr. Chamblin, the district is bringing four systems-based requests for funding, three for active school sites and one demolition request for a closed school. Raton is a district that has been in a decline in terms of their enrollment; for over a decade, the population within the district boundary has seen a loss of more than half. Over the years, the district has consolidated down to three active school sites, the elementary, intermediate and the high school.

Regarding Longfellow ES, the district and PSFA are in agreement that the project be awarded as a systems project with the option to convert to a standards project pending planning work. Longfellow is currently eligible for a standards-based award by rank, the high school and intermediate schools are not in the top 100 but are close to the needed FCI to qualify for a standards-based award. The district may considered consolidating down to two schools and using Longfellow for a larger scope of work to serve the district.

Ms. Barrett stated that though a GO Bond was approved for \$1M in November 2020, the district has over \$2M in systems projects; at the top of the list were boilers and fire alarm systems. The systems projects are considered high priority for the safety and well-being of the students and staff.

For Longfellow ES, the district is requesting a systems-based award to replace the fire alarm and the boilers for the HVAC system. The district intends to replace the boilers and plant controls because the existing units are beyond their expected life and are difficult to repair. The fire alarm is also beyond its expected life, with limited options for repair and replacement parts. Total estimated project cost is \$464,286. The state/local split is 50/50. Preventive Maintenance is current, the district is a user of all three state provided FIMS maintenance resources, the district FMAR average is 76.13% and the applicant school site FMAR is 77.291%.

For Raton HS, the district is requesting a systems-based award for the replacement of the fire alarm, boilers and a portion of the main water line. The district intends to replace the boilers that are at their life expectancy, the fire alarm is beyond its expected life with limited options for repair and replacement parts. The water line is beyond expected life, has collapsed at several locations and needs to be replaced. Total estimated project cost is \$928,571. The state/local split is 50/50. Preventive Maintenance is current, the district is a user of all three state provided FIMS maintenance resources, the district FMAR average is 76.13% and the applicant school site FMAR is 84.587%.

For Raton Intermediate School, the district is requesting a systems-based award to replace the fire alarm and the boilers for the HVAC system. The district intends to replace the boilers because the existing units are beyond their expected life and are difficult to repair. The fire alarm system is also beyond its expected life, with limited options for repair and replacement parts. Total estimated project cost is \$571,429. The state/local split is 50/50. Preventive Maintenance is current, the district is a user of all three state provided FIMS maintenance resources, the district FMAR average is 76.13% and the applicant school site FMAR is 85.68%.

For Columbian ES, the district is requesting a systems-based award to demolish the 23,705 GSF facility. The building has been empty since 2015. Demolition will require abatement of lead and asbestos and grading of the site after the building is removed. The property is currently listed on the New Mexico Historic Register; however, the district is in process of de-listing the facility. Total estimated project cost is \$750,000.

Ms. Barrett stated there is approximately \$880K remaining from the 2020 GO Bond. The difficulty would be having all three projects be in process at the same time with the same vendor(s) doing the work. The district is currently trying to sell two vacant buildings.

Mr. Chamblin noted that the district is on the cusp of making a bigger decision and Council could award planning phase funding with the potential to convert Longfellow to a standards project. Another proposal would be to do a bigger project at the Longfellow site or do a consolidation project at one of the other school sites.

Ms. Gudgel asked how long the planning process would be and what the buildings needed in order to continue functioning; Ms. Barrett replied that the fire alarm systems were in failure mode. Mr. Chamblin added that the fire alarms at the three schools needed to be done as well as keeping the heat on in the winter. The district is at immediate risk of having the schools shut down due to failing boilers. The planning phase will take at least a year and will be district-wide. It will require community input and involvement through the process of building support for a larger project and passing a bond.

Referring to the failure of the fire alarm system, Mr. Romero asked if there was a plan in place to rectify this prior to school starting in the fall; Mr. Chamblin replied that based on conversations with the district, the fire alarms are in use and go into trouble mode quite frequently and though they work they are highly unstable. Mr. Romero stressed that time is of the essence as this was a life/safety issue and should be acted on quickly.

House

Bonnie Lightfoot - Superintendent

Facility	Rank	wNMCI (%)	FCI (%)
House Combined	89	37.51%	74.04%

The district is requesting a systems-based award to demolish the empty Art Building, constructed in 1952. Demolition of the building would require abatement of lead and asbestos

and grading of the site after the building is removed. The district has indicated it has the funds available to accommodate the local match for the project.

Total estimated project cost is \$142,858 for demolition of 2,160 GSF. The state/local split is 50/50. Preventive Maintenance is current, they are a non-user of FIMS, the district FMAR average is 65.018%, and the applicant school site FMAR is 76.372%.

Per Ms. Lightfoot, razing the building would allow the district to save money on insuring, heating and cooling the facility. A new location has been found that better suits the needs of the art program.

Ms. Gudgel noted there was likely in excess of 25,000 square feet of what was needed based on student enrollment. Ms. Lightfoot stated a bond was passed in 2019 which was the first bond passed in more than a decade. It is not anticipated that any additional spaces will be built. Ms. Gudgel asked if the district had support from the Council regarding a waiver if the community would be interested in new facilities; Ms. Lightfoot stated she was unable to answer that for the community. Ms. Gudgel stated that if the district were to get rid of some square footage, they would be able to get off of emergency supplemental assistance; Ms. Lightfoot agreed.

Truth or Consequences (T or C)

Dr. Channelle Segura – Superintendent
 Kenny Griffis – Maintenance Coordinator

Facility	Rank	wNMCI (%)	FCI (%)
Sierra ES	199	30.66%	65.45%

The district is requesting design and construction funding for the replacement of the fire alarm, roof and HVAC systems.

Dr. Segura stated that Sierra ES is the only school in T or C that does not have HVAC units; the building is 29 years old and still has the original roof, heating boiler and evaporative cooling systems, electrical and lighting systems and plumbing and restroom fixtures. The district’s bond money is \$1.5M. Per Dr. Segura, the district would cut the fire alarm system if they were unable to get the full funding request due to their local match amount. Mr. Robbins sought clarification on Dr. Segura’s comment that the district may cut the fire alarm system; Dr. Segura replied that the district did not have the additional funding to cover it and their priority would be the roof and HVAC system. Mr. Griffis replied that the system was currently functioning and if removed from the request, the district may put it out for a bid lot and decide what to do later down the road.

Mr. Abbey asked what the bonding capacity was; Dr. Segura replied that the last bond was \$3M and they have \$1.5M remaining. Total estimated project cost is \$1,885,000 for construction for the roof, HVAC and fire alarm system. The state/local split is 20/80. Preventive Maintenance is current, FIMS use is satisfactory, the district FMAR average is 73.55%, and the applicant school site FMAR is 81.54%.

Tularosa

Brenda Vigil – Superintendent
Anisa Kasuboski – Principal

Facility	Rank	wNMCI (%)	FCI (%)
Tularosa Intermediate School	285	25.89%	57.88%

The district is requesting a systems-based award for HVAC replacement for Tularosa Intermediate School. This project will replace the rooftop cooling and heating units, which are nearing or are at the expected 20-year life. The district has replaced four of the units; the remaining 35 either are original units or were installed in 2001 and 2002.

Per Ms. Vigil, the Intermediate School was constructed in two phases in 2001 and 2002. The replacement of the heating and cooling units will improve the air quality in the school and the HVAC system will extend the useful life of the entire building. Mr. Chamblin clarified that the project would replace roof top units with new roof top units and was not a whole system replacement.

Mr. Chamblin stated that the district currently has a systems-based award for the middle school which they will be requesting be converted it to a standards-based award in the fall and will plan to expand the scope of that project. The district currently has a four-school site structure and are considering consolidating into two school sites, an elementary/intermediate and a mid/high campus. Discussion continued on the functional capacity of the schools and the potential for consolidation.

Ms. Vigil stated bonds were sold for \$1M in 2020; another \$1M will be sold in the fall of 2021. The district will use bond money, C.A.R.E.S. and ESSR funds and state match monies to fund this project.

Total estimated project cost is \$614,947 for construction for new HVAC units. The state/local split is 70/30. Preventive Maintenance is current, FIMS use is satisfactory, the district FMAR average is 70.389%, and the applicant school site FMAR is 78.34%.

Floyd

Damon Terry - Superintendent

Facility	Rank	wNMCI (%)	FCI (%)
Floyd Combined School	143	33.74%	70.59%

The district is requesting a systems-based award to replace existing rooftop HVAC units over the elementary, middle and high schools as well as the vocational buildings on the combined campus. The district is currently working on updating their FMP.

Mr. Terry stated that the request is for 30 HVAC units; 11 for the elementary building which includes the cafeteria, kitchen, library, and classrooms, 6 units for the middle school building

which includes the AG classroom and woodshop and 13 units for the high school which includes two computer labs, main office and locker room. The work excludes the multipurpose room, gym, preschool building and associated spaces. The current HVAC systems are approaching 20 years old and were not designed for MERV-13. The district has excess square footage; however, the scope of work is for their educational program spaces.

Mr. Abbey stated theoretically the district should be eligible for impact aid for being a grandfathered “older” facility and asked if this had been looked into. Mr. Terry replied that it was no longer an option as Senator Heinrich’s office teamed up with the district as well as someone from the Department of Defense who went through records at the courthouse in Roosevelt County. The assessed value of the land, when incorporated into the bombing range (at Cannon Air Force Base), was less than 10% of the value of the school valuation. The valuation of the 26,000 acres is so low that the district is not getting any value from it and it has created a land locked system on the northwest part of the school district with no tax base.

Total estimated project cost is \$710,947 to replace HVAC units serving 42,974 GSF on the Combined School campus. The state/local split is 83/17. Preventive Maintenance is current, FIMS use is satisfactory to good, the district FMAR average is 86.16%, and the applicant school site FMAR is 86.16%.

Las Vegas City

Juan Carlos Fulgenzi – Director of Support Services

Robert Duran III – School Board President

Richard A. Armijo – School Board Vice President

Mari Hillis – Director of Finance

Facility	Rank	wNMCI (%)	FCI (%)
Paul D. Henry ES	N/A	N/A	N/A

The district is requesting a systems-based award to demolish Paul D. Henry ES. Demolition will require abatement of lead and asbestos and grading of the site after the building is removed. The building is empty and unused by the district. Because the school has been closed for many years, it is not in the ranking and therefore not eligible in that way for systems funding; however, for demolition, the district would like to move forward with their application through the systems program rather than wait for the implementation of the demolition program later this year.

Mr. Fulgenzi presented background information on the district, noting Las Vegas City Schools was comprised of six schools; three additional schools were decommissioned due to right sizing. The current population is 1,284 students; the pre-Covid population was 1,440. In a recently completed 12-year enrollment study, on average the district has lost 64 students per year. The student enrollment is comprised of 100% free and reduced lunch.

Paul D. Henry was constructed in 1954 and decommissioned as part of the district right sizing in 2016-2017. Previous demolition cost estimation in 2017 was \$828,187; if renovated in

2017, the estimated cost was \$9,203,601. The building is experiencing severe settlement in several areas. The engineer assessment has questioned structural integrity.

The district will have a bond sale in November 2021 for \$8.5M. Total estimated project cost is \$1,100,000 to demolish the 32,591 GSF facility. The state/local split is 47/53. Preventive Maintenance is current, FIMS use is marginal to satisfactory, and the district FMAR average is 66.31%. The applicant school site FMAR of 68.162% is not applicable as the building has been decommissioned.

Ms. Gudgel commented that during the recent legislative session, Senator Soules had a bill pass to allow demolition at 100% cost to the Council, which becomes effective on June 18. Ms. Gudgel further commented that while Council is considering these types of requests, it would be good not to delay them but to have a process on the tail end where Council can see if the district(s) qualify for the criteria outlined under that bill and when Council considers picking up those costs.

Discussion took place regarding Mike Mateo ES and Mr. Abbey suggested that it be looked at during the next awards cycle; district representatives agreed to do so.

Portales

Johnnie S. Cain - Superintendent

Facility	Rank	wNMCI (%)	FCI (%)
James ES	276	26.23%	73.44%
Portales HS	100	36.85%	71.83%

The district is requesting a systems-based award to replace the existing roof on the four main buildings at James ES and is requesting funds to correct site drainage deficiencies. James ES was constructed in 1963 with additions in 1966, 1978 and 1993.

Total estimated project cost is \$1,920,427 of which \$1,260,509 would be to replace the existing roof and \$83,790 would be for site drainage improvements. The state/local split is 66/34. Preventive Maintenance is current, FIMS use is satisfactory, the district FMAR average is 79.08%, and the applicant school site FMAR is 83.725%.

This district is also requesting a systems-based award to renovate portions of the roof areas on two buildings at Portales HS. The request is for portions of the roof over the main gym and the vocational building. The request is to renovate 16,000 GSF of the upper level roof above the gym floor and to renovate 8,700 GSF of the vocational building roof area.

Total estimated project cost is \$360,736. The state/local split is 66/34. Preventive Maintenance is current, FIMS use is satisfactory, the district FMAR average is 79.08%, and the applicant school site FMAR is 80.426%.

Both projects are ranked and eligible for systems awards this year. Ranked at 100, Portales HS is technically eligible for a standards award this year. Discussions between the district and

PSFA include whether these are good systems projects or whether they should be a systems project that includes potential conversion to a standards project. Mr. Chamblin suggested the need for a planning phase to scope potential larger projects and prioritize it for a standards-based award.

Mr. Cain stated that following the roof inspection at James ES, it became apparent that more work would be needed than originally anticipated. Following discussions with PSFA staff, Mr. Cain stated he felt it would be in the district's best interest to have a feasibility study done on both schools as they were both built in the 1960's. After a feasibility study has been done, Mr. Cain stated the district could plan for their next bond; the last bond was passed in February 2021 for \$7M with \$3.5M funded in April and the remaining \$3.5M to be funded in April 2023. Mr. Cain stated the district's preference would be to take care of the drainage issue quickly at James ES.

6. Out-of-Cycle Funding/Award Language Requests

The two NMSBVI projects (P15-009 Garrett Dormitory and P14-020 Sacramento Dormitory) were discussed simultaneously. One amended motion was proposed for both and is presented at the end of the discussion.

a. P15-009 NMSBVI Garrett Dormitory

MOTION: Council approval of the Awards Subcommittee recommendation to move the New Mexico School for the Blind and Visually Impaired Garrett Dormitory project into the construction phase. PSCOC funding for Garrett Dormitory shall not exceed the additional funding approved by the Council in July 2019 (\$1,667,741). Any additional funding that is needed to complete the scope of work will be the responsibility of the school.

b. P14-020 NMSBVI Sacramento Dormitory

MOTION: Council approval of the Awards Subcommittee recommendation to amend the 2013-2014 standards-based award to New Mexico School for the Blind and Visually Impaired for Sacramento Dormitory to include use of the remainder of the 2014 HB 55 Appropriation for the construction phase funding for a replacement dormitory for 41 residential rooms, expanded core spaces, and other necessary residential space to house students, grades K-12 and retroactive application of offsets. The net result is a decrease in the state match to \$0 and a corresponding increase in local match in the amount of \$2,064,970 to be funded from the Public School Capital Outlay Fund. Any additional funding that is needed to complete the scope of the work will be the responsibility of the school.

NMSBVI discussion: Mr. Chamblin drew member attention to the letter received from the school. Ms. Margie Macias, Director of Institutional Support Services, and Ms. Sylvia Hartley, Director of Business and Finance, attended to represent the school and answer questions.

Per Ms. Macias, an RFP solicitation was recently put out for construction funding; proposals were received from two contractors. This project was named the "Multiple Residences at the

Alamogordo Campus” and included both Garrett Dormitory and Sacramento Dormitory along with the Superintendent’s residence and a parking lot replacement. Due to high bid proposals, it was decided that proceeding with a Superintendent’s residence is not an option. Sacramento Dormitory is close to 70 years old and Garrett Dormitory is approximately 62 years old. Both were built with underground utilities and have cast iron sewer systems; both systems are compromised.

The district would like to demolish the existing Sacramento Dormitory, build a duplex-style cottage for independent living skills, and renovate/replace Garrett Dormitory. The school requested funding for the renovations from the Council in 2015 for 50% of the \$1.6M cost; the school went through Higher Education and secured \$824K and some additional money for a playground, which ended up being the \$1.2M GO Bond money. A building systems analysis was completed in 2015/2016 to determine the return on investment and whether it was better to raze the building and construct new or to proceed with renovation. The building systems analysis determined it was best to raze the building and rebuild. In July of 2019, the school went out for funding for new construction.

The school would like to proceed with using the funds appropriated for Sacramento Dormitory towards demolishing and building the new Garrett Dormitory. Sacramento Dormitory would be demolished once students moved into the new Garrett Dormitory. The request for the cottage will be placed on hold, as it is not as urgent a need as having the dormitory on-site for housing. Original estimated total project costs were \$4.985M for Garrett Dormitory and \$2.294M for Sacramento Dormitory; updated bids reflect costs are now at \$7.355M and \$3.521M respectively, with Garrett Dormitory potentially costing upwards of \$8.5M.

Referring back to the district’s letter, Mr. Chamblin stated that the school would like to take the certified funding for Garrett and use it for Garrett as well as taking the money certified for Sacramento and using it for Garrett to make up for the cost overrun. The school will pick up any remaining balance to cover the cost of the project. Ms. Macias went on to speak about the potential for some value engineering cost savings.

Ms. Gudgel asked that Mr. Chamblin clarify what PSCOC has awarded in terms of matching funds for both projects. Referring to Garrett Dormitory, Mr. Chamblin stated that the total amount of funding that was certified and recertified to-date is half of the \$4.985M total project cost, which is \$2.492M. Sacramento Dormitory is a little different. Going back to the original 2014 appropriation HB55, the appropriation was “up to” \$2.294M from the Capital Outlay Fund, which was the whole project cost, not just the local share. Ms. Gudgel clarified that Council has certified \$2.5M for Garrett out of a total \$8.5M project and asked what the long-term plan regarding Sacramento was if the \$2.29M appropriated from the legislature for Sacramento was used for Garrett. Ms. Macias replied that since the school has already gone to the legislature for funding consideration they would go through fund balances and by the time the two-year mark passes, the cottage could be reintroduced and the Garrett Dormitory project should be done.

Ms. Gudgel asked what the school had in their fund balances; Ms. Hartley stated that the projected available fund balance for FY21 was \$3.8M; the balance at the end of FY20 had

been \$5.5M. Mr. Chamblin clarified that the whole amount is half of \$4.9M plus the \$2.294M, which equals \$4.786M of state funding if combining what was originally planned for Garrett and what was planned for Sacramento. Mr. Guillen asked if it would need a legislative language change to move the money from one to the other; Ms. Gudgel stated it did not. Ms. Gudgel reiterated that the Council has funded \$2.5M of the \$8.5M and the School for the Blind and Visually Impaired would have to come up with \$6M to move forward on this project. The legislature has given the school funds in the amounts of \$1.2M, \$900K, \$4.6M and \$2.2M. If the school funds the total cost, they are still down by approximately \$600K in terms of what has been appropriated.

Discussion took place regarding the bid process, the weight factors and how the winner was determined. Mr. Abbey asked Mr. Chamblin to comment on the \$500 per square foot cost. Mr. Chamblin replied that for this project and the problem with rebidding would be the timeframe and there is a portion of the district's local sources which is a GO Bond funding source through Higher Education that was originally passed in 2016, renewed a few years ago and is set to expire at the end of June. There would not be any time to rebid the projects to get better pricing. Ms. Leach added that as long as a purchase order was in place by the end of the month, Board of Finance would be ready to approve the PO by the June 30 expiration. Mr. Romero also cautioned against going out for another bid as it might come in significantly higher.

Mr. Guillen proposed referring this item to the Awards Subcommittee for additional discussion and give the Subcommittee authority to make a final decision. Mr. Chamblin proposed holding a special called Awards Subcommittee on June 28.

AMENDED MOTION (for both NMSBVI projects) Ms. Gudgel moved for Council approval a motion referring the item back to the Awards Subcommittee for further discussion and giving the Subcommittee the authority to make a final decision, upon PSCOC Chair approval, on how to move forward on the Garrett and Sacramento projects, whether both projects would move forward or just Garrett. Mr. Burciaga seconded and the motion was unanimously approved.

7. Other Business

a. HB6 Discussion

Mr. Chamblin reminded members that HB6 was passed in the recent legislative session. The bill requires the PSCOC to develop rules that will change the Phase 2 capital funding formula, which calculates the state/local match percentages for each school district in the state. The specific task assigned by the legislature is to define the meaning of "*unrestricted revenue used for capital expenditures*." The rules need to be in place no later than July 1, 2024. To implement this change for FY25, the FY calculation will probably use the FY23 data (most recent year). PSCOC will also need to adopt rules in FY22 for PED to begin collecting/distinguishing revenue and capital expenditure data in FY23.

PSFA recommends:

- Adding the rule making discussion to the PSCOOTF agenda for the 2021 intersession meeting to gather member input;

- Identifying districts and individuals from PED, LESC and LFC that will be consulted by PSCOC;
- Having PSCOC develop rules for PED to gather and distinguish revenue and expenditure data by June 30, 2022 and
- In FY23, PED will begin calculating the defined revenue amount for each district that will be added to the Phase 2 formula beginning in FY25.

The phased-in implementation will begin in FY25 and continuing through FY29.

Ms. Gudel asked Mr. Chamblin when the state and local matches were calculated as the process that would be used would be to set the match funding in FY26, which adds another year to think about his. Mr. Chamblin replied that matches were typically determined in June. Currently, the capital formula is blended with two values, the (PED) Phase 1 formula and the (PSCOC/PSFA) Phase 2 formula. Ideally, by July, the two formulas are blended and a state/local match percentage is determined. This year, the percentages that will be determined will be used for the FY22 award cycle. Mr. Chamblin reminded members that the dollars and percentages in the awards spreadsheets presented earlier reflected the FY21 state and local match percentages because the FY22 values have not been completed. For the July meeting(s), information will be updated prior to awards being made.

b. BDCP SB144 Guidelines Development Update

Mr. Chamblin reminded members that SB144 calls on the Council to develop guidelines to build a statewide education network infrastructure. Mr. Jerry Smith, Broadband Projects Specialist, presented this agenda item.

Per Mr. Smith, the two goals of SB144 are to 1) connect students and staff at home, wherever they are and 2) create a statewide education network. An advisory committee has been established and has already met three times. Some of the main recommendations coming out of those meetings are to continue to maximize E-rate funding, to start the work as soon as possible to meet the E-rate timeline in March, provide reliability and resiliency, make it easy to join/encourage membership, and provide specialized services like cybersecurity.

Implementation would be phased-in, starting in August 2021, with Council review and approval of the recommended guidelines and framework and proceeding through planning and procurement development, evaluations, approvals and contracting, E-rate applications and implementation would occur between April-July 2022. Mr. Smith stressed that not all schools would be on the network in year one while reiterating implementation would be phased-in.

8. Informational

a. Project Status report

Referring to the Project Status Report, Mr. Chamblin stated that for the standards-based projects that have been awarded in the last three years, a number of them are already in design, a few are nearing construction, and the majority are still in the planning phase. For the July meetings, quite a few districts will be coming forward with design phase funding requests for previously awarded standards-based projects.

A concern posed during the recent PSCOOTF meeting whether there would be a problem with a number of projects entering construction during the Covid cost increases that are currently being seen. Information will be presented at the July PSCOOTF meeting reflecting the timing of when the standards-based projects will be coming for construction funding.

b. PM Status for Previously Awarded, In-Process Projects

Mr. Tillotson reminded members that at the December 2020 PSCOC meeting, there were concerns about the low preventive maintenance currency rate. Following discussion and feedback, a process was developed requiring New Mexico public school districts to maintain their preventive maintenance plan as current throughout the five stages of project phases.

Of the current awards cycle applicant districts, they all have current preventive maintenance plans that exceed state statute requirements. There were several that PSFA staff had to work with during the pre-application process. 91.6% of the applicant districts have FMAR scores above the 70% threshold. Nine of the applicant districts are using all three of the state provided FIMS modules; three districts were not using all three, specifically, they were not using the Utility Direct Module.

- Processes to communicate with districts that do not have a current PM plan per statute include: monthly – PSFA maintenance staff provides a 30 day advance notification to districts that have PM plans about to expire
- Annually – through e-Builder, PSFA maintenance staff upload a summary of district performance with recommendations including consultative training services to assist in advancing maintenance performance.
- Semi-annual – PSFA maintenance staff advise New Mexico school districts that their PM Plan is not current
- FMAR –PSFA staff provide detailed instruction sets to districts on how to improve their FMAR ratings by resolving facility condition issues and/or updating district PM Plans.

Mr. Burciaga asked, beyond data, what could be drawn from schools that are reporting their information, such as whether they are saving money, are extending the life of their systems and if their staff is being trained well. Mr. Burciaga requested that the information gathered be presented at the next meeting; Mr. Tillotson agreed to do so.

9. Next PSCOC Meeting - Proposed for July 12, 2021.

10. Adjourn – There being no further business to come before the Council, Mr. Burciaga moved to adjourn the meeting. Mr. Ortiz seconded and the motion was unanimously approved with Ms. Padilla, Ms. Gudgel and Mr. Abbey absent. The meeting adjourned at 4:22 p.m.

 _____ Chair

 _____ Date