

# PSCOC Meeting Minutes—December 15, 2014

## State of New Mexico Public School Capital Outlay Council

**Chair:**  
David Abbey, LFC

**Members:**  
Paul Aguilar, PED  
Frances Maestas, LESC  
Michael Heitz, Governor's Office



**Vice Chair:**  
Pat McMurray, CID

**Members:**  
Joe Guillen, NMSBA  
Raul Burciaga, LCS  
Tom Clifford, DFA

**Public School Facilities Authority**  
Robert Gorrell, Director  
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<b>Members Present:</b>	Mr. David Abbey, LFC	Mr. Michael Heitz, Governors' Office
	Mr. Joe Guillen, NMSBA	Ms. Frances Maestas, LESC
	Mr. Pat McMurray, CID	Mr. Paul Aguilar, PED
	Mr. Gene Gant, PEC	Mr. Tom Clifford, DFA

**Designee:** Ms. Sharon Ball represented the Legislative Council Service in the absence of Mr. Raul Burciaga.

### 1. Call to Order – Mr. David Abbey

#### a. Adoption of Agenda — 10:30 AM

Clerk called roll noting that the Council reserves the right to change the order of the agenda as deemed necessary. Due to a schedule conflict Ms. Maestas will be late in attending the meeting. Mr. Ian Kleats would represent LESC until Ms. Maestas arrives.

**MOTION:** Mr. Guillen moved for adoption of the agenda as presented. Mr. Kleats seconded. Motion carried.

#### b. Correspondence

Mr. Abbey read a letter of appreciation to Mr. Gene Gant thanking him for the years of service to the State and to the Council. The PSCOC wishes Mr. Gant continued success in whatever he may choose to pursue and the best of everything in his retirement.

Mr. Gorrell referred the Council to a letter in the correspondence section from the Deming School District regarding a conference call held on November 12, 2014. PSFA staff and the district discussed the proposed change for the site of the new Deming Intermediate School and discussed examining reasons for the change as outlined in a previous letter sent to PSFA. The district believes that it will be a better site for the new school and may well expedite the process of completing the project.

There was discussion regarding the number of students the district anticipates for the new school. The letter indicates that PSFA approved the construction of a building for 450 students. However, due to an unusually large first grade class this year and a larger than normal kindergarten class the district expressed concerns regarding overcrowding in the new building when those students reach 6th grade. After further discussion both sides agreed that the district and PSFA would continue to monitor the size of current classes and future classes during the planning stage for the new building. If student enrollment

numbers indicate that the district have consistently larger classes, the district would remain flexible in the size of the building. Both sides agreed that the district would not make adjustments to the approved number of students at this time.

*This is an information item. No action required.*

## 2. Approval of Minutes

Upon review by the council, Mr. Gant moved for adoption of the November 6, 2014 PSCOC meeting minutes subject to technical corrections. Mr. Guillen seconded. There being no objection the motion carried.

## 3. Awards Subcommittee Report

### a. Financial Plan—*Informational Item*

#### Executive Summary

#### ***PSCOC Action—Out-of-Cycle, Emergency, Additional Funding***

	Previous	Current	FP Change
Facility Master Plan Assistance Program	\$700,000	\$549,843	\$150,157
Zuni-Emergency High School HVAC Advance (Renovation/Repairs up to \$900,000)	\$807,000	\$900,000	(\$93,000)
Reserve-P14-022—Reserve Combined School-Ph I Additional Funding	\$0	\$81,200	
<b>Out-Year Estimate Changes Approved by Council (incorporated in last month's FP)</b>			
Gallup-P11-Washington ES	\$16,290,216	\$18,393,455	(\$2,103,239)
Roswell-P14-023-Parkview Early Literacy	\$8,631,374	\$8,799,815	(\$168,141)
Espanola-P13-005-Los Ninos Kindergarten	\$1,934,583	\$1,719,308	\$224,275
Gallup-P11-008-Jefferson ES	\$15,849,439	\$17,748,737	(\$1,899,298)
Farmington-P13-006-Farmington HS	\$32,151,783	\$37,752,748	(\$5,600,965)
<b>Subtotal</b>	<b>\$76,373,395</b>	<b>\$85,944,806</b>	<b>(\$9,490,211)</b>
<b>Total Net Awards</b>		<b>\$1,531,043</b>	

#### ***Project Award Schedule Detail Adjustments (Crossing Fiscal Years)***

Project	FY-15	FY -16	FY-17
P14-017-Lordsburg HS (CMAR)	(\$10,694,250)	\$10,694,250	
<b>TOTAL</b>	<b>(\$10,694,250)</b>	<b>\$10,694,250</b>	<b>\$0</b>

#### ***PSCOC Fund Project Award Schedule Detail-Phase II Estimate Modifications***

No Phase II estimate modifications

#### ***Financial Plan Assumptions and Summary***

- The Financial Plan was updated for the revised revenue estimates received on December 8, 2014.
- Out Year Estimates and Schedule Changes are included in the Financial Plan.
- The Financial Plan does not include any potential local match reductions for PH2 funding except for P14-022 Reserve Combined School.
- Included \$822,298 for P13-011 Espanola - Carlos F. Vigil Middle School appeal for reimbursement.
- No change in the Reserve for Contingency amount. Current balance is \$918,259. Please refer to the Reserve for Contingencies Report for detail.

(in millions)	FY-14	FY-15	FY-16	FY-17	FY-18
Uncommitted Balance (Nov 2014)	149.8	27.2	61.3	124.6	194.5
Uncommitted Balance (Dec 2014)	149.8	69.8	(20.5)	3.1	46.2
Variance Favorable (Unfavorable)	(0.0)	42.6	(81.8)	(121.5)	(148.3)

**Discussion:**

Ms. Irion noted that the financial plan does not include potential waivers or advances other than what is noted on today's agenda or what has been accounted. The financial plan does not include legislative appropriations from the fund that may come up during the upcoming legislative session, and does not include the proposed \$10 million increase for reserve for contingency amounts. These items will be addressed in the next financial plan. Ms. Irion noted that the 2014 audit will be delivered today according to statute.

Mr. Abbey voiced concern regarding the sharp downturn in the financial outlook. He noted that the outlook for awards for next summer is not great. He cautioned the Council and staff be aware of the financial outlook before approving requests for waivers or advances.

**b. Out-Year Estimate/Schedule Changes****Roswell—P14-023—Parkview Early Childhood****Executive Summary**

Parkview received an award for an addition and renovation for 350 3&4-year-old DD students. Because adequacy standards are not yet defined for this group, the Parkview educational specifications will be used to begin developing and refining these standards. PSFA recommends adjusting the award amount for out-year planning purposes due to the budget change as a result of the educational specifications process. This amount is a very loose estimate based upon square footage and expected costs per square foot for renovation and new construction costs. The estimate will be refined through the design process, and any additional changes will be brought to the PSCOC for review before a request for Phase II funding is made. Estimated project amount at time of award: \$10,500,000

Project total including pending additional funds award: \$13,232,659

Current Estimated Phase 2 State Share: \$6,832,000

Revised Estimated Phase 2 State Share: \$8,799,515

Total Estimated State Share Increase: \$1,967,515

Maintenance Program Status		Recommended District Performance
PM Plan	Currently being update, Due Dec 2014	The district continues to strive for operational excellence and is currently working on their PM plan update, which will incorporate 'best practices'.
Using FIMS,(MD, PMD)	<b>2.5-Good</b>	
Utility Direct (UD)	<b>3.0-Outstanding</b>	
FMAR	<b>73.24%-Satisfactory</b>	
M3 Metrics Report	<b>Yes</b>	

**Motion:** Mr. Guillen moved for Council approval of the Awards Subcommittee amend the estimated total project cost of the 2013-2014 standards-based award to the Roswell Independent Schools for Parkview Early Literacy. At this time, approval is limited to

an adjustment of the financial plan, with an increase to the out-of-cycle state share in the amount of \$1,967,515 (72%), contingent upon an additional local share of \$765,144 (28%). Since this is a subcommittee recommendation a second is not required. There being no objection, motion carried.

**c. Cloudcroft—Application for Emergency Assistance—Cloudcroft HS Masonry Executive Summary**

The Cloudcroft Municipal School District is requesting an emergency funding advance of \$1,001,791 to repair the Cloudcroft High School veneer walls. Cloudcroft Municipal Schools declared this situation an emergency at its regular school board meeting on July 15, 2014. The district has investigated the high school sandstone veneer walls and determined the required strapping or tabs that would secure the sandstone veneer to the structural wall were not installed by the general contractor. This has created a serious safety issue for the students and staff as some sandstone has already fallen from the top of the wall. CID has determined this situation to be a code violation. PSFA staff have been working with the district in determining an appropriate solution. This project was included in the 2002-2003 and 2003-2004 PSCOC awards made to Cloudcroft High School for construction and renovation. PSFA staff feels this situation meets the emergency definition and recommends approval of an advance.

**Discussion:**

Mr. Guillen noted that during the subcommittee discussion, the last portion of the motion was added in terms of seeking legal remedies for installation of this work.

Superintendent Travis Dempsey and Jeremy Sanchez, PSFA Regional Manager and three board members represented the Cloudcroft District. Mr. Dempsey stated that the district is concerned that they have invested \$40,000 in exploratory work to remove the sandstone to determine everything complied with code. They discovered another venue which is another exterior covering and cannot locate the needed tabs so therefore everything around the facility would need repair if not done to code. Mr. Dempsey noted that this is not the type of material that can just be torn down and will need to be completely replaced with new material. The award request is based on the claim against the bond. The district has been in contact with the bonding company and as of last week, the company accepted liability with one issue which could not be discussed because his legal team would not allow it at this point. Mr. Dempsey anticipates that the company is questioning whether or not the district can re-use the sandstone as the bid was based on new sandstone which will possibly be an issue. The district has dealt with a fire suppression system at the facility which has caused significant issues, the HVAC system is not reliable and it was noted that the Northside of the building was also done with sandstone.

Mr. Clifford noted that there is a CID notice of violation as of July 7, 2014 which called for corrective action by July 31, 2014 and asked if the violation was resolved. Mr. Dempsey stated, to his knowledge, it has not been cleared. Mr. Clifford asked if the material put students at risk. Mr. Dempsey answered in the affirmative stating that the district has built safety shelters (wood covering) at the front of the facility in case something falls so no one would get hurt.

Mr. Clifford noted that the contingency in the motion asked for legal actions and asked what action has been taken at this point. Mr. Dempsey stated that a claim has been

filed against the bond, the district's attorney has prepared all legal documents in case an official lawsuit needs to be filed. At this point the claims representative has verbally committed to accepting liability. He noted that the requested amount is the dollar amount of the claim. The district's goal was to prepare for the worst case scenario so that if every exterior wall had to be reconstructed and rebuilt, the amount requested would be the dollar amount that would cover the cost. Mr. Dempsey informed the Council that the HVAC and the fire suspension was resolved by the insurance company.

Mr. Clifford noted that this is a serious deficiency and asked how this issue was overlooked. Mr. Gorrell explained that this was a Critical Capital Outlay project which was overseen by PED at the time. He stated that the process was different than the way projects are currently handled. Mr. Gorrell explained that the Critical Capital Outlay was a funded process in that the Council made awards and were reimbursed or funding was sent directly to the district. He stated that code inspectors should be looking at violations and regardless of PSFA not having available staff, the inspectors should have caught the deficiency at the time. Mr. Gorrell informed the Council that contractor is out of business and the district made the right decision in locating the contractor to resolve this problem. Mr. McMurray noted that the contractor may have not addressed their responsibilities. He said that even if the contractor is out of business they are still liable and have insurance. Mr. Gorrell stated that the contractor currently has an active license, however, mason contractor that did the work does not have a license. PSFA and CID staff will follow-up on this issue.

Mr. Clifford noted that the current request is for 100% of the project and asked why the district cannot assist in paying the cost for this emergency project. Mr. Gorrell replied that the district would pay the advance within four (4) years. Mr. Dempsey stated that it would be difficult for the district to pay into this project due to the size of the district. Mr. Guillen indicated that the district may be able to pay the advance with funds from lawsuit. He reiterated that the claims representative has verbally committed to accepting liability.

Mr. Abbey voiced concern regarding the four-year payment and the prospect of success on this project. Upon reviewing the districts waiver request Ms. Cano said that it seems that the district can repay the advance within a two-year period based on information provided by the district. Mr. Dempsey explained that the financial statement refers to the bond election that just passed in the amount of \$3.7 million. He indicated that \$2.5 million were committed to other projects that were approved by their school board.

Mr. Guillen stated that there is an early indication that the insurance company may take liability for the issues and noted that PSCOC is committed to assist districts with emergencies verified by CID. He said that a four-year period is reasonable and there is still the chance of recovering the money from the contractor. Mr. Guillen noted that this is an emergency and needs to be addressed by the Council. Mr. Clifford understands the importance of the project, however, he is concerned regarding how the district mismanaged their project using PSCOC funds even though the Council did not have oversight of the project. In view of negative precedence indicating that Council will clean up messes made by districts which are not the responsibility of the Council.

Ms. Ball said that even though the Council did not have oversight of this project it was a critical capital outlay project that was run by the State Department of Education who were understaffed. She stated that the district has done all they can to retrieve the funds and the Council might want to consider reducing the payback time to 2 years. Mr. McMurray specified that part of the project was overseen by CID and inspectors at that time should have seen the deficiencies in the district.

**Motion:** Mr. Guillen moved for Council approval of the Awards Subcommittee recommendation to make an emergency award in the form of an advance to the Cloudcroft Municipal Schools to complete veneer wall repairs at Cloudcroft High School in an amount up to \$1,001,791. The district shall pursue legal remedy to recover the costs associated with this emergency work

**Amended Motion:** Mr. Abbey moved to amend the motion to make the award contingent on a status report and submission of a repayment plan in a year. Ms. Ball seconded. The motion passed by a majority vote with Mr. Clifford, Mr. Aguilar, and Mr. Heitz voting in the negative.

Ms. Maestas reminded the Council that there was a similar incident at Zuni Schools where the contractor walked off the job. She said that there are arguments over funding and jobs getting done correctly but the main concern is the safety of students. Ms. Maestas noted that the district may have tried but there is concern regarding the surety bonds and why they exist if they are not successful in retrieving funds for districts. Mr. Gorrell indicated that this would require a law change to require surety bonds.

**Revised Motion:** Mr. Clifford moved to revise the motion to add that there is a two-year deadline to pay the advance back and the district return to the council in a year with a status report. Mr. Abbey seconded. Motion passed by a majority vote with Mr. Aguilar, Mr. Guillen, and Ms. Maestas voting in the negative.

**d. Espanola—P13-011— Carlos Vigil—Reconsideration of District Reimbursement/Demolition of Espanola Middle School East**  
**Executive Summary**

Staff recommendation to amend the 2012-2013 award to the Espanola Public Schools to include demolition funding for the old Espanola MS East facilities with an increase in the state share amount of \$545,375 (63%), contingent upon an additional local share of \$320,301 (37%). July 26, 2012 – Amend 2008-2009 deferred award to the Espanola Public Schools: Council approval to move the 7<sup>th</sup> grade students from the old Espanola MS East to Carlos Vigil MS to include design and construction of a new playfield at Carlos Vigil MS to adequacy for 520 students, grades 7-8. Award is subject to disposal plan for the old Espanola MS East facilities.

At the October 2014 PSCOC meeting, the Awards Subcommittee had recommended approval to amend the award contingency and allow district credit for expenditures and potential reimbursement to the district for project costs to adequacy, however the motion was denied by the full Council. The district has submitted a letter of appeal to reconsider the decision.



Staff recommendation is to approve the district request and provide credit to adequacy for expenditures to adequacy in the amount of \$1,305,235; with state share for reimbursement upon project closeout with \$822,298 (37%).

Maintenance Program Status		Recommended District Performance
PM Plan	<b>Current-Due 1-15-2015</b>	1. Address all major/minor findings on FMAR reports through FIMS and/or develop capital planning strategies towards resolution
Using FIMS (MD, PMD)	<b>2.0-Satisfactory</b>	2. Recommend the district improve their PM Work Order Completion rate of 83.33% to 90% or better.
Utility Direct (UD)	<b>2.0-Satisfactory</b>	3. Adopt the Meaningful Maintenance Metrics to track and improve performance.
FMAR	<b>61.69%-Marginal</b>	
M3 Metrics Report	Training provided in October	

### Discussion:

Mr. Volpato noted that there are two motions for this item. The first motion is for the district's request for demolition funds demolish the old Middle School East. As a condition of the original award to Carlos Vigil Middle School playing field, it was required that the district submit a disposal plan of the old Middle School East facilities. The disposal plan can include options for consideration of demolishing it, a written agreement giving ownership for the property or using the facility as a non-educational use and students can no longer be housed at the facility. The district is requesting to demolish the facility with an estimated funding request of \$865,000 of which the state funds to adequacy would be \$545,000 to complete the demolition. The Council was provided with a budget as well as a demolition site plan that reflects the buildings to be demolished.

Mr. Volpato noted at the time there were no demolition dollars at the time of the original award. The original award of \$1.3 million was for the design/construction of a new playing field at Carlos Vigil Middle School to adequacy for 520 students grades 7-8. The award was subject to a disposal time for the old Espanola East facilities and outlines options given to the districts. At the time, PSFA did not fund demolition of facilities in the award even though a disposal plan was required.

Mr. Aguilar stated that the requirement to demolish this school was made with regard to the 2002 award prior to statutory change that authorized the use of the funds for demolition. He stated that it is inappropriate that a demolition award be considered for this school when there was a contingency in 2002 award and the district did not use the award for the indicated purposes or comply with the contingency. Mr. Gorrell noted that the authorization came into play in 2005.

Mr. McMurray informed the Council that in discussion in the subcommittee one of the buildings is a modular building with no restrooms or other functional purposes for the building. There was concern regarding the district keeping the modular instead of removing it and having a clean site. There is also concern of drainage issues.

Dr. Trujillo, Superintendent, stated that the district match would be approximately \$320,000, and it is crucial that the district receive reimbursement for the project closeout as indicated in the second motion.

Mr. Abbey asked if the district would need \$822,298 as mentioned in the motion. Dr. Trujillo said that this is about accountability as it is public money and belongs to the

district. He agreed that bad decisions were made by the district and are now dealing with the consequences. Dr. Trujillo stated that the full amount of the funds is needed and feel that this is an inseparable issue and indicated that if the funds are not reimbursed, it would be a hardship for the district.

With regard to the contingency award, Dr. Trujillo stated that the one contingency was that the district use correct software. He explained that the district was in the middle of the project when the state changed from CIMS to e-builder. Toward the end of the project, the district was in contact with PSFA and have hired construction managers since then. The second contingency was for the demolition or other use for the building. Dr. Trujillo indicated that district will not be bonded to capacity until 2017 and if the building is not demolished it would be a liability as there are residents who live around the site. The funding for the reimbursement is to furnish the ETS project. He noted that the district funding is depleting due to the district repairing their facilities. Dr. Trujillo stated that the district is engaged in conversation with the tribe, the city and the county to determine the best use for the Middle School East site.

Mr. Guillen noted that the subcommittee had a lengthy discussion regarding the Espanola requests. He stated that generally these are routine matters that give the Executive Director authority to approve requests up to \$100,000. The district's request exceeded the amount and at a prior meeting a strong message was sent to the district regarding the need to comply with the requirements. It was discovered that the district did not comply. There was also discussion that the funds would be used for the demolition as well as improvements at Fairview Elementary.

In terms of primary procedure, Ms. Ball said that the reimbursement request can be reconsidered if Council votes in the majority. Mr. Guillen noted that the subcommittee has brought this item forward for reconsideration. He stated that the subcommittee voted unanimously for reconsideration.

Mr. Gorrell informed the Council that the district is using FMAR and have identified issues with the high school. The district resolved the issues and dropped in the ranking as the district is acting responsibly.

**Motion 2 – Reconsideration of Reimbursement Request:** Mr. Gant moved for Council reconsideration to amend the award contingency requiring the advance approval of expenditures and provide district credit for expenditures to adequacy in the amount of \$1,305,235 with state share for reimbursement upon project closeout of \$822,298 (63%), with a second by Ms. Maestas.

Roll was called with Mr. Heitz, Mr. Aguilar, Mr. Clifford, and Mr. McMurray voting in the negative.

Mr. Guillen stated that there may a compromise that can be reached between the two motions. He pointed out that the total amount of both motions are \$1.367 million and suggested Council to entertain a reduced total amount of both requests.

Mr. Aguilar pointed out a portion of the district letter that states “while we concur that there existed an error on our part (e-builder was not used, but we used CIMS) this loss of revenue would have a devastating financial impact as the district had planned on using



these funds to pay for the PSCOC approved ETS Fairview Elementary that might cost us from \$400,000-\$5,000,000 and to pay for the demolition of the Middle School East at approximately \$320,000 (if approved, the expenditures for the demolition of the Middle School East project will be approved in advance through e-builder.)” Mr. Aguilar stated that the original motion should cover demolition, according to the district, therefore, council should not have to consider the project reimbursement because the district has stated that the original amount would cover the cost of the demolition. Dr. Trujillo stated that the amount of \$320,000 would be the district share not the state share which is why they are requesting the full amount.

**Revised Motion 2:** Mr. Guillen moved for Council approval revise the original motion of \$822,000 to reduce the reimbursement amount to \$650,000. Ms. Maestas seconded. Motion passed by majority vote with Mr. Heitz, Mr. Aguilar, Mr. Clifford and Mr. McMurray voting in the negative.

Mr. Clifford pointed out conditions on the uses of demolition contingencies that have not been mentioned by staff or the district. Mr. Guillen stated that the conditions will tie into the dollar amount reduced. He stated that staff did not do an analysis on these conditions.

Mr. Abbey voiced concern stating that there is unclear plan on how to use the property and the potential use of the building.

**Motion 1 – Demolition Funds:** Mr. Guillen moved for Council approval of the Awards Subcommittee recommendation to amend the 2012-2013 standards-based award to the Espanola Public Schools for Espanola MS East/Carlos Vigil MS to include demolition funding for the old Espanola MS East with an increase in the state share amount of \$545,375 (63%), contingent upon an additional local share of \$320,301 (37%). Motion failed by a majority vote of 3 in the affirmative and 6 in the negative.

Mr. Abbey – no; Ms. Ball – no; Mr. Clifford – no; Mr. Aguilar – no; Mr. McMurray – no; Mr. Heitz – no; Ms. Maestas – yes; Mr. Gant – yes; Mr. Guillen – yes.

**e. Las Cruces—P11-011—Las Cruces HS—Extension of Advance Repayment Deadline Executive Summary**

The Las Cruces Public School District submitted a letter dated October 24, 2014 requesting to extend the advance repayment for P11-011. The original date of repayment was set for 1st quarter of FY 2015. The District is requesting extension of the repayment to the 3rd quarter of FY-2016. It is the district’s intent to offset the final construction award request for P11-011.

**Discussion:**

Ms. Irion stated that this extension coincides with the second phase of the construction award for Las Cruces High School so the amount can be offset against the construction costs. Currently, the potential construction award is listed at \$20 million in the financial plan. This would reduce the state match to \$11 million.

**Motion:** Mr. Guillen moved for Council approval of the staff recommendation to extend advance repayment for Las Cruces Public Schools for Las Cruces High School in the amount of \$9,894,260 to the 3rd quarter of FY-2016. There being no objection the motion carried.

**f. Magdalena—E13-004—Emergency Water Supply—Award Change**

**Executive Summary**

Award Date: June 20, 2013

Award Amount (Advance): \$300,000

The Award Scope: Design and implement a temporary water supply to the school using the current school irrigation well or other sources.

The school has been using village water since the beginning of the 2013 school year to the present without any delays or closures to the school that PSFA staff is aware of.

Staff recommendation is to complete the design, NMED Application for Construction and State Engineers change of use application then revert the remaining funds in the emergency award as this situation no longer meets the definition of an emergency.

Statute 22-24-5(B)(2)(c)[:] in an emergency in which the health or safety of students or school personnel is at immediate risk or in which there is a threat of significant property damage, the council may award grant assistance for a project using criteria other than the statewide adequacy standards.

Design of a storage tank, water treatment system and piping to connect the current well to the school is at 95% complete.

The NMED Application for Construction and the State Engineers change of use application are close to being approved but is on hold pending resolution of a protest to the State Engineer by the Village of Magdalena.

The Magdalena Superintendent Mike Chambers has notified us that they have completed the preliminary application to request a loan from the NM Finance Authority. The Superintendent also stated that the district would realize a savings of about \$24,000 annually if the district was not using village water.

Ms. Stephanie Finch the Village Clerk/Treasurer informed staff via e-mail that currently the Village of Magdalena has three (3) wells that are up and running. Last year when the water crisis arose, the Village used nearly \$300,000 to get all three wells properly functioning. The village feels it is no longer at risk for running out of water in future. The current Board and Mayor are working very hard to keep updating/upgrading these wells. The village recently received two (2) capital outlay grants from State Legislature. One for \$50,830 for SCADA, which is a telemetry system that allows the wells, pump houses and storage tanks to “talk to each other.” The second grant was for \$100,000 for well improvements. On September 26, 2014, the Village of Magdalena installed a new meter at the school. The Magdalena Municipal Schools is the largest water customer in the small community, if they were to go to their own drinking water system, the Village would lose about \$14,400 per year in revenue, which would be a huge loss.

Council was provided with a copy of the protest letter and a copy of the Water Conservation Plan that was sent to the State Engineer’s Office which points out more of the reasons why this would be detrimental to the Village and possibly the residents.

Advance Funds Encumbered: \$39,248

Estimated Advance Funds Available to Revert \$260,752

**Discussion:**

Council was provided communication/emails between staff and Mr. Chambers.

Mr. Chambers joined the meeting via teleconference stating that he continues to stand that the situation has not been corrected. He stated that the information given to staff came from the Magdalena Village assuring staff that there are no issues with the water. He and the School Board continue to agree that there is no supposition and the water issues have not been corrected. Mr. Chambers stated that on several occasions the Village has agreed to back off of their protests to the engineer's office and yet when were asked to submit a letter stating this, the Village refused. There is now litigation. The district recently repaired a water meter which has been inoperable for over nine years. The district has been overcharged over \$100,000 in those nine years. Mr. Chambers believes that any interest from the Village is a financial one and they are using this as a way to get money from the district. He said that if the Council reverts the funds, the district will proceed with this issue on their own without encumbrance or assistance from the Council.

**Substitute Motion:** Mr. Aguilar moved to table the motion until a further date. Mr. McMurray seconded. Motion passed with Mr. Abbey and Ms. Maestas voting in the negative.

**Additional Discussion:**

Council agreed that this item should be further discussed by the Awards Subcommittee so they can determine what action should be taken at their next meeting.

Mr. Aguilar voiced concern stating that the emergency situation continues. He stated that it is not clear if the community has a sufficient water reserve to supply the school. If the wells fail or in case of fire, by withdrawing this request as it is an emergency, Council may become liable. He stated that this is a viable project and resources are getting slimmer but some components need to be considered in the long term.

Mr. Guillen reminded the Council that this issue has been discussed by the Council before, and when it comes before the Awards Subcommittee again there will be more discussion that will include the Superintendent other than email sent to staff.

Mr. Clifford stated that this is a serious issue since the state has asked to fund water supply improvements for the city/village and now Council is being asked to fund water improvements for the school which would be considered double-funding. There is a failure by local entities to coordinate that causes duplication of facilities and safety investments that are not available. Mr. Clifford suggested that the two entities meet with the state engineer and council to discuss this issue. Mr. McMurray agreed stating that it this is a viable project and needs to move forward.

Ms. Maestas voiced disappointment in the attitude Mr. Chambers has chosen to take as well as the anger reflected in his email. She also pointed out that Council tries to be objective in the needs of New Mexico schools and does not appreciate the language used insinuating that the Council's rules are a political agenda. Ms. Maestas asked that Mr. Chambers be more positive and have more consideration for the Council.

Mr. Chambers apologized for his email and said that he feels that PSFA did not support the project and feels that the support he thought he had has backed away. He indicated that there are some issues that were not discussed with him and welcomes the opportunity to meet with the subcommittee.

Mr. Abbey explained that when emergency awards are granted, it is typically about the cost and there is discussion on how much the district would pay. He noted that the rules state that districts must prove that no other funds are available to address the emergency. He requested that staff review, for clarification, local financing to distinguish in the short-run to help the district immediately and in the longer-run to look at the district's resources.

**g. Raton—R15-011—Roof Award Acceptance**

**Executive Summary**

Staff recommends that PSCOC reconsider an award for Raton MS Roof. The district accepted a state award totaling \$516,324 on August 29, 2014 pending the approval of their bond. On September 12, 2014, the district declined the award after their bond failed. On November 10, 2014, the district notified staff that they had identified savings that would allow them to meet their match for the Raton MS project, and requested that the PSCOC consider re-awarding the state funding for the project.

**Discussion:**

Mr. Volpato reminded the Council that the Raton School District was awarded a roofing award as well as a standards based award at the last award cycle. The award was accepted however, it was noted on the acceptance letter that it was "on condition of bond approval and waiver." The district declined the roof award based upon unavailable funds. The Council then advised staff to urge the district to look for any available funds to at least repair their roofing issues. The district responded stating that they, as well as their school board, are looking into consolidating some buildings. The savings they are expecting from the consolidation will cover their local match. The district is requesting reconsideration to complete the roofing deficiencies.

**Motion:** Mr. Guillen moved for Council approval of the Awards Subcommittee recommendation to reinstate the 2014-2015 standards-based roof award to the Raton Public Schools for Raton Middle School, with a state match of \$516,324 (57%), contingent upon a local match of \$389,508 (43%). There being no objection the motion carried.

**h. 2014-2015 Lease Assistance—Updated**

**Executive Summary**

PSFA received a letter dated October 28, 2014 from RFK Charter High School requesting reconsideration of the council for the lease assistance award. As stipulated in the letter, RFK Charter High School made an error on the middle school application by omitting the annual lease amount of \$55,000.

The previous award was \$129,299. The recalculated award to include the middle school lease payment is \$181,792.

The revised total FY15 Lease Assistance Award is \$14,649,784.

**Discussion:**

Ms. Irion referred the Council to the lease assistance spreadsheet that was made available in the meeting notebooks. Council asked if there is a policy on lease assistance for errors the charters make on the application, and whether the Council funds fully or partially. Mr. Gorrell point out that there is no policy for lease assistance but the Council has ruled on applications with errors on a case-by-case basis. Council asked how many errors for lease assistance has come before them for reconsideration. Staff replied that this is the fourth error for the FY14-FY15 lease assistance award. Mr. Guillen recalled that the errors are due to square footage or charter schools moving out of buildings. Staff recommends that after reconsideration of this item Council close the lease assistance awards as all the award letters have been mailed out. Ms. Irion stated that this is last charter school that submitted feedback to the staff with the exception of Cariños de los Niños Charter School.

**Motion:** Mr. Guillen moved for Council approval of the Awards Subcommittee recommendation to make amended awards in the amounts specified for lease payment assistance on the accompanying spreadsheet. There being no objection the motion carried.

#### 4. Administration, Maintenance & Standards Subcommittee Report

##### a. 2015-2016 Preliminary wNMCI Ranking

###### Executive Summary

This Preliminary Draft Ranking is produced with input from PSFA's Assessors, Districts and FMP Vendors. During the time between the Draft Ranking and the Preliminary Ranking some districts asked that staff review their data. Staff had requests for data review from Dexter, Gadsden and Espanola.

###### Moved Into Top 100:

Draft Rank	Preliminary Rank	School District and Name	Positions Moved	Reason
112	71	Dexter - Dexter ES	+41	Site assessment
101	97	Hobbs - Edison ES	+4	Positions vacated above them
102	98	Clovis - Mesa ES	+4	Positions vacated above them
103	99	Alb - Wherry ES	+4	Positions vacated above them
104	100	Las Cruces - Fairacres ES	+4	Positions vacated above them

###### Moved out of Top 100:

69	263	Espanola - Espanola Valley HS	-194	Site Assessment

###### Notable Movers:

213		Espanola - Chimayo ES	+111	Site Assessment
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**Discussion:**

Ms. Casias gave a brief report on how the schools are ranked in the wNMCI ranking. Sources of information for the ranking include talking to the districts and the PSFA Regional Managers and reviews of the districts facility master plan. Staff also reviews the data with the districts to assure that they agree with PSFA assessments. Staff received feedback from Dexter and their ranking changed due to an on-site assessment. Hobbs, Clovis, Albuquerque and Las Cruces districts moved up from positions vacating below

them. Ms. Casias reported that the biggest change was Espanola Valley High School which was previously ranked 69. The facility was reassessed after Dr. Trujillo visited with staff and requested a reassessment. The reassessment indicated that many of the deficiencies were corrected by the district and the ranking dropped to 263. Additionally in Espanola, the Chimayo Elementary School moved from rank 213 to rank 102 due to a reassessment. Mr. Gorrell noted that it is the responsibility of districts to report their deficiencies and corrections to staff.

Mr. Clifford informed that Council that upon review by the subcommittee of the significant changes to the rankings, the FMAR process will help in getting ahead of these changes. Mr. Gorrell stated that FMAR is in place staff will visit the districts every year once for life/safety issues and the findings will be incorporated in the ranking process, but the districts are also required to report any additional changes between FMAR visits.

**Motion:** Mr. Clifford moved for Council approval of the AMS Subcommittee recommendation to release the Preliminary wNMCI Rankings, including charter schools that have been reassessed based on programmatic needs after completing at least one renewal period, for the 2015-2016 standards-based award cycle based on criteria and weightings previously adopted by the council. Release of the ranking is subject to necessary technical corrections and districts are encouraged to work with PSFA staff to resolve any outstanding technical corrections to the data with ability to make a formal appeal to the PSCOC by the March 20, 2015 deadline for pre-applications. There being no objection the motion carried.

#### **b. FY15 CID Budget & Reimbursement**

##### **Executive Summary**

PSCOC requested CID's FY15 budget for review.

Historically PSCOC reimbursement amount to CID has been a maximum of \$250,000.

<b>PSCOC Funded Project Inspections FY14-15 July, August Sept 2014</b>	
General	323
Electrical	135
Mechanical	114
Total number of inspections	572

Cost per inspection	\$193.72
Total reimbursement	\$110,807.84

##### **Discussion:**

Mr. Clifford noted that the AMS Subcommittee does not have a recommendation for this item and it is a technically a staff recommendation.

Mr. Gorrell stated that the language in the MOU that is agreed upon between PSFA and CID. He stated that staff does not have a dollar recommendation but in the past the Council has awarded CID up to \$250,000 for inspections. Mr. Gorrell noted upon discussion with the Subcommittee it was pointed out that the language in the law states that the funding to CID is to supplement not to supplant. The understanding is that \$250,000 is the entire cost for inspection and PSFA does not have a recommendation for an amount.



Included in the meeting notebooks is a letter from Mr. Rick Martinez Jr., Finance Manager, CID/MHD to the AMS Subcommittee, dated December 4, 2014 that states “During the October AMS meeting, the subcommittee requested for CID to provide the percentage of how much PSFA interagency transfer of \$250 thousand account for within the operating budget. In FY14, CID completed and billed PSFA for 1,032 inspections for a total transfer of \$200 thousand, accounting for less than 3 percent of CIDs actual expenses in FY14. Overall, CID completed a total of 60,195 inspections in FY14, meaning the number of PSFA inspections completed (1,032) accounts for less than 2 percent of the total number performed. For FY15, the CID projects to complete a total of 1,700 PSFA inspections, for an estimated cost of \$330 thousand. With CID’s operating budget of \$8.9 million, the PSFA transfer increase from \$250 thousand to \$330 thousand would only increase the percentage the PSFA contributes to CID’s budget from 2.5 percent to 3.7 percent.”

Mr. McMurray then presented a letter addressed to the AMS Subcommittee dated October 30, 2014 that reflects his recommendation to the subcommittee. The letter states that “CID did an analysis of the inspections to date. CID has performed 572 inspections during the first quarter. At this pace CID would reach 2,288 inspections for the entire year, which calculated to the agreed to rate \$193.72 per inspection would total \$443,231. CID recognizes that the first quarter is the busiest time of the year due to school projects being completed before the start of the school year, thereby increasing the number of inspections. CID anticipates that for the remaining 9 months CID will average approximately 125 total inspections a month. At that rate, an additional 1,125 inspections will be required. At \$193.72 for each inspection, the additional cost anticipated is \$217,935 for FY14-FY15.”

Based on the above estimated cost, CID is requesting that Council approve a repayment “not to exceed \$330,000 for CID inspection services for FY14-15.

Mr. McMurray stated that MOU with PSFA states that CID can come before the Council for additional funding if they have a larger number of inspections. Mr. McMurray said that if Council does not approve the CID recommendations, the inspections will still take place but the full amount of the inspections will be reviewed. He also stated that if the recommendation is not approved, CID will request supplemental funds and will go to LFC, ASD and DFA and ask for a revision the CID budget for FY16.

Mr. Abbey asked that CID provide budget projections of their operating budget. He noted that the CID budget are “borrowed funds” for operating costs and if more funding is needed, CID will have to submit a budget increase request.

Mr. Gorrell stated that the increased funding is not in the PSFA budget. The cost would be after the budgeted amount after the reimbursement and PSFA needs performance measures from CID. He stated that CID must show that they are conducting the inspections within 48 hours and within 5 business days for plan review to process the reimbursements. Mr. Gorrell noted that the inspections are paid out of the general funds and when calculations were done in 2008 it was very clear on what contractors pay which is half of the actual cost to CID. Mr. Gorrell reminded the Council that the original draft only included the State Fire Marshall but they were not willing to do the plan review or inspections therefore CID came in to perform these duties.

**Motion:** Mr. Clifford moved for Council approval to allocate an amount not to exceed \$330,000 to reimburse the Construction Industries Division for estimated inspection expenses for FY2015 for PSCOC-funded projects. This allocation is based on the average cost per inspection that has been agreed upon between the PSFA and CID of \$193.72. CID shall provide quarterly billings certified by the Director that sufficient inspections occurred to warrant at least one quarter of the authorized amount and shall include an analysis of the average turn-around time of school project permits and inspections as compared to other CID inspections. Mr. Guillen seconded. The passed by a majority vote with Mr. Abbey voting in the negative.

**c. Charter Schools—Qualified Student MEM**

**Executive Summary**

At the November 14, 2014 Public Education Commission meeting, the Great Academy was a school of concern.

The Great Academy testified they have students up to 35 years of age enrolled in their school. Students eligible for lease reimbursements must be between the ages of 5 and 22. PSFA has placed their current request for lease reimbursement on hold.

PSFA would like to have a better administrative relationship with the PED Charter School Division.

**Discussion:**

Ms. Casias noted that PSFA pays for lease reimbursements and pays qualified student MEM which is age 5-22. Mr. Gant requested that staff include this item on the agenda and to provide the statutes and adequacy standards which are included in the meeting notebooks. Ms. Casias stated that there is a charter school that has students up to the age of 35 in their school.

Mr. Aguilar stated that there is no upper age for eligible or qualified students that are not under the task of special education. The statutes with reference to the age of 22 only apply to special education and is limited to students that receive special education.

Ms. Ball stated that Senator Morales carried a bill several years ago to fix the gap in the statute. The bill originally created to take care of special education students but in doing so, it left the door open for charter school operators who have recognized that there is a gap and can take advantage of it. The charter schools are being paid the regular student SEG amount for students who are in their 30's. Mr. Gant pointed out that in regard to federal statutes, the charters are not supposed to use SEG funds to educate students 22 and over but instead use money from grants.

Mr. Gant stated that some schools are using night schools for students 22 years old and over. The students may work during the day and attend the school at night. Some charters have set the classes so they will run late at night to accommodate these students. He voiced concern that this is discrimination. Mr. Gant also stated that there is an issue that these schools need to make sure they are not using out of date books.

Ms. Maestas noted that LESC has had discussion regarding this issue. She said that there are a number of charter schools where their students are incarcerated and individuals have the opportunity to get a high school diploma.

Mr. Abbey asked if Council is required to continue to comply with the statutes and noted that SEG definitions need to change. He voiced concern regarding charter schools in prison and voiced concern that the Council may start renovating prisons. Mr. Abbey also stated that there is a disparity of how education higher education is paid.

*This is an informational item, no action required.*

**d. State/Local Match Determination & Proposed Work Plan/Timeline**

**Executive Summary**

The PSCOC application process begins with the release of the pre-application in March, and final applications are due in May. Due to the timing of the release of the annual match calculation in June, the pre-applications and final applications reflect the prior-year's match calculations. Once the match calculations are issued for the current year, the spreadsheets are updated to reflect any changes for the June presentation meetings.

**2015-2016 Award Cycle**

Pre-Application Release--March 2015

Full Applications Due--May 2015 2014-2015

Site Visits--May 2015 2014-2015 Match Calculations

**Year of Match Calculations Presented**

2014-2015 Match Calculations

2014-2015 Match Calculations

2014-2015 Match Calculations

**Match Calculations Released – June 2015**

Presentation Meetings--June 2015

Awards--July 2015

**2015-2016 Match Calculations**

**2015-2016 Match Calculations**

In the 2014-2015 award cycle, we experienced a larger than average change in a district's match from the time of pre-application to the presentation meetings. While that high of a swing in an applicant district is unusual, any change may affect the district's decision on accepting an award, and we have begun discussion options to use a consistent match from pre-application through award.

**Option 1:** Use the previous year's match throughout the full award cycle (pre-application through award). For example, the 2015-2016 award cycle would use the 2014-2015 match calculations. **This option would require Rule change.**

**Option 2:** Change the calendar and begin the pre-application process after the calculations are released in June. Release the pre-application in August when district staffing resumes for the start of the school year. **This option would result in the awards meeting in January 2015 instead of July 2014.**

**Option 3:** Change to 22-24-5 NMSA to use the 40th day membership instead of the average of 80th and 120th day membership. A change to the 40th day membership would allow for the match calculations to be issued prior to the release of the pre-applications under the normal award cycle. **This option would require Legislative action.**

**Discussion:**

Mr. Clifford stated that this item is relates to changing the calendar for the year for the state/local match determination. The subcommittee opted not to vote on this because the options are hard choices.

Ms. Cano stated that this item may be up for consideration at the next PSCOC meeting as the pre-application notice will be approved and the preliminary funding pool for the

next cycle. She gave a brief report on the calendar and the timeline for the next funding cycle. Ms. Cano noted that when the match calculations are approved by PED they are revised to reflect the changes at the June district presentation meeting.

Ms. Cano provided Council with options for the next funding cycle to use a consistent match from the time of pre-applications through the time of the actual award. She noted that some of the options would require rule changes. She provided draft language to the rule changes and schedule changes.

Ms. Ball noted that these options would have to be reviewed by the Public School Capital Outlay Task Force and the AMS would also have to review this to make a decision on what option would work best for districts and for the Council.

*This is an informational item, no action required.*

#### **e. Personnel Actions—Update**

##### **Executive Summary**

##### **940 Personnel/Position Summary**

- FY15: PSFA currently has 47 employees, 2 Student Interns and 6 vacancies. The vacancies include 3 positions which have been approved to hire. In addition PSFA has two Term positions approved for hire and has requested an additional three Term positions in support of the BDCP.
- PSFA currently has a 6.38% annualized turnover rate with no voluntary or involuntary terminations for November.
- PSFA has a 13.2% vacancy rate for November and a 9.1% annualized vacancy rate.
- **Summary of Positions:**
  - Positions to maintain vacancy savings:
    - Regional Manager (position 00052663)
    - Communications Specialist (position 00052862)
    - Attorney (position 10109146)
  - **Positions approved for hire:**
    - IT Business Process Manager- Interviews are scheduled for December 18, 2014.
    - Technical Coordinator- Interviews conducted December 9, 2014, offer pending.
    - Regional Manager (Las Cruces and surrounding regions) – Interviews conducted December 1, 2014 offer pending based on references.
    - Regional Manager II (Albuquerque) – Advertisement closes January 9, 2015.
  - **Pending requests:**
    - Admin. Assistant II (BDCP Project Coordinator) – Create position to advertise and hire in support of BDCP.
    - IT Manager [Network Engineer- Term] (position # TBD) – Create position to advertise and hire in support of the BDCP.
    - IT Specialist [Project Manager- Term] (position # TBD) - Create two positions to advertise and hire in support of the BDCP.

Ms. Selena Romero presented referred the Council to the FY15 budget projections and personnel status update that is made available to in the meeting notebooks.

Mr. Clifford indicated that the main issue was the FY16 PSFA budget. Ms. Romero stated that PSFA will submit a budget adjustment request for FY16 if all positions are filled. The budget adjustment request would be for an increase of personnel services in the amount of \$280,000. Ms. Romero reported that PSFA had a favorable budget for FY15.

*This is an information item. No action required*

**f. FY14 PSFA Audit**

Ms. Irion reported that PSFA held their exit conference on December 12, 2014. The audit was submitted in a timely basis.

With regards to the findings in the audit, Ms. Irion stated that the four findings for FY13 have been resolved. In the audit for FY14, there were two findings that includes a budgeted amount over expenditures and a process control issue of submitting accounts payable at year-end and including the amounts in the financial statements.

Mr. Clifford noted the first issue is complex and was previously discussed by the Council to submit the financial plan to track the expenditures and revenues accurately. He noted that staff has proposed, in a management response, to have a project specific bond funding mechanism that would enable PSCOC to do it on a go-forward basis.

Mr. Abbey requested that this item be included on the next PSCOC agenda.

*This is an information item. No action required*

**5. Director's Report**

**a. PSCOC Project Status Report**

**Executive Summary**

PSFA is involved in guiding various projects through the stages of Project Development including;

**Programming, Planning & Design and the Construction Phase.**

- 17 Projects in project development (feasibility studies, educational specifications, etc.)
- 42 Projects in the planning & design phase
- 34 Projects in construction

***Projects that are not currently making progress:***

1. P12-006 – Espanola – Velarde ES – District has decided to close the school
2. P14-024 – Aldo Leopold Charter School – Delayed due to difficulty meeting award contingencies (providing evidence of inadequate capacity at Silver Consolidated Schools). District is requesting release of feasibility funds from PSCOC
3. R14-001 – Alamogordo – High Rolls ES – Bids came in over budget. District will request extension from PSFA director and will rebid in early 2015

***Projects that are behind, but making progress:***

1. P06-024 – Las Cruces – New High School – Completing post occupancy evaluation (POE)
2. P07-005 – Deming High School – Delayed due to delays in RFP approval but project is moving forward
3. D09-001 – Central – Teacherage Demolition – Delayed due to expiration of lease with BIE
4. P10-007 – Las Cruces – Loma Heights – Delays due to additional work requested by district at the end of the project
5. P11-013 – Los Alamos MS – Main building is complete and occupied, project is delayed due to construction of gym
6. P12-008 – Espanola – E.T.S. Fairview ES – Delayed due to interpretation of fire
7. P13-006 – Farmington HS – Delayed due to change in DP
8. P13-008 – NMSD Santa Fe Site – Demolition of Old Laundry and Sosoya Buildings added to the scope of work
9. P14-006 – Central – Newcomb HS – Intentionally delayed by district to stagger Projects
10. suppression design requirements by the DP
11. P14-017 – Lordsburg HS – Delayed due to reissuance of RFP
12. Four (4) Projects in Roswell (P10-010, P10-011, P10-012, and P10-013) that are complete but the district is reviewing estimates to install energy monitoring and verification equipment.

***There are 7 roofing projects running behind schedule.***

- Four (4) have been completed and are in warranty
- Two (2) are on track to be completed by the December 31, 2014 deadline
- R10-002 (Albuquerque – MacArthur) will not meet the award deadline. This is an offset with no state participation that has been incorporated into the P12-001 MacArthur ES renovation

Mr. Clifford voiced concern stating that over 40% of projects are behind schedule. He asked that staff address this issue and give a more detailed report at the next scheduled PSCOC meeting.

Mr. Volpato gave a brief overview on how MOU works and noted that there is a scheduled date of completion in the MOU. Staff works with the districts to avoid getting behind on their projects. Additionally, moving forward with the Phase II funding, staff is resetting the schedules to move the projects forward.

*This is an information item. No action required*



**b. Master Plan Project Status Report**

**Executive Summary**

Fourteen (14) of Nineteen (19) awarded Facilities Master Plans working towards completion

- \$334,212.00 awarded
- \$322,769.01 committed
- \$103,223.04 expended
- \$11,442.99 balance

Mr. Gorrell noted that the Magdalena District has decided that they are not going to complete their master plan. Hopefully, after action taken at this meeting they may decide different and will complete the master plan.

*This is an information item. No action required*

**c. Lease Assistance Status Report**

Ninety Seven (97) Lease Assistance Awards totaling 414.6 million; \$2.2 million disbursed to date.

*This is an information item. No action required*

**d. Maintenance Program Status Report**

**Executive Summary**

The New Mexico PSCOC maintenance program has three major functions or components:

1. Facility Information Management System (FIMS) – A software tool to help school districts manage their maintenance programs, currently provided by SchoolDude.
2. Preventive Maintenance Plans (PMP) – A written plan based on industry standards, combined with automated schedules and reports using FIMS or other software to manage their operation.
3. Facility Maintenance Assessment Report (FMAR) – Site assessments based on industry and federal building management standards to evaluate how well a site is being maintained and the capital investment protected.

**The current status across New Mexico Schools**

- FIMS usage -68.5% of district use FIMS effectively down 3.66 % percentage points from last quarter's 72.16%
- PM plan currency-51.65% of the districts have a current PM plan down 14.28%percentage points from last quarter (65.93%)
- FMAR average score – 59.14% (where 70% is 'passing') no change.
- Total FMARs completed to date –652, up from 646. This is 88% of the total 734school building baseline.

It is the intent of the staff to visit all school district yearly. Mr. Gorrell commented that when visiting with the districts, staff supports them to their school boards which takes up more time as they learn the process. Staff is also teaching the districts how to do self-assessments to reevaluate themselves.

*This is an information item. No action required*

**e. Broadband Deficiencies Correction Program Status Report**

**Executive Summary**

PSFA is making progress in the development of the project, with assistance and support from partner agencies PED and DoIT, and from school districts.

PSFA is under contract with HP Enterprise - Network Consulting for the Phase 1A of the program. The agreement was reviewed by DoIT, PED and analysts during the regular coordination meetings we have scheduled.

The workshop to develop the school networks survey and assessment methodology took place last week. Staff has had very good participation of technical experts from HP, DoIT and several school districts: Estancia Municipal Schools, Los Alamos Public Schools, Santa Fe Public Schools and Albuquerque Public Schools. All the participants were very excited about the opportunities presented by this program and were actively involved in the process of developing the assessment methodology.

The existing broadband infrastructure capacities, availability, and costs are required to develop options for the upgrades. PSFA is working to find contractors with expertise in the area of existing broadband infrastructure, as well as providers who will share this information.

The Pilot project - network assessment and measurement at the Estancia Campus - is expected to be completed as scheduled. PSFA completed an internal site visit and we are working with DoIT to gather information about the broadband access beyond the point of demarcation, on the Internet Service Providers side. HP started the initial steps associated with the assessment.

GIS may be used to develop a platform to allow data and information to more easily be crunched into options and cost comparisons. PSFA will research system capabilities and data required with EDAC and DoIT.

Staff is ready to advertise the open positions for the BDCP as soon as the DFA approval is obtained. The positions are Project Coordinator (Administrative), two Project Managers and one Network Engineer. Once advertised, it could take sixty days or more to fill the positions.

Mr. Ovidio Viorica reported that Phase I-A of the broadband program is complete and workshops have taken place with a good attendance from technical experts from school districts as well as partner agencies. Draft forms have been received in preparation for evaluation of the schools in the state. The forms are standardized to decide what to capture as far as information from the schools. Letters were sent out to districts informing them of details of the program. An updated schedule was provided to the council in their meeting notebooks. Mr. Viorica pointed out that there are constraints for the schedule. During the workshop staff received confirmation for district that networks, facilities and IT personnel would not be available to assist with the assessments. Due to the constraints statewide assessments will have to be completed in five month or less instead of the original six month projection.

Mr. Aguilar voiced concern regarding PSFA contracting with HP to assist with the broadband program. Staff noted that the contract is for \$250,000. Mr. Aguilar will meet with Mr. Clifford to discuss this issue.

*This is an information item. No action required*

**6. Next PSCOC Meeting –Proposed for January 15, 2015**


Upon discussion the Council agreed to hold their next PSCOC meeting on January 15, 2015.

**7. Public Comments**

There are no comments at this time.

**8. Adjourn**

There being no further business to come before the Council, Ms. Ball moved to adjourn the meeting. Ms. Maestas seconded. The meeting adjourned at 1:59pm.

  
1/15/15

Chair

Date