

State of New Mexico
Public School Capital Outlay Council

PSCOC Members

Joe Guillen, *NMSBA – Chair*
Raul Burciaga, *LCS – Vice Chair*
David Abbey, *LFC*
Gwen Perea Warniment, *LESC*
Antonio Ortiz, *PED*
Clay Bailey, *CID*
David Robbins, *PEC*
Ashely Leach, *DFA*
Mariana Padilla, *OG*



Public School Facilities Authority

Martica Casias | Executive Director
Ryan Parks | Deputy Director

Meeting Minutes

PSCOC Full Council Meeting
State Capitol Building, Room 307 - July 18, 2022

Please note this report summarizes the actions taken by the Council and significant key points discussed. Official transcriptions of the meeting are available upon request.

I. Call to order – Joe Guillen, Chair

Chair Guillen called the meeting to order at 1:36 P.M.

a. Approval of Agenda

Chair Guillen asked if there were any changes to the agenda as presented; as there was none, Mr. Robbins moved for Council approval of the agenda. Ms. Padilla seconded and **the motion was unanimously approved.**

b. Correspondence

None.

II. Public Comment

Patricia Beecher, Superintendent, NMSBVI

Ms. Beecher, NMSBVI Superintendent, thanked the Council for their support in the past and their consideration for the 2022 award.

III. PSCOC Financial Plan

A. Financial Plan:

Mr. Brad Mathews, PSFA Chief Financial Officer, presented the PSCOC Financial Plan highlighting changes since the last meeting. The projected fund balance as of June 10, 2022 was \$747,290,635.93, and the change from the June 2022 meeting to July 2022 for the bond draw was \$3,626,857.74.

B. PSCOC Reconciliation Update and Plan

Mr. Mathews discussed the key points of the timeline, process, and plan to complete the reconciliation update. Council members were in favor of the Awards subcommittee recommendation to hire contractual services to support the efforts to complete the reconciliation, which would reduce the time-frame it would take to complete the necessary work.

IV. Awards Cycle

A. 2022-2023 Pre-Applications Received

Ms. Alyce Ramos, PSFA Programs Manager, reviewed the three pre-applications received for a Standards and Systems-based for the following districts: Estancia – Estancia ES (ranked #63), Moriarty-Edgewood – Moriarty HS (demolition) Moriarty-Edgewood – Edgewood ES - South Building (demolition).

B. 2022-2023 Capital Outlay Standards-Based And Pre-K Awards Overview

Ms. Ramos presented an overview of the scenarios approved by the Awards Subcommittee Meeting for the PSCOC 2022-2023 Capital Funding Awards for Standards-based and Pre-K Awards.

C. 2022-2023 Standards-Based Capital Outlay Award – Farmington - Heights MS

Ms. Ramos presented the potential Standards-based and Pre-K awards for Farmington Municipal Schools. The district requested waivers for all three potential projects. The Awards Subcommittee action did not include waivers for these projects. Mr. Ted Lasiewicz, Farmington Municipal Schools, and Regina Gaysina, Farmington Municipal School’s bonding advisor, spoke to the current and potential bonding capacity and need for the waivers to complete all phases of these projects. The Council discussed whether waivers should be granted, and determined that waivers should not be granted for Phase 1 (planning and design); however, the Council could revisit the waiver issue when the district was ready for Phase 2 (construction) funding.

<p>MOTION: Council approval to make a Standards-based capital outlay award to (Farmington) Heights Middle School – planning and design phase: \$1,712,379 state share, \$2,915,673 district share; Planning and design phase funding for the replacement of the existing facility, for 680 students, grades 6-8, and 89,001 gross square feet. Enrollment projections and gross square footage (not to exceed the maximum gross square footage (pursuant to the Adequacy Planning Guide) must be updated and approved by the PSCOC prior to the completion of the planning and design phase. Each allocation is intended to fully complete the project, phase or specified purpose. Upon completion of this awarded phase of work, including conformance with all contingencies, out-of-cycle funding for future phases of work may be considered at any upcoming regularly scheduled PSCOC meeting. As this was a subcommittee recommendation, a second was not needed and the motion was unanimously approved.</p>	<p style="text-align: center;">APPROVED</p>
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D. 2022-2023 Standards-Based Capital Outlay Award – Farmington - Mesa Verde ES

The discussion for all three Farmington Municipal Schools was combined during the Heights Middle School item presentation.

<p>MOTION: Council approval to make a Standards-based capital outlay award to (Farmington) Mesa Verde Elementary School – planning and design phase: \$1,049,043 state share, \$1,786,208 district share; Planning and design phase funding for the replacement of the existing facility, for 447 students, grades K-5, and 58,159 gross square feet. Enrollment projections and gross square footage (not to exceed the maximum gross square footage pursuant to the Adequacy Planning Guide) must be updated and approved by the PSCOC prior to the completion of the planning and design phase. Each allocation is intended to fully complete the project, phase or specified purpose. Upon completion of this awarded phase of work, including conformance with all contingencies, out-of-cycle funding for future phases of work may be considered at any upcoming regularly scheduled PSCOC meeting. As this was a subcommittee recommendation, a second was not needed and the motion was unanimously approved.</p>	<p style="text-align: center;">APPROVED</p>
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E. 2022-2023 Pre-K Capital Outlay Award – Farmington - Preschool Academy East

The discussion for all three Farmington Municipal Schools was combined during the Heights Middle School item presentation.

<p>MOTION: Council approval to make a capital outlay award for the Pre-K Capital Outlay Program to (Farmington) Preschool Academy East – planning and design phase: \$999,114 state share, \$1,701,194 district share; Planning and design phase funding for the replacement of the existing facility, for 720 students, Pre-K, and 51,929 gross square feet. Enrollment projections and gross square footage (pursuant to the Adequacy Planning Guide) must be updated and approved by the PSCOC prior to the completion of the planning and design phase. Each allocation is intended to fully complete the project, phase or specified purpose. Upon completion of this awarded phase of work, including conformance with all contingencies, out-of-cycle funding for future phases of work may be considered at any upcoming regularly scheduled PSCOC meeting. As this was a subcommittee recommendation, a second was not needed and the motion was unanimously approved.</p>	<p>APPROVED</p>
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F. 2022-2023 Standards-Based Capital Outlay Award – Albuquerque Sign Language Academy

The Council discussed the waiver request for this potential Standards-based project. Members spoke in favor of the project and granting the waiver. ASLA requested the project to be approved for 300 students, but the current enrollment cap approved through the Public Education Commission (PEC) is 200 students. Therefore the project would be approved for 200, and the school can come back to request an adjustment when the PEC approved the enrollment cap increase.

<p>MOTION: Council approval to make a Standards-based capital outlay award to (State Charter) The Albuquerque Sign Language Academy – construction phase, with a waiver for a portion of the local match, in the amount of \$21,289,264 state share and \$3,000,000 district share; Construction phase funding for the replacement of the existing facility, for 200 students, grades K-12, and 47,000 gross square feet. Release of construction funding contingent upon the finalization of the land lease, local share funding, and if necessary, modification of the contract to reflect all necessary statutory requirements, pursuant to the requirements of the PSCOC. As this was a subcommittee recommendation, a second was not needed and the motion was unanimously approved.</p>	<p>APPROVED</p>
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V. Consent Agenda

Items on the Consent Agenda were not discussed; all Consent Agenda items were approved in a single motion.

- A. 2022-2023 Standards-Based Capital Outlay Award – Gallup - Gallup Central HS**
- B. 2022-2023 Standards-Based Capital Outlay Award – Gallup – Thoreau HS**
- C. 2022-2023 Standards-Based Capital Outlay Award – Gallup – David Skeet ES**
- D. 2022-2023 Pre-K Capital Outlay Award – New Mexico School for the Blind and Visually Impaired (NMSBVI)**
- E. 2022-2023 Standards-Based Awards Additional Conditions**
- F. June 9, 2022 PSCOC Meeting Minutes**
- G. BDCP – 2021 Cat2 (Network Equipment) Awards and Adjustments**
- H. BDCP – 2022 Cat2 (Network Equipment) Awards**
- I. 2022-2023 Emergency Systems Awards Extensions**
- J. CIMS and FIMS from Operational to Capital Budget**

<p>MOTION: Ms. Leach moved for Council approval of the consent agenda. Mr. Robbins seconded and the motion was unanimously approved.</p>	<p>APPROVED</p>
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<p>A.</p>	<p>Council approval to make a Standards-based capital outlay award to (Gallup McKinley) Gallup Central High School – planning and design phase: \$900,480 state share, \$197,666 district share; Planning and design phase funding for the replacement of the existing facility, for 204 students, grades 6-12, and 20,553 gross square feet. Enrollment projections, programming for the specialized alternative educational program, and gross square footage (pursuant to the Adequacy Planning Guide) must be updated in the planning phase and approved by the PSCOC, prior to the completion of the planning and design phase. Each allocation is intended to fully complete the project, phase or specified purpose. Upon completion of this awarded phase of work, including conformance with all contingencies, out-of-cycle funding for future phases of work may be considered at any upcoming regularly scheduled PSCOC meeting.</p>
<p>B.</p>	<p>Council approval to make a Standards-based capital outlay award to (Gallup McKinley) Thoreau High School – planning and design phase: \$3,821,477 state share, \$838,861 district share; Planning and design phase funding for the replacement of the existing facility, for 477 students, grades 9-12, and 84,350 gross square feet. Enrollment projections and gross square footage (not to exceed the maximum gross square footage pursuant to the Adequacy Planning Guide) must be updated and approved by the PSCOC prior to the completion of the planning and design phase. Each allocation is intended to fully complete the project, phase or specified purpose. Upon completion of this awarded phase of work, including conformance with all contingencies, out-of-cycle funding for future phases of work may be considered at any upcoming regularly scheduled PSCOC meeting.</p>
<p>C.</p>	<p>Council approval to make a Standards-based capital outlay award to (Gallup McKinley) David Skeet Elementary School – planning and design phase: \$1,771,462 state share, \$388,858 district share; Planning and design phase funding for the replacement of the existing facility, for 224 students, grades K-5, and 31,499 gross square feet. Enrollment projections and gross square footage (not to exceed the maximum gross square footage pursuant to the Adequacy Planning Guide) must be updated and approved by the PSCOC prior to the completion of the planning and design phase. Each allocation is intended to fully complete the project, phase or specified purpose. Upon completion of this awarded phase of work, including conformance with all contingencies, out-of-cycle funding for future phases of work may be considered at any upcoming regularly scheduled PSCOC meeting.</p>
<p>D.</p>	<p>Council approval to make a capital outlay award for the Pre-K Capital Outlay Program to (New Mexico School for the Blind and Visually Impaired) Early Childhood Program Albuquerque Preschool – planning and design phase: \$150,000 state share, \$150,000 district share; Planning and design phase funding for potential future</p>

	projects, to include: bus loop and parking improvements, kitchen and multipurpose addition, Pre-K classroom addition, and potential expansion for additional grade levels. Each allocation is intended to fully complete the project, phase or specified purpose. Upon completion of this awarded phase of work, including conformance with all contingencies, out-of-cycle funding for future phases of work may be considered at any upcoming regularly scheduled PSCOC meeting.
E.	Council approval for the Standards-based Capital Outlay Awards Additional Conditions.
F.	Council approval of the June 9, 2022 PSCOC Meeting Minutes.
G.	Council approval to make Broadband Deficiencies Correction Program (BDCP) awards of actual E-rate-approved project amounts to provide the state match for application funding year 2021 for Category 2 (Network Equipment) to nine districts/schools for a total of \$98,789.42 up to the amounts listed in column O of the award spreadsheet attached as Exhibit A. Reduce/rescind the state share previously awarded to two schools to reflect corrections for a total credit of \$33,226.91, as listed in Exhibit A. Award a \$10,000.00 contingency fund to account for potential equipment/chip shortage. Any unused contingency amounts will revert to the PSCOC fund. Each allocation is intended to fully complete the project, phase, or specified purpose.
H.	Council approve to make Broadband Deficiencies Correction Program (BDCP) awards of actual E-rate-approved project amounts to provide the state match for application funding year 2022 for Category 2 (Network Equipment) to nine schools for a total of \$19,327.16 up to the amounts listed in column O of the award spreadsheet attached as Exhibit A. Each allocation is intended to fully complete the project, phase, or specified purpose.
I.	Part 1: Council approval to revert the remaining unexpended balance as of July 18, 2022 for the 2020 Security-based Awards to the districts listed in Exhibit A. Part 2: Council approval to award Emergency Systems projects to the districts listed in Exhibit A. The districts have applied for the full amount of their individual unexpended balance totaling \$2,680,823.41. Pursuant to New Mexico State Statute 22-24-4.6. The districts listed in Exhibit A have certified the design is complete, procurement can be completed and a construction agreement can be executed in six months, and funding can be spent by July 18, 2023.
J.	Council approval to reallocate the annual subscription fees for the PSFA Construction Information Management System and the PSFA Facilities Information Management System from the PSFA operational budget, fund 94300, to the Public School Capital Outlay Fund 94700 as project management expenses.

VI. Out-of-Cycle Awards Cycle

A. P20-001 Alamogordo Chaparral MS – Award Language Change

Mr. Abbey reviewed of the discussions held during the Awards Subcommittee Special Meeting on July 5, 2022. The Awards Subcommittee recommended the MACC increase from \$27.8M to \$36.1M, amounting to \$415/SF.

<p>MOTION: Council approval to increase the established Maximum Allowable Construction Cost (MACC) for P20-001 Chaparral Middle School to \$36,119,525 with a design enrollment of 658 students, grades 6-8 up to the maximum allowable gross square footage of 87,035. As this was a subcommittee recommendation, a second was not needed and the motion was unanimously approved.</p>	<p>APPROVED</p>
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B. P20-007 Des Moines – Award Language Change

The district requested a waiver for a portion of the design phase funding. The district recently bonded to the total maximum amount possible, at \$2.1M; however, the district was still short \$710,953 to complete the design phase of the project, and was therefore requesting a waiver in that amount.

<p>MOTION: Council approval to amend the current Standards-based award to Des Moines Municipal Combined School to include a waiver of a portion the local match, in the amount of \$710,953, for the previously awarded Standards-based and Teacher Housing design phase funding. The revised project funding for the design phase for the current Standards-based project and Teacher Housing design phase shall be a state match of \$962,934 (31.44%) and a local match of \$2,100,000 (68.56%). As this was a subcommittee recommendation, a second was not needed and the motion was unanimously approved.</p>	<p>APPROVED</p>
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C. P20-005 Las Cruces Columbia ES – Award Language Change

Mr. Abbey reviewed that the staff completed a thorough analysis of the zoning and boundaries. Ms. Casias shared key points, noting that there was no additional funding was needed at that time. Ms. Casias highlighted Columbia ES potential increase in enrollment for 2023-2024 to 752 students along with details on the attendance zones versus capacity.

<p>MOTION: Council approval to amend the current Standards-based award to Las Cruces Public Schools for Columbia ES to include a 252 student increase in enrollment for a total of 752 students (PreK-5), with a maximum allowable gross square footage of 87,033 GSF. Upon completion of the design phase work, the district may return to the PSCOC for out-of-cycle construction phase funding to include final approval of the enrollment.</p>	<p>APPROVED</p>
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D. P20-002 Central Newcomb ES – Award Language Change

Mr. Abbey shared that the Awards Subcommittee determined that they did not support the district’s request. Mr. Abbey said that the issue needed to be discussed further with the AMS Subcommittee as Adequacy Standards needed to be developed and analysis to right-size spaces for dual-language instruction. Council agreed with the staff recommendation to not approve the district’s request for six additional classrooms.

<p>MOTION: Council approval to <i>not</i> amend the current Standards-based award to Central Consolidated Schools for Newcomb ES to include design phase funding up to \$315,724, with a state match of \$189,434 (60%) and a local match of \$126,290 (40%), for an additional six Navajo Dual Language Immersion Program classrooms, totaling 4,950 GSF.</p>	<p>AMENDED APPROVED</p>
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E. P13-003 Capitan – Request for Reduction of Advance

Mr. Abbey clarified the motion was not accurate and provided guidance on the language and intent. Mr. Abbey said the challenge was that the district had failed mill levies three times and the district did not have any SB-9 in place. Mr. Ortiz mentioned the district was going out for SB9 election in November of 2022. Ms. Casias provided revised figures and details when the bonds failed noted as the following.

<p>AMENDED MOTION: Council approval to amend the current Standards-based award to Capitan Municipal Schools for Capitan ES/HS to include a waiver in the amount of \$1,700,000, the remaining of the \$1,592,728 would be paid over the next eleven years. <i>The district would make a \$700,000 payment and \$100,000 payments over the following ten (10) years (2023-2032). The final payment would be adjusted based on the remaining balance.</i> Contingent upon recommending the district to pass an SB-9 Mill levy as soon as possible. As this was a subcommittee recommendation, a second was not needed and the motion was unanimously approved.</p>	<p>AMENDED APPROVED</p>
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VII. Other Business

A. Teacher Housing Program Rules

Ms. Ramos presented the suggested Teacher Housing program rules regarding application requirements, processes, prioritization methods and standards, along with the program development and timeline. Mr. Robbins shared discussions held in the AMS Subcommittee meeting, considering the modification of the proposed new scoring and ranking methods.

The Council discussed a potential funding limit, defining terms and community types, prioritization benchmarks, and other considerations to benefit teacher retention and recruitment. Mr. Guillen gave three options to move forward: adopt the guidelines, send back to AMS subcommittee for a special meeting, or send back to the AMS subcommittee to bring back next month. Mr. Robbins proposed the first amendment to the motion, a roll call was taken and the motion failed.

AMENDED MOTION: Mr. Abbey moved for Council approval of Teacher Housing Pilot Program and rules, to include <i>rural-tribal areas only where there is no available housing within ten miles or 30 minutes. Pilot program is limited to \$10M; with waivers allowable. Staff to provide a revised questionnaire and ranking proposal consistent with the motion for approval by the PSCOC Chair, AMS Chair (Mr. Robbins) and Ms. Padilla.</i> Dr. Warniment seconded and the motion was unanimously approved.	AMENDED APPROVED
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B. Recertification of SSTBs

Mr. Mathews reviewed the Recertification's of SSTBs for July 2022.

MOTION: Council approval for the adoption of the Resolution, Notification, and Certification and Reconciliation of unexpended bond proceeds as follows: <ul style="list-style-type: none">• SSTB21SD 0001 in the amount of \$ 31,876,736 to PSCOC awarded projects. Delegate authority to the Chair to approve any changes to the resolutions and recertifications that may be required upon review by the State Board of Finance.	APPROVED
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VIII. Informational

A. PSCOOTF Update

Ms. Casias reviewed the five presentations that staff presented on July 15, 2022 at the Public School Capital Outlay Oversight Taskforce (PSCOOTF).

B. Process Improvement Update

This item was not presented.

C. Statewide Education Network (Broadband) Update

This item was not presented.

D. Project Status Report:


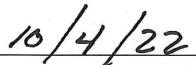
This item was not presented.

IX. Next PSCOC Meeting

Proposed for August 29, 2022 – (tentative).

X. Adjourn

There being no further business to come before the Council, Mr. Robbins moved to adjourn the meeting. Ms. Padilla seconded, and **the motion was unanimously approved.** The meeting adjourned at 4:06 P.M.

 Chair
 Date

**Please Note: Italic in motions indicate amendments.*