



STATE OF NEW MEXICO
PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL
PUBLIC SCHOOL FACILITIES AUTHORITY

FISCAL YEAR 2019
ANNUAL REPORT

Letter from the Chair

Making Great Strides Together

Our mission and deepest commitment on the Public School Capital Outlay Council (PSCOC) is to provide equitable funding for sustainable and quality school facilities for our students and educators. Our mission is a collaborative effort along with our staff agency, the Public School Facilities Authority (PSFA), New Mexico's public schools, the Public School Capital Outlay Oversight Task Force, the New Mexico Legislature, and our governor.

The PSCOC has made great strides toward accomplishing our mission since its inception. Although our major responsibility is the Standards-Based Awards Program, which has dramatically improved the condition of schools across the state, we recognize that school districts require other types of capital improvements as well. Over the last few years, eligible activities from the Public School Capital Outlay Fund (PSCOF) have been expanded by the Legislature and the governor to include funding for broadband, systems-based, school security, and pre-kindergarten classrooms programs.

In 2014, the PSCOC implemented the Broadband Deficiencies Correction Program (BDCP). The sole purpose of this program is to provide affordable and reliable connectivity to New Mexico students. An added benefit to the BDCP is the federal funding contribution of up to 90 percent of the cost, which makes connectivity that much more affordable for school districts. This program has resulted in \$55 million of federal E-rate funding for schools with a \$5.6 million PSCOC match and \$1.8 million local match.

In 2016, the Systems-Based Program was established to provide school districts the opportunity to apply for and receive funding for building improvements with a smaller scope of work focused on increasing the life-span of a facility by replacing heating and cooling, roofing, windows, and other building systems. Since 2016, this program has resulted in \$64.1 million of systems-based funding for schools with a \$40.9 million PSCOC match and \$23.1 million local match.

In 2018, the PSCOC began awarding funding from the PSCOF for a School Security Program. During the first two years of this program, the PSCOC awarded \$24.5 million in funding to projects in 51 districts at 398 school campuses throughout the state. This program was created specifically to make school buildings safer for our children in light of the school shootings that have unfortunately occurred throughout the country and here in New Mexico.

Also in 2018, the PSCOC, through the PSFA, began to administer the pre-kindergarten classroom appropriation. During the 2019 legislative session, Senate Bill 230 was passed authorizing the PSCOC to provide a permanent program for grant awards for pre-kindergarten classroom facilities in public school districts, in state-chartered charter schools, and at constitutionally designated special schools. This legislation also directs the PSCOC to establish facility adequacy standards for pre-kindergarten classrooms that can be used as the basis to fund pre-kindergarten facilities as part of a more comprehensive, standards-based award initiative.

As is quite evident, by working together we have made great strides toward accomplishing our mission. I take this opportunity to extend my sincere thanks and appreciation to our dedicated PSCOC members, our outstanding PSFA staff, our local school boards and administrators, and our governor and Legislature for their dedication and support. Together we will continue to take on the challenges of the future and make a difference as we provide equitable, sustainable, quality facilities for our children.

Sincerely,



Joe Guillen, Chair, Public School Capital Outlay Council and
Executive Director, New Mexico School Boards Association

Public School Capital Outlay Council

The PSCOC has been directed by the New Mexico Legislature to manage the allocation of the Public School Capital Outlay Act funds to public school facilities statewide. Consisting of members representing executive and legislative branches, as well as representatives of school districts, the Council oversees the various programs administered by the PSFA.

By statute, no later than December 15 of each year, the Council shall prepare a report summarizing its activities during the previous fiscal year and submit it to the Governor, Legislative Finance Committee, Legislative Education Study Committee, and Public Education Commission.

Public School Capital Outlay Council Members

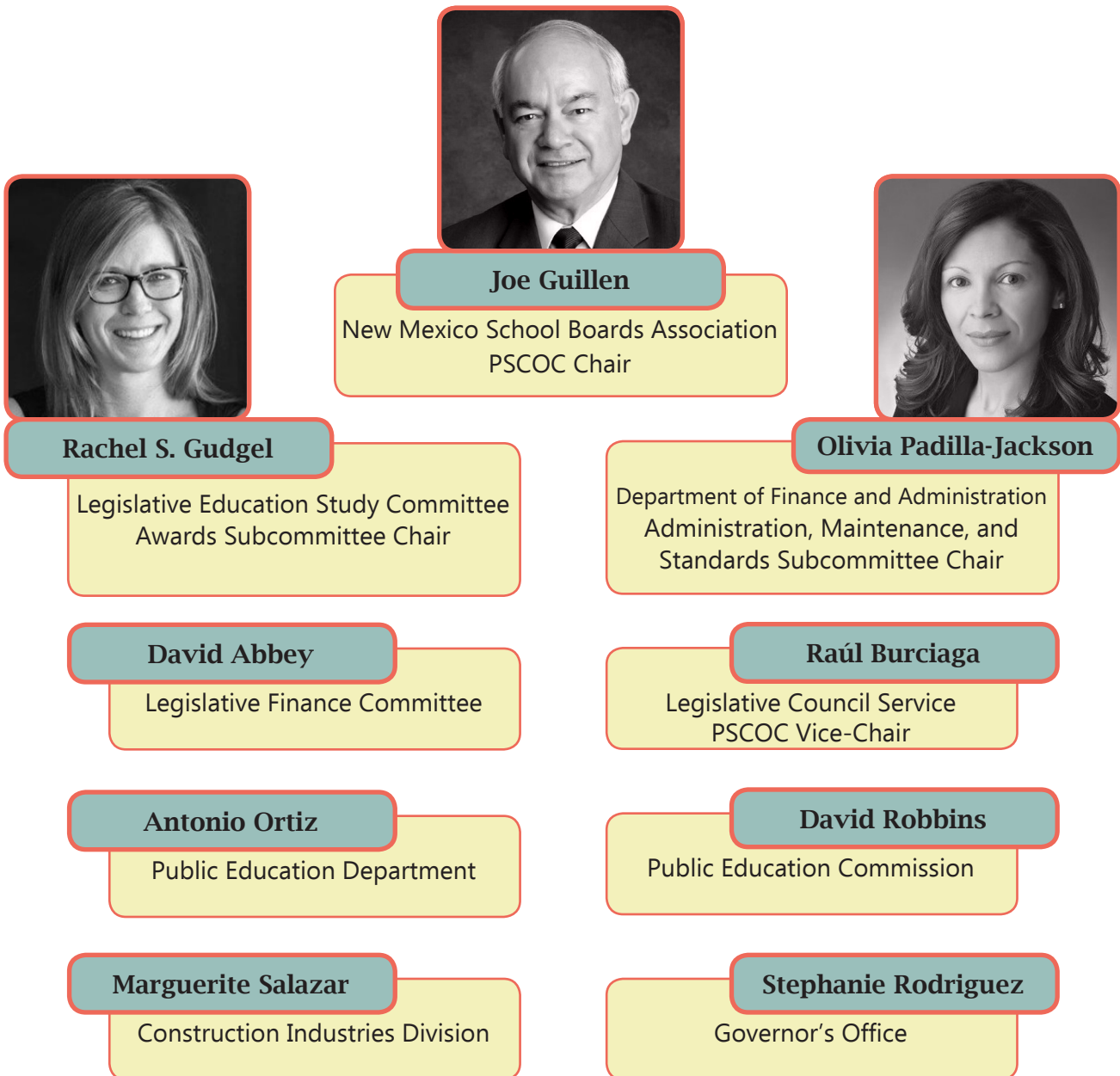


Photo Credit (Front): Career Prep High School, © 2019 NMPSFA, All rights reserved.
Photo Credit (Back): Ojo Caliente Elementary School, © 2019 NMPSFA, All rights reserved.

Public School Facilities Authority

Since its creation in 2002, the PSFA serves as staff to the PSCOC to assist school districts and charter schools in the planning, design, construction, and maintenance of their facilities. When the PSCOC funds a project, each working group at the PSFA has a role in its implementation, from inception to completion. PSFA's groups do not work in silos; each is dependent on the others to ensure a district's project is completed on-time and within budget. The PSFA strives to provide new and improved facilities that are equitable and sustainable to benefit educators and students. The PSFA employees are highly skilled, possessing a broad knowledge base of planning, architecture, construction, finance, and administration.

The PSFA strategic plan represents the collective vision of the staff at the PSFA, describing the intent of its daily work. The plan is structured into five focus areas, outlining the most important guiding principles of the agency. These focus areas and the underlying strategic plan communicate the PSFA's vision, mission, and core values to school districts and communities. Each team member works on specific tasks every day to drive the agency toward the five focus areas of the strategic plan. The graphic on the following page lists the five focus areas and describes the daily activities of each working group.



Photo Credit: Naschitti Elementary School, © 2019 NMPSFA, All rights reserved.

Vision:

Leading New Mexico's public schools to national excellence in school facilities.

Mission:

The PSFA, in partnership with New Mexico's public schools provides quality, sustainable, and well maintained school facilities for our students and educators.

Core Values:

- Creating safe and sustainable schools
- Demonstrating best practices in administering funds
- Maintaining clarity and simplicity
- Serving our customers' needs
- Responding with transparency
- Manifesting ethical behavior

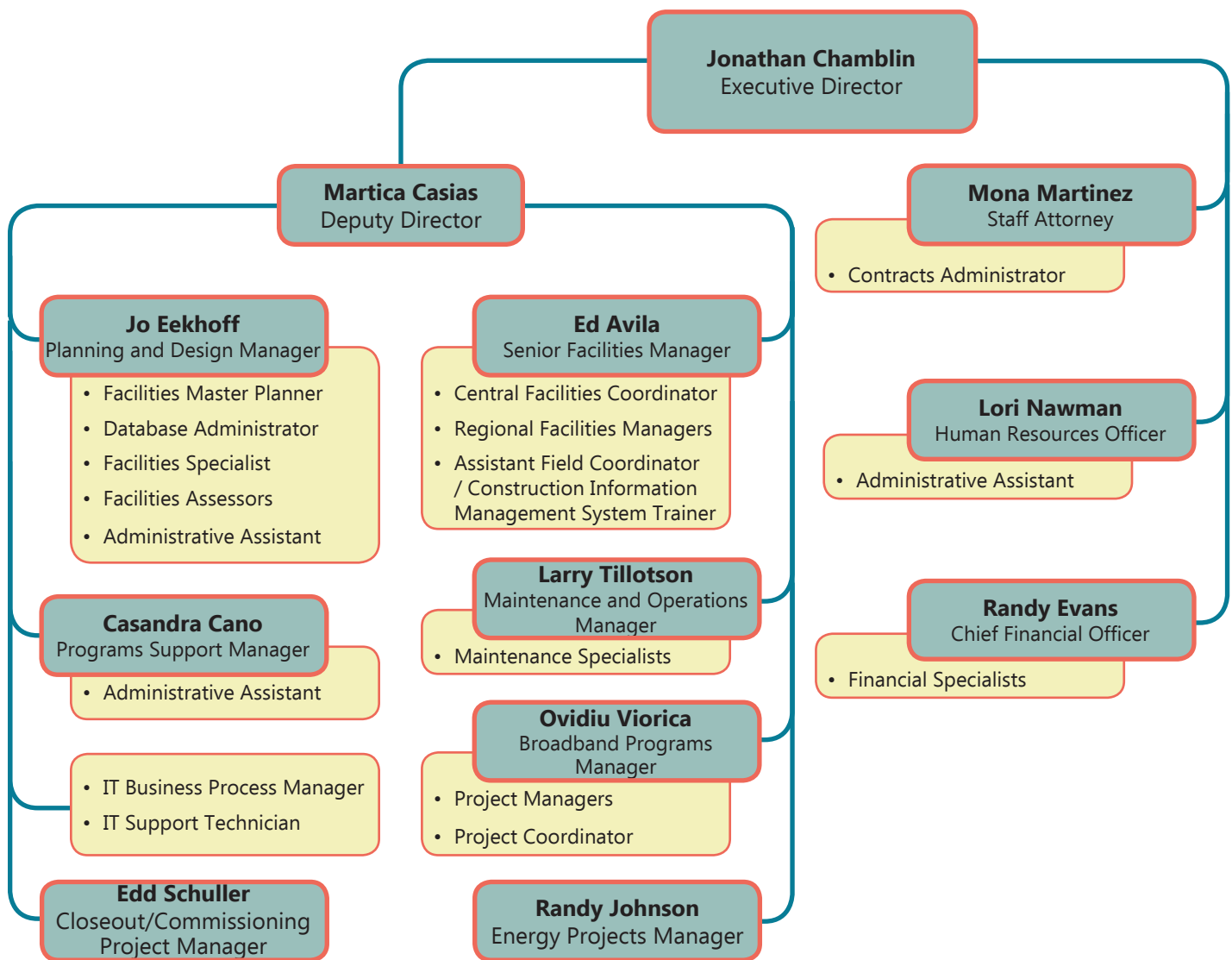
Promise:

We always remember that our employees are the strength of our agency and that only through their empowerment and development can our mission be realized.

PSFA Working Groups and the Strategic Plan

| PSFA Working Groups | | Strategic Plan Focus Areas | Building stronger partnerships | Planning, designing, and constructing, and maintaining the best possible school facilities | Extending the longevity of facilities | Improving and streamlining Agency processes | Strengthening the agency team |
|---------------------|-------------------------------------|---|--------------------------------|--|---------------------------------------|---|-------------------------------|
| Administration | Contracts and Legal | Provides assistance and guidance to the agency and school districts regarding procurement of goods and services and construction contract development and administration. | | | | | |
| | Human Resources | Oversees all personnel services, payroll, benefits administration, employee relations, staff development and training, risk management, human resources compliance, fleet vehicle maintenance, and front desk administration. | | | | | |
| | Finance | Manages agency budgets, supporting all groups with financial transactions, and ensuring compliance with state laws, rules, and protocols. | | | | | |
| Field | Programs Support | Administers PSCOC capital funding programs, assisting school districts with the application process to access funding. | | | | | |
| | Planning and Design | Provides assistance to school districts for all steps in the facility planning process, from district-wide facility master plans, to enrollment projections, and educational specifications. | | | | | |
| | Facilities | Partners with school districts through PSFA's Regional Facilities Managers to support capital projects, budgeting, procurement, and project management during the design and construction phases. | | | | | |
| | Closeout, Commissioning, and Energy | Supports school districts to ensure that heating and cooling systems on capital projects are complete, functional, and ready for district ownership and helps districts manage energy conservation projects. | | | | | |
| | Maintenance | Improves facility maintenance performance at schools by providing tools, resources, and training to district maintenance personnel to develop preventive maintenance plans and correct maintenance deficiencies. | | | | | |
| | Broadband and Technology Projects | Improves the fiber optic and internet infrastructure at schools, helping districts apply for federal funding to develop a secure and reliable network infrastructure. | | | | | |
| | Information Technology | Manages the databases and systems used by the agency and school districts for facility information management and project management. | | | | | |

PSFA Organizational Chart



PSFA Strategic Plan

To make the agency strategic plan an active document, the PSFA implemented a new process in FY 2019 to formulate and track the progress of action items or tasks. Using the strategic plan, the PSFA managers developed and assigned specific tasks to address the five focus areas and associated goals. For FY 2019, the PSFA developed 70 tasks, assigned to working groups within the agency. Throughout the fiscal year, 42 tasks were completed, 25 were ongoing into FY 2020, and three were on-hold. Examples of tasks include the following:

- Complete: Replacement of the facilities assessment database
- Complete: Development of the online lease assistance application
- Complete: Statewide portable inventory geo-location and verification
- Ongoing: Development of teacher housing standards and guidelines
- Ongoing: Contract document improvements

FY 2019 Funding Criteria

The FY 2019 award cycle was announced with opportunities for funding under the standards-based and systems-based programs with the following criteria, based on the 2018-2019 final weighted New Mexico Condition Index (wNMCI) statewide ranking.

- Eligibility for standards-based projects:
 - All facilities within the top 75 of the statewide ranking;
 - Match requirements per state / local match percentage as of June 2018, with sufficient local matching dollars available or to be available; and
 - A current facility master plan, preventive maintenance plan, and use of Facility Information Management System.
- Eligibility for systems-based projects:
 - All facilities within the top 300 of the statewide ranking;
 - Facility Maintenance Assessment Report (FMAR) score of at least 60 percent for the campus;
 - Willingness and ability to provide local share of the total cost of the project;
 - Commitment to expend funds within three years of allocation; and
 - Participation in a systems-based project will be limited to space and gross square footage (GSF) limitations established in the Adequacy Planning Guide. The PSCOC will only participate in funding for projects up to the maximum allowable GSF; school districts and charter schools will be responsible for funding any GSF or spaces that are above the allowable GSF.

Other PSCOC Accomplishments

In addition to approving the annual cycle of awards, out-of-cycle awards, school security awards, legislative appropriation awards, lease assistance program awards, facilities master plan assistance awards, Broadband Deficiencies Correction Program (BDCP) awards, and the PSFA budget, the PSCOC took action on the following items:

- September 2018 – Authorized the BDCP team to provide guidance and training to the “Broadband for Libraries” pilot participants for the 2019 federal E-rate cycle;
- October 2018 - Directed staff to develop and implement a new process to engage with all charter schools in New Mexico to improve the lease assistance program;
- November 2018 – Allocated an amount not to exceed \$250,000 to reimburse the Construction Industries Division of the Regulation and Licensing Department for estimated inspections and plan review expenses for FY 2019 for PSCOC-funded projects;
- November 2018 – Allocated an amount not to exceed \$80,000 to reimburse the Office of the State Fire Marshal for estimated plan review expenses and inspections for PSCOC-funded projects;
- January 2019 - Approved program changes and release of the application for funding for the second year of the school security program;
- April 2019 – Approved the disposition of three PSFA portables in Clovis and Ruidoso;
- April 2019 – Approved human resource policies and procedures related to compensation time, inclement weather, educational and professional development leave, and flex time;
- April 2019 – Approved reallocation of the annual subscription fees for the PSFA Construction Information Management System (CIMS) and the PSFA Facility Information Management System (FIMS) from the PSFA operational budget, to the Public School Capital Outlay, as project management expenses; and
- June 2019 – Approved incorporation of three years of measurement and verification (M&V) software subscription into new school project contracts for all standards-based and relevant systems-based awards.

FY 2019 Project Highlights



Photo Credit: Thoreau Elementary School, © 2019 NMPSFA, All rights reserved.

Gallup Thoreau Elementary School

Construction is underway for the 47,342 gross square foot replacement school on the existing Thoreau ES site for 310 students, grades K-5. The project includes 4,352 square foot of work not included in the award. Thoreau ES will remain occupied during the construction of the new replacement school. The existing school will be abated for hazardous materials and demolished following occupancy of the new school.

- Award Amount: \$13,647,522
- Award Expended: \$4,238,981
- Estimated Completion: August 2020

Roswell Del Norte Elementary School

Construction is underway for the 71,422 gross square foot replacement school on the existing Del Norte ES site for 576 students, grades K-5. The Del Norte ES school will remain occupied during the construction of the new replacement school and will be abated for hazardous and demolished following occupancy of the new school.

- Award Amount: \$19,800,000
- Award Expended: \$1,923,899
- Estimated Completion: January 2021



Photo Credit: Del Norte Elementary School, © 2019 NMPSFA, All rights reserved.

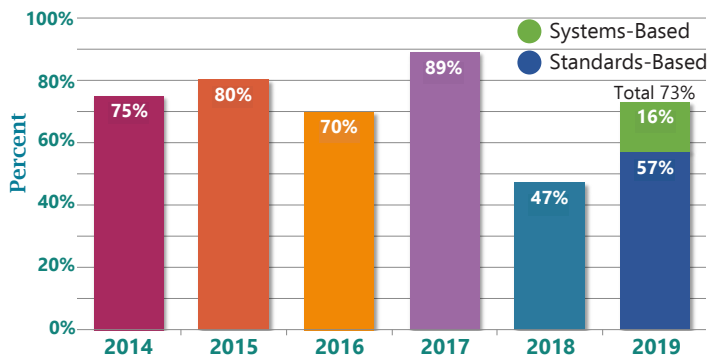


J. Vance Lee - Facilities and Operations Director Grants / Cibola County Schools

"The PSFA staff makes every effort to work with school districts to provide guidance and assistance. Through this partnership, school districts and ultimately New Mexico taxpayers are being well served and New Mexico students are being taught in quality facilities. This is evident when you compare current conditions of New Mexico public school facilities with those in the 1990s. This improved condition is a direct reflection of the nearly 20 years of assistance provided by the PSFA."

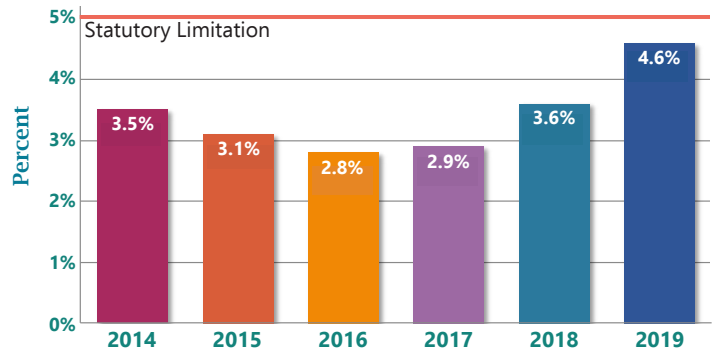
Agency Performance Measures

**Percent of Award Dollars Under Contract
18 Months from Time of Award - FY 2014 - FY 2019**



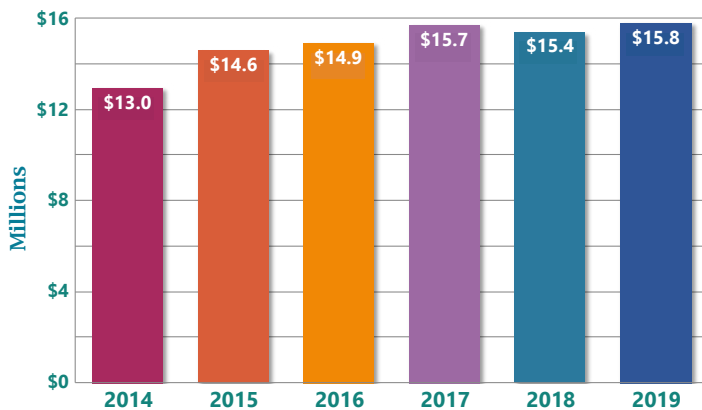
Efforts in FY 2010 resulted in an improvement of 26 percentage points from FY 2018

**PSFA Operational Budget as a Percent of
Annual Capital Outlay Awards - FY 2014 - FY 2019**



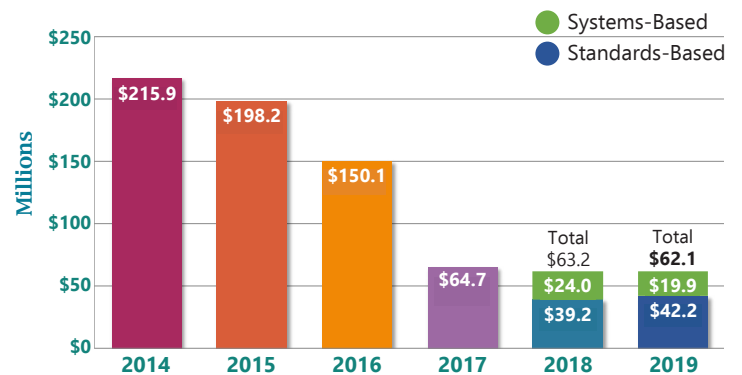
FY 2019 operational budget percentage increased 1 percentage point.

**PSCOC Lease Assistance
FY 2014 - FY 2019**



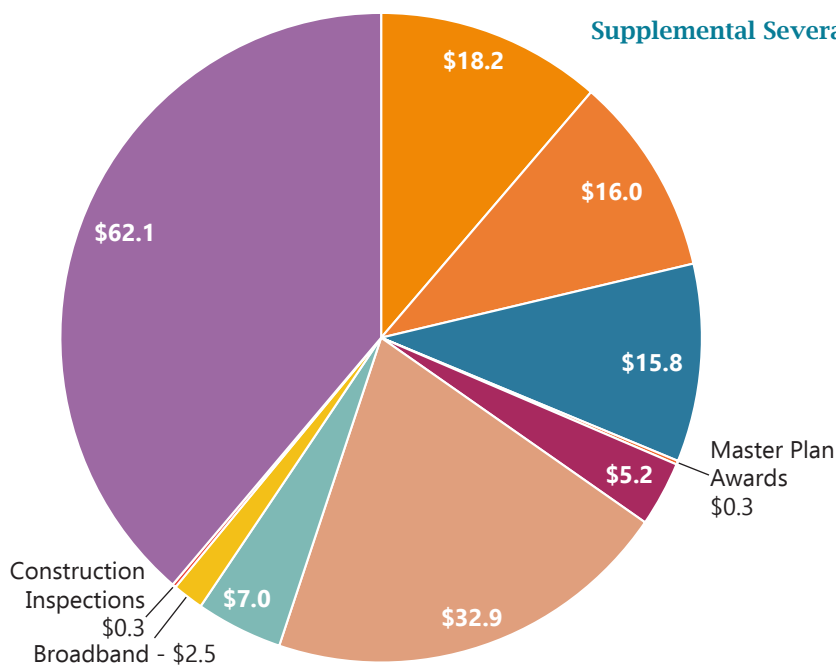
FY 2019 includes 105 charters in 19 districts.
Lease payment assistance increased by 2.6% from FY 2018 levels.

**PSCOC Capital Funding Awards History
FY 2014 - FY 2019**



Includes out-of-cycle funding of previous award years.
FY 2019 total awards decreased 1.7% from FY 2018.

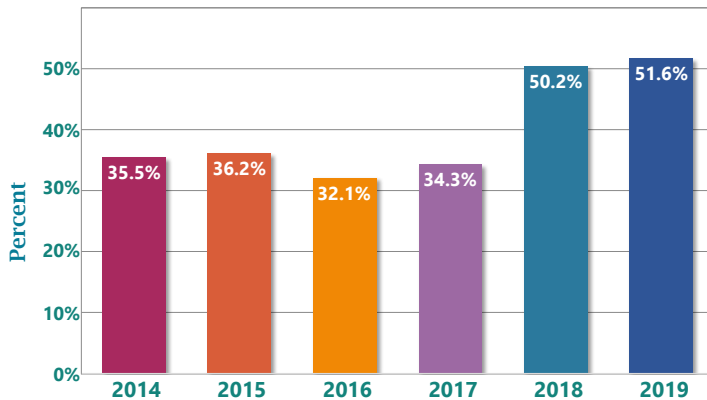
**Supplemental Severance Tax Bond (SSTB) Uses by the PSCOC in FY 2019
Dollars in Millions**



| | |
|--|----------------|
| Construction Projects | \$62.1 |
| HB 219 - School Bus Purchases | \$32.9 |
| Capital Improvements Act (SB 9) | \$18.2 |
| Security Projects | \$16.0 |
| Lease Assistance | \$15.8 |
| SB 4 Instructional Materials/ Transportation Distribution | \$7.0 |
| PSFA Operating Budget | \$5.2 |
| Broadband | \$2.5 |
| Construction Inspections | \$0.3 |
| Master Plan Awards | \$0.3 |
| Total | \$160.3 |

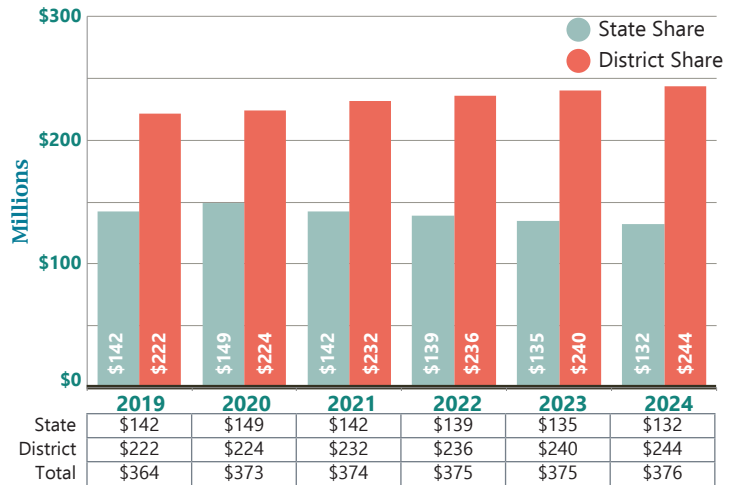
Agency Performance Measures

**Annual Facilities Condition Index (FCI)*
for All New Mexico Schools - FY 2014 - FY 2019**



FCI applies to brick and mortar facility conditions only.
The FCI calculation was improved for accuracy in FY 2018, resulting in an increased statewide FCI average.

**Estimated Funds Required to Maintain the Current FCI
FY 2019 - FY 2024**



wNMCI = FCI + the facility's ability to support educational functions

Awards Data

FY 2019 Standards-Based Awards (11 projects, in 9 districts)

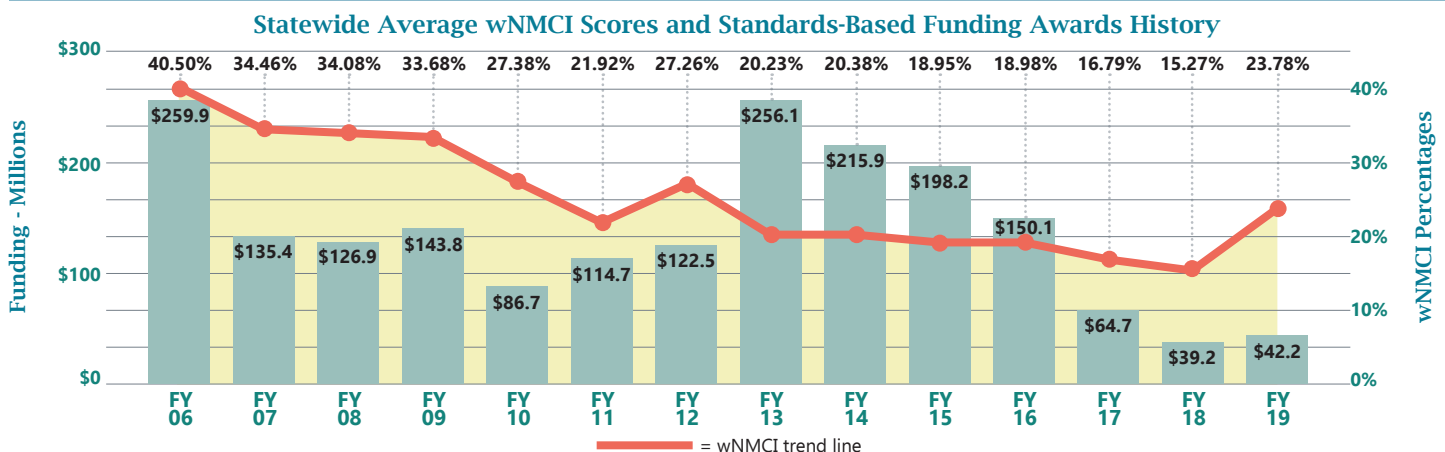
| | District | School | Project Description | Total Estimated Project Cost | FY 2019 State Match | FY 2019 District Match | Estimated Completion |
|-------|-----------------|-----------------------------|---|------------------------------|----------------------|------------------------|----------------------|
| 1 | Alamogordo | Holloman ES | Replacement facility for a core capacity of 600, grades K-5. | \$34,207,757 | \$2,120,881 | \$1,299,895 | Q1-FY 2023 |
| 2 | Belen | Jaramillo ES | Educational specifications to determine options to maximize utilization of current school facilities for 350 students, 3&4 year-old DD Pre-K-3rd grade. | \$17,136,996 | \$42,750 | \$32,250 | Q3-FY 2024 |
| 3 | Gallup-McKinley | Rocky View ES / Red Rock ES | Feasibility study to determine option to maximize utilization of current school facilities. | \$30,842,957 | \$60,000 | \$15,000 | Q2-FY 2018 |
| 4 | Gallup-McKinley | Tohatchi HS | Feasibility/utilization study to determine options to maximize utilization of the current school facilities. | \$31,424,650 | \$60,000 | \$15,000 | Q2-FY 2018 |
| 5 | Las Cruces | Desert Hills ES | Renovations and additions to the existing facility, for 648 students, grades K-5. Removal of the portables. | \$5,725,000 | \$366,400 | \$206,100 | Q3-FY 2025 |
| 6 | Las Vegas | Sierra Vista ES | Renovation of the existing facilities for 330 students, 3&4-year-old DD Pre-K-6th grade. | \$8,441,479 | \$447,398 | \$396,750 | Q2-FY 2018 |
| 7 | Los Alamos | Barranca Mesa ES | Renovation/replacement of the existing facilities for 450 students, 3&4-year-old DD Pre-K-6th grade. | \$18,798,134 | \$8,835,123 | \$9,963,011 | Q3-FY 2021 |
| 8 | Los Lunas | Peralta ES | Educational specifications and a campus feasibility/utilization study, to determine options to renovate and/or replace the existing facilities for 369 students, 3&4-year-old DD Pre-K-6th grade. | \$17,856,749 | \$0 | \$75,000 | Q1-FY 2023 |
| 9 | Roswell | Mesa MS | Renovation and addition to the existing facilities for 513 students, grades 6-8. | \$16,322,078 | \$1,158,868 | \$473,340 | Q3-FY 2023 |
| 10 | Roswell | Nancy Lopez ES | Educational specifications to include updated enrollment projections and definition of educational program. | \$10,133,138 | \$53,250 | \$21,750 | Q4-FY 2020 |
| 11 | Zuni | Zuni MS | Feasibility/structural study to determine options to maximize utilization of the current school facilities. | \$19,793,143 | \$75,000 | \$0 | Q4-FY 2020 |
| Total | | | | \$ 210,682,081 | \$ 13,219,670 | \$ 12,498,095 | |

Awards Data

FY 2019 System-Based Awards (22 projects, in 12 districts)

| | District | School | (Systems) Project Type | Total Award Amount | State Match | District Match | Estimated Completion |
|-------|----------------|-----------------------------------|---|--------------------------|---------------------|---------------------|-------------------------|
| 1 | Alamogordo | Buena Vista ES | Walkways, Ext. Walls, Windows/Doors, Int. Doors, Partitions, Stairs | \$1,071,429 | \$664,286 | \$407,143 | Q3-FY 2021 |
| 2 | Alamogordo | Sacramento ES | Demo. of existing facility - previously awarded Desert Star ES | \$1,000,000 | \$700,000 | \$300,000 | Q1-FY 2021 |
| 3 | Belen | Dennis Chavez ES | Parking, Site Lighting, Drainage, Windows/Doors, Roof, Flooring, HVAC, Main Power, Lighting, Plumbing, Fire Alarm, Intercom | \$2,557,091 | \$1,457,542 | \$1,099,549 | Q2-FY 2021 |
| 4 | Bernalillo | Bernalillo MS | Parking Lots, Roof, Plumbing, Fire Alarm System, Ext Walls | \$4,004,139 | \$1,641,697 | \$2,362,442 | Q3-FY 2020 |
| 5 | Cloudcroft | Cloudcroft ES | Roof, Ceiling Finishes, Lighting | \$429,282 | \$0 | \$429,282 | Q4-FY 2019 |
| 6 | Deming | Chaparral ES | HVAC and Ceiling Finishes | \$2,334,728 | \$1,610,962 | \$723,766 | Q1-FY 2022 |
| 7 | Floyd | Floyd Combined School | Parking Lots | \$576,443 | \$426,097 | \$150,346 | Q1-FY 2020 |
| 8 | Las Cruces | Fairacres ES | Parking Lots and Site Drainage | \$491,429 | \$314,515 | \$176,914 | Q4-FY 2021 |
| 9 | Las Cruces | Highland ES | Interior Doors, Partitions, Stairs, Lighting | \$359,171 | \$229,869 | \$129,302 | Q4-FY 2021 |
| 10 | Las Cruces | Hillrise ES | Interior Doors | \$61,109 | \$39,110 | \$21,999 | Q4-FY 2021 |
| 11 | Las Cruces | Lynn MS | Flooring, Interior Doors, Partitions, Stairs, HVAC, Lighting | \$4,248,260 | \$2,718,886 | \$1,529,374 | Q4-FY 2021 |
| 12 | Las Cruces | Mayfield HS | Fencing, Site Lighting | \$383,387 | \$245,368 | \$138,019 | Q4-FY 2021 |
| 13 | Las Cruces | Mesilla Valley Leadership Academy | Roof | \$390,000 | \$249,600 | \$140,400 | Q4-FY 2021 |
| 14 | Las Cruces | Oñate HS | Lighting, Intercom | \$514,293 | \$329,147 | \$185,145 | Q4-FY 2021 |
| 15 | Las Cruces | Picacho MS | Fencing | \$220,684 | \$141,238 | \$79,446 | Q4-FY 2021 |
| 16 | Las Cruces | Rio Grande Preparatory Institute | Roof | \$1,085,986 | \$695,031 | \$390,955 | Q4-FY 2021 |
| 17 | Las Cruces | Vista MS | Fencing | \$91,886 | \$58,807 | \$33,079 | Q4-FY 2021 |
| 18 | Los Lunas | Los Lunas MS | Parking, Play Equip., Site Lighting, Drainage, Walkways, Roof, Ceilings, Flooring, Int. Walls, HVAC, Main Power, Lighting, Plumbing, Fire Sprinkler, Demo, Access Control | \$4,115,790 | \$3,128,000 | \$987,790 | Q2-FY 2021 |
| 19 | Magdalena | Magdalena Combined School | HVAC, Roof, Air/Ventilation | \$608,967 | \$403,925 | \$205,042 | Q3-FY 2021 |
| 20 | Socorro | Socorro HS | Parking, Site Lighting, Drainage, Ext. Walls, Roof, Ceilings, Flooring, Int. Walls, HVAC, Power, Lighting, Plumbing, Fire Alarm, Security | \$3,952,199 | \$1,106,616 | \$2,845,583 | Q3-FY 2022 |
| 21 | Tularosa | Tularosa MS | District-wide feasibility/utilization study to determine options to maximize utilization of current school facilities | \$75,000 | \$53,250 | \$21,750 | Q1-FY 2020 |
| 22 | West Las Vegas | Tony Serna Jr. ES | Site Lighting, Site Utilities, Ext. Walls, Windows/Doors, Roof, Ceilings, Int. Doors, Partitions, Stairs, Int. Walls, HVAC, Lighting, Fire Alarm | \$1,084,873 | \$619,202 | \$465,671 | Q1-FY 2022 |
| Total | | | | \$29,656,146 | \$16,833,149 | \$12,822,997 | |

Agency Performance Measures



Awards Data

FY 2019 Security Awards (210 projects in 41 districts and charter schools)

| | District | # Of Schools | Total Estimated Project Cost | State Match | District Match |
|-------|---------------------------------|--------------|------------------------------|--------------|----------------|
| 1 | Alamogordo | 4 | \$619,769 | \$384,257 | \$235,512 |
| 2 | Albuquerque | 68 | \$11,258,145 | \$4,515,072 | \$6,743,073 |
| 3 | Aztec | 1 | \$505,900 | \$212,478 | \$293,422 |
| 4 | Belen | 3 | \$368,210 | \$209,880 | \$158,330 |
| 5 | Bernalillo | 2 | \$586,380 | \$240,416 | \$345,964 |
| 6 | Central | 6 | \$1,293,057 | \$722,926 | \$443,084 |
| 7 | Chama Valley | 3 | \$65,716 | \$6,572 | \$59,144 |
| 8 | Cuba | 3 | \$200,600 | \$60,180 | \$140,420 |
| 9 | Deming | 2 | \$40,560 | \$27,986 | \$12,574 |
| 10 | Espanola | 4 | \$451,200 | \$279,744 | \$171,456 |
| 11 | Farmington | 14 | \$99,480 | \$62,672 | \$36,808 |
| 12 | Gadsden | 1 | \$135,200 | \$113,568 | \$21,632 |
| 13 | Gallup-McKinley | 23 | \$977,000 | \$781,600 | \$195,400 |
| 14 | Grady | 1 | \$53,822 | \$17,520 | \$36,303 |
| 15 | Grants-Cibola | 6 | \$156,649 | \$120,619 | \$36,029 |
| 16 | Hagerman | 1 | \$586,746 | \$445,927 | \$140,819 |
| 17 | Hobbs | 3 | \$908,540 | \$526,953 | \$381,587 |
| 18 | House | 1 | \$409,500 | \$159,705 | \$249,795 |
| 19 | Las Cruces | 13 | \$1,884,400 | \$1,206,016 | \$678,384 |
| 20 | Las Vegas City | 2 | \$1,691,848 | \$896,680 | \$795,169 |
| 21 | Logan | 1 | \$62,000 | \$24,800 | \$37,200 |
| 22 | Los Alamos | 1 | \$77,416 | \$36,385 | \$41,030 |
| 23 | Los Lunas | 5 | \$1,996,009 | \$1,504,967 | \$491,042 |
| 24 | Magdalena | 1 | \$220,000 | \$165,000 | \$55,000 |
| 25 | Maxwell | 1 | \$45,110 | \$22,555 | \$22,555 |
| 26 | Mora | 1 | \$66,060 | \$21,139 | \$44,920 |
| 27 | Moriarty-Edgewood | 1 | \$639,240 | \$306,835 | \$332,405 |
| 28 | Pojoaque | 5 | \$1,489,730 | \$1,132,195 | \$357,535 |
| 29 | Questa | 2 | \$105,116 | \$10,512 | \$94,605 |
| 30 | Raton | 1 | \$25,210 | \$13,109 | \$12,101 |
| 31 | Rio Rancho | 2 | \$566,631 | \$0 | \$566,631 |
| 32 | Roswell | 10 | \$1,308,000 | \$928,680 | \$379,320 |
| 33 | Silver | 3 | \$577,974 | \$236,969 | \$341,004 |
| 34 | Socorro | 3 | \$69,275 | \$49,878 | \$19,397 |
| 35 | Horizon Academy West | 1 | \$60,704 | \$33,387 | \$27,317 |
| 36 | Taos Academy Charter | 1 | \$168,717 | \$92,794 | \$75,922 |
| 37 | South Valley Preparatory School | 1 | \$8,044 | \$0 | \$8,044 |
| 38 | Tucumcari | 2 | \$72,020 | \$47,533 | \$24,487 |
| 39 | Tularosa | 4 | \$58,224 | \$41,339 | \$16,885 |
| 40 | West Las Vegas | 1 | \$446,038 | \$298,845 | \$147,192 |
| 41 | Zuni | 2 | \$42,307 | \$42,307 | \$0 |
| Total | | 210 | \$30,396,545 | \$16,000,000 | \$14,269,498 |

FY 2019 Most Awarded Security Project Types



1.) Exterior Door Hardware



2.) Secure Vestibules



3.) Site Fencing

Photo Credit: Security Assessments,
© 2019 NIMPSFA, All rights reserved.

Charter Schools

FY 2019 Lease Assistance

| Number of Charter Schools | Number of Students | Total Eligible NSF* | Total GSF* | Average Cost of Lease | Lease Assistance / Eligible NSF | Lease Assistance / Total GSF | Lease Assistance / Student | Total Lease Assistance |
|---------------------------|--------------------|---------------------|------------|-----------------------|---------------------------------|------------------------------|----------------------------|------------------------|
| 105 | 26,783 | 2,030,564 | 2,411,006 | \$238,950 | \$7.80 / sq.ft. | \$6.57 / sq.ft. | \$747.29 / MEM | \$15,838,923 |

*Net Square Feet (NSF)

*Gross Square Feet GSF)

*Membership (MEM)

From October 2018 through April 2019, the PSFA initiated a comprehensive effort to improve the charter school lease assistance program. Key improvements included outreach to all charter schools via regional workshops and an online survey, development of an online application, and facility assessments by PSFA staff and leadership at each charter school.

The workshops and online survey were intended to gather feedback from charter schools regarding potential improvements to the lease assistance program, as well as provide a venue for the PSFA to explain the statutory requirements and basis of the lease assistance program to all charter schools. The online application was developed to streamline and simplify the process for charter schools and the PSFA. The detailed facility assessments measured actual classroom square footage within the schools and allowed each school to discuss its unique educational program and classroom needs with the PSFA. After each assessment, a letter was sent to each charter documenting the measured classroom square footage and asking the leadership of each school to agree to the measurements.

As a result of this extensive engagement and communication, every charter school in the state now understands the connection between their square footage, their lease and the amount of lease assistance they will receive through the program. This cooperative outreach allowed the process improvement to achieve its four fundamental goals: ensure compliance with statutes relate to charter schools, improve and clarify the lease assistance process and procedures, ensure equity and consistency for all applicant charter schools, and improve collaboration among the PSFA, the Public Education Department, the Public Education Commission, and charter schools regarding facility needs and leases.



Robert Baade - Director RFK Charter School

"Robert F Kennedy Charter appreciates our work with the PSFA and the changes that we have witnessed during the development of the relationship with charter schools. PSFA staff are open and engaged with charters and understand the individual challenges each school is dealing with. Thank you for hosting a meeting at our school and for the great service you provide."



Nadine Vigil - Head Administrator / Director Taos International School

"During Taos International School's facility visit, the gentleman that did our assessment was very professional and helpful in understanding the process. He explained in detail how he was determining our facilities square footage. Taos International School agreed and accepted the report that was provided. It assisted Taos International School in clarifying how the determined classroom square footage, would assist Taos International School in what amount of lease assistance would be allocated for the upcoming school year."

Maintenance Matters

That was then...

The Facility Maintenance Assessment Report (FMAR) baseline was completed in 2015 and recognized that 78 percent of New Mexico school building systems were not expected to reach their expected life cycles. Opportunities for improvements were identified, including creating methods to extend the life of building systems, implementing training resources to support facility managers, and reducing the Facilities Condition Index (FCI) through preventive maintenance efforts. In May 2017, the PSFA implemented a new and improved FMAR database (F6) and maintenance assessment processes, which included the 60-day response process to improve facility conditions.

This is now...

Using the new FMAR F6 as a measure of maintenance effectiveness, PSFA staff has completed over 350 school site maintenance assessments in 76 of New Mexico's school districts and 25 state-chartered charter schools. These on-site assessments allow the PSFA to score every school 0-100 percent, with higher scores indicating better maintenance. The data indicates districts continue to make significant improvements, achieving a state average of 70 percent performance ratings for the first time. Several schools have advanced their performance ratings to 80-90 percent and are reaping the benefits of proactive maintenance, improved staff efficiencies, better educational environments, and reduced costs.

What is the FMAR?

The FMAR is a report that provides an overview of actual facility maintenance conditions, measuring maintenance effectiveness at each school. Three factors are used to generate an FMAR score and the resultant written report: a Physical Building Audit with 22 building maintenance categories, a Preventive Maintenance (PM) Plan, and use of the Facility Information Management System (FIMS) as measured through industry standard performance metrics. The FMAR score and report communicate data-driven maintenance performance to help each public school improve maintenance performance. After an assessment is completed, PSFA sends the score and report to the school district. The district has 60 days to respond to the findings, correct problems, improve facility conditions, and potentially raise the school's final FMAR score.

From PM planning efforts to the use of FIMS, many districts have recognized the value of conducting maintenance like a business, with data-driven key performance indicators (KPIs) utilized to make informed decisions and advance maintenance performance to a higher level. These efforts foster improved facility conditions, support quality, reliable and working building systems and conditions, and extend the life of critical building systems and capital investments, so New Mexico students and teachers can thrive. Managing more efficient maintenance programs also reduces the need for unnecessary capital expenditures and has a positive impact on reducing schools' FCI.

Maintenance is important because it extends the life of district and state investments in school facilities. Many districts have recognized and achieved the benefits of a quality maintenance program designed to prolong the life of building systems, reduce operating costs and ultimately create quality environments for education. Through continued collaboration with New Mexico schools and the development of tools to impact maintenance challenges, more successes will be measured in the future.



John King - Deputy Director of Operations Clovis Municipal School District

"The Clovis Municipal School District greatly values the partnership with the PSCOC and the PSFA, which has led to vast facility and maintenance improvements in our district. The district has incorporated and fully implemented the work order system provided by PSFA. Through collaboration and training from PSFA, we have been able to drastically reduce the percentage of reactive work, and instead, focus on preventive maintenance, which has led to cost savings in the operations and maintenance of our facilities."

Facility Maintenance

Ben Lujan Maintenance Awards

For the last 14 years, the Ben Lujan Maintenance Achievement Awards have recognized New Mexico public school maintenance and operations staff and teams dedicated to maintaining quality facility conditions that support their educational environments and the success of teachers, students, and communities. The awards acknowledge the hard work maintenance staff perform on a daily basis to provide for educational facilities that are outstanding in form and function.

The following New Mexico school districts, individuals, and teams were recognized with performance awards at the FY 2019 Ben Lujan Maintenance Achievement Awards ceremony with keynote speaker Nina Carranco, former principal analyst, Department of Finance and Administration, and former Chair of the Administration, Maintenance and Standards Subcommittee. The 2019 inaugural Plant Manager of the Year award was also presented to Plant Operations Supervisor Steve Vollmert of the Farmington Municipal School District.

District Highest Achiever Awards:

Class 6a: Clovis Municipal School District

Class 6a: Gadsden Independent School District

Class 5a: Alamogordo Public School District

Class 4a: Aztec Municipal School District

Class 3a: Tucumcari Public School District

Individual and Team Awards:

Lisa Eaker – Farmington Municipal School District

Armando Diaz – Gadsden Independent School District

Alfredo Ortiz – Gadsden Independent School District

Rio Rancho Public School District Maintenance Team

Patrick Gonzales – Tucumcari Public School District

Veronica Hernandez – Tucumcari Public School District

William Horton – Tucumcari Public School District

Chris McKinney – Tucumcari Public School District

Jakus Martinez – Tucumcari Public School District

Cody Ryen – Tucumcari Public School District

Jarvis Chopito – Zuni Public School District

Gabriel Laiwakete – Zuni Public School District

FMAR Performance Ratings

Cycle 1 (5Y Baseline Performance 2011-2015)

NM State Average Performance Rating: 57% (Poor) - High FMAR: 87.3% (Good) - Low FMAR: 37% (Poor)

3 - Good - 3.4%

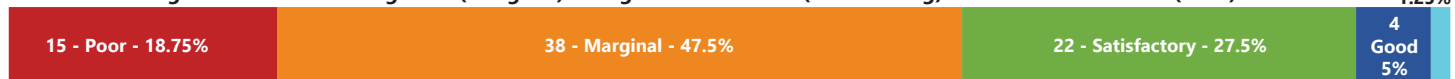


The FMAR Cycle 1 confirmed 78 percent of New Mexico public schools' major building systems would achieve less than expected life cycles. In addition, 69 districts were recognized as performing below the recommended Satisfactory performance level, with 17 districts performing above range. No districts performed in the Outstanding category. The statewide performance rating at the end of Cycle 1 was 57 percent, indicating Poor performance.

Cycle 2 (Performance 2015-2017)

NM State Average Performance Rating: 67% (Marginal) - High FMAR: 90.68% (Outstanding) - Low FMAR: 41.52% (Poor)

1 - Outstanding - 1.25%



The FMAR Cycle 2 indicated improved performance with a reduction in Poor performers and an increase in Marginal and Satisfactory performance. In addition, one district surpassed the 90 percent performance rating for the first time. The statewide performance rating at the end of Cycle 2 improved to 67 percent, a Marginal performance level rating.

Cycle 3 (F6 Performance 2017 - Current)

NM State Average Performance Rating: 70.54%

20 - Outstanding - 5.6%



The FMAR F6 Cycle 3 used a new platform, supporting district log-in and pictures review through real-time FMAR portal access and implementation of the 60-day response process. Of the 357 FMARs completed, data indicates statewide performance with a continued reduction in Poor performers and a considerable increase in Good and Satisfactory performance levels. The statewide performance rating is currently 70.54 percent, above the recommended 70 percent Satisfactory rating.

Broadband Deficiencies Correction Program

It is hard to overstate the importance of broadband connectivity and information technology within the school environment, from classroom instructional support, to building systems operations and facility security.

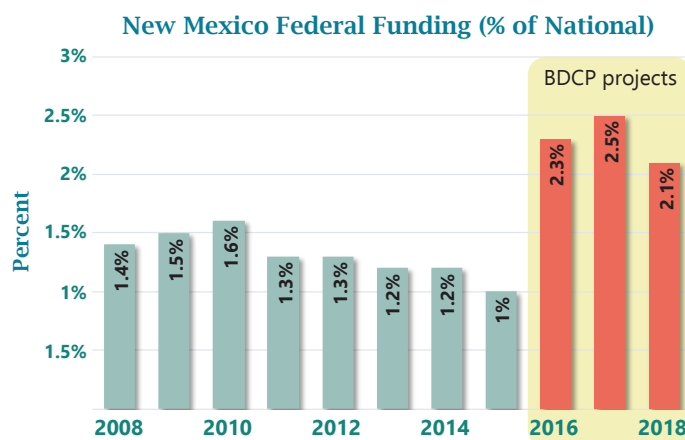
Multiple and varied components make the entire technology environment work, from infrastructure and software to the human element needed to keep everything working as it should. It is a specialized field, and schools struggle to find and maintain the expertise to keep up with the work.

The PSCOC Broadband Deficiencies Correction Program provides technical support for procurement, funding coordination, project management, and assistance with E-rate, the federal program that multiplies eight to nine times the local investment in broadband. This support pays for itself many times over, with more federal funding leveraged, and better connectivity available in the classroom.

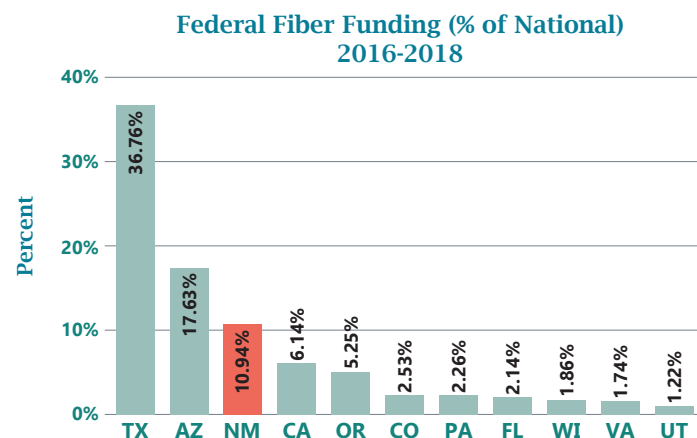
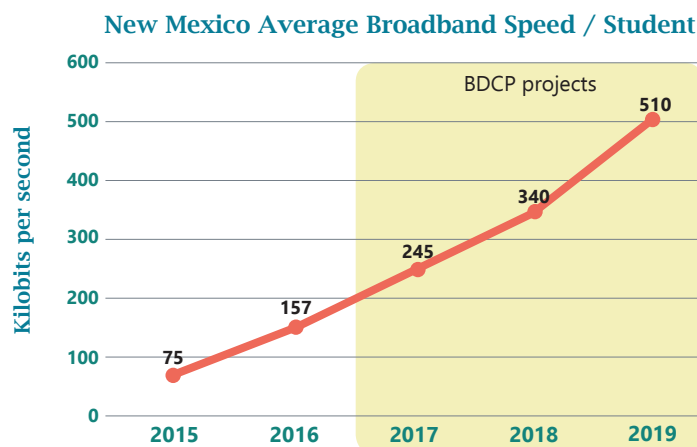
As such, in the first three years of the program, the average broadband connection speed available to New Mexico schools increased more than five times. On the funding side, New Mexico schools rank third in the country for federal funds approved for fiber-optic upgrades. This funding has resulted in approximately 650 miles of new fiber deployed to the most rural parts of the state, as well as Albuquerque, Santa Fe, and other urban areas. Nearly all traditional public schools in New Mexico, grades pre-kindergarten through 12, are connected to fiber-optic cable, the most scalable broadband technology.

New Mexico schools used 70 percent of the federal funding budgets available for network equipment, essential for the effective use of new technology tools, compared with a national average of 50 percent. As a result, the condition of networks in schools across the state has steadily improved.

Schools and libraries have many commonalities, and both are eligible for federal funding for broadband and network equipment. Beyond basic internet access, connecting schools and libraries together will optimize network operations within local communities, eliminating duplications and better utilizing scarce specialized resources and expertise, such as cybersecurity, a critical need now and in the future. To leverage funding and technical resources, eliminate duplications, and improve operations, schools and libraries are partnering to create regional networks that increase broadband capacity and lower costs. This effort often creates additional infrastructure and extra capacity that will benefit the entire region.



2016 was the first year of BDCP projects.

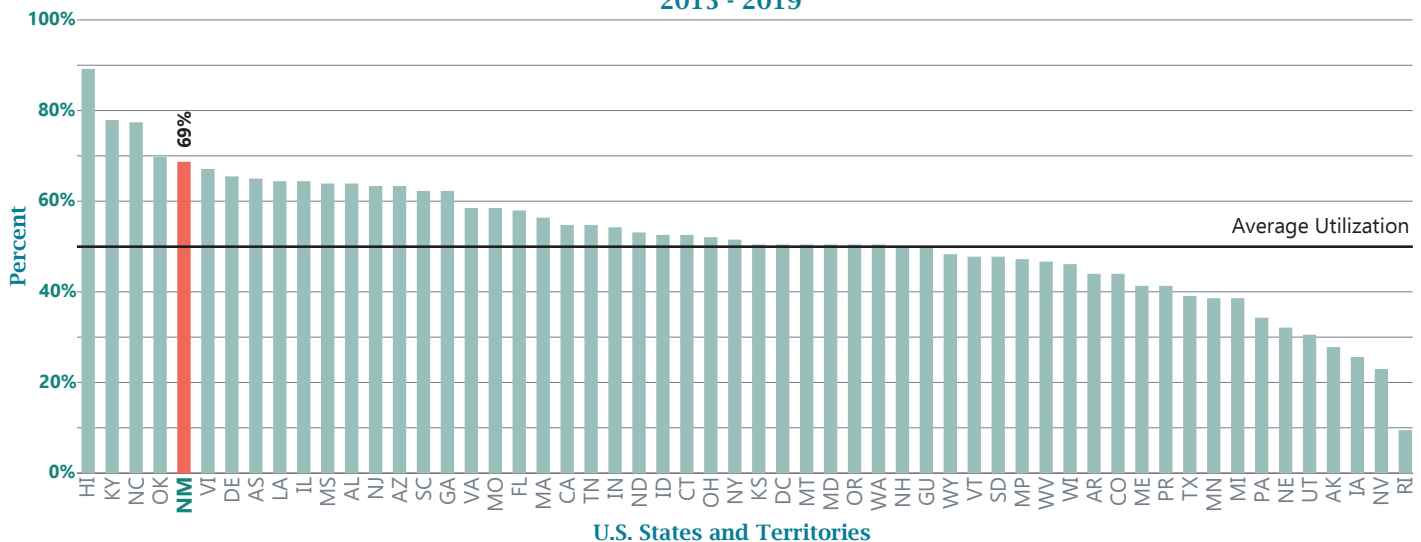


Broadband Deficiencies Correction Program

An example of regional partnership is the West Central Consortium, where eight small schools and libraries in rural western New Mexico banded together, using the Regional Education Cooperative (REC5) to jointly procure a broadband solution that will meet their needs now and in the future. The collaboration will allow the participating entities to better respond to growing technology demands, including resource sharing and network management.

Coordinating efforts and procurement processes requires careful planning and focused execution. The PSFA broadband team has developed specific tools and processes that help participants navigate all the requirements, with the PSFA team assisting the participants along the way. These tools have been proven effective not only with schools but also with a group of pilot libraries throughout the state. Without coordination and support, progress is likely to slow or stop altogether. The current momentum should be preserved and expanded. The PSFA is looking for additional partners to join forces and bring in resources to expedite deployment and expand services to other anchor institutions and interests in communities throughout New Mexico.

**Federal Budgets for Network Equipment - Average Utilization
2015 - 2019**



Herb A. Borden - Chief Officer of Support Services Deming Public Schools

"Deming Public Schools has had many years of collaboration with PSFA, since its inception into our state capital outlay projects. Since 2005, Deming Public Schools has built three elementary schools, a stand alone sixth grade, seventh grade and eighth grade middle school, and recently a new high school. Without the support of the PSCOC and PSFA, this would not have been obtainable. Deming Public Schools is one of the many districts that rely on support from the state to be able to replace facilities or upgrade system-based projects.

The new Deming High School replaced a 1956 building that could no longer support 21st century education. PSFA was open-minded and listened to our needs to facilitate our educational programs and robust career tech program. This was a turning point for both the district and PSFA to work cooperatively, allowing both groups' input that benefited the common goal, our students' opportunity for a better education. This is one of the many instances where PSFA involved the district's input in sound strategies and fact-based decisions to provide an education specification that we are very proud to show in our new 21st century high school."

PSFA Measurement and Verification Overhaul

The PSFA Measurement and Verification (M&V) program was launched in 2014 to make instantaneous school energy and water meter data available to staff, teacher, and students. The M&V program helps with the following:

Reduce utility bills: Seeing and verifying energy use saves energy. In one typical example, putting an energy dashboard computer display on the wall of a maintenance shop in a major commercial building saved 8 percent of the first year's electric bills, with no other energy savings measures other than turning off or moderating equipment as a result of seeing graphs of actual, real-time energy use. Frisco Independent School District in Texas used an energy management platform to run a district-wide energy competition and saved \$600,000 in one year. Eight percent of the budget reported by the Public Education Department translates to a potential savings of over \$6 million per year.

Protect capital investments: Monitoring real-time energy or water use provides an immediate insight into how equipment is functioning. At the least, being able to shut down equipment that is running unnecessarily extends equipment life. In extreme situations, being able to detect a water leak could prevent millions of dollars of damage to a school building.

Promote STEM learning: Both teachers and students are eager for real-world science, technology, engineering and math (STEM) learning opportunities. Seeing real-time energy use in a student's own school, and having the potential for influencing it, makes learning come alive. Simpler energy dashboards, developed specifically for the PSFA, are easy to understand after only brief orientation.

The PSFA reviewed its program approach and determined a focused, streamlined scope could better accomplish the goals of energy savings and energy education with low first cost and low ongoing cost. Instead of using university research to develop energy analysis and display software, a new approach, using commercial software and cloud-based storage, is being implemented. This has already been proven on a shoestring budget, and school districts are expressing significant interest. The following points summarize this approach:

- It is fast to implement, as well as low-cost.
- It can be used even in districts having less energy expertise.
- It uses any existing meter hardware.
- It has the potential to be more secure than previous installations, with less need for district IT work.

As shown below in an illustrated schematic, data from multiple energy and water meters is routed to a server that provides all data for a specific school to off-site analysis software and cloud storage. The data is analyzed to create graphical and numerical summary data, made available at several levels of sophistication to facility maintenance staff, students, and others.



The Importance of Procurement

Public procurement processes are established to facilitate the purchase of tangible goods, services, and construction. While the emphasis of public procurement is to reduce cost and perform in a transparent, accountable, and strategic manner, it is often considered as the saboteur of every project. This perception causes many project managers to approach the procurement process with angst, trepidation, and irritation. It also leads to the diminished role of procurement divisions in public agencies. Consequently, the value of procurement in public entities is not always apparent. However, the dread of having to follow the process, and work with procurement professionals, can be reduced by recognizing the importance of procurement as a key component to a successful project.

Procurement as a Key Component

- **Ensures Compliance with the Law:** Public procurements safeguard public funds by ensuring accountability and compliance with applicable laws, such as the Procurement Code, the Public Works Act, and the Governmental Conduct Act. By following the law, the procurement process becomes consistent, transparent, and ethical. The outcome of the processes reduces the likelihood of costly legal expenses and lengthy project delays due to protracted litigation.
- **Safeguards the Principles of Fairness and Impartiality:** By following the laws, the procurement process ensures the precepts of fairness and impartiality are applied to each solicitation. This safeguard promotes and stimulates competition by inspiring confidence within the supplier and vendor community that a solicitation will be reviewed and awarded based on the evaluation criteria set forth in the solicitation and not on who the supplier or vendor may be related to or know. It helps to dispel the notion that even though a solicitation has been issued, the winner may have already been pre-determined.
- **Identifies More Sources of Competition:** Seeking competition also guards against favoritism, extravagance, and fraud while allowing interested vendors a fair and equal opportunity to compete. Organizations that embrace the goal of seeking competition can realize both monetary benefits and product satisfaction from the time, effort, and resources required to conduct statutorily required competition.
- **Best Value, Best Service, Best Product:** The application of value-based procurements and performance-based contracts by procurement professionals are proven methods for improving outcomes and lowering overall costs that lead to best value, best service, and best product.
- **Reduces Risk:** Procurement processes assist in mitigating risk to the owner. It starts in the planning stages and continues on through award and post-award activities. The procurement professional helps ensure risk factors are considered in all solicitations. This includes the use of specific language covering insurance requirements, performance bonds, and safety issues.
- **Contract Administration:** Procurement departments monitor contract performance during the life of the contract to ensure a public entity's needs are being met and contract deliverables are being achieved. Further, they can initiate contract modifications, as necessary, to ensure that the contract continues to provide value over its lifetime.

Recognizing the procurement function does not happen in a vacuum, and that the procurement process is always evolving, the PSFA seeks to work collaboratively with school districts to enhance the value of procurement in the co-ownership of projects. Throughout the upcoming year, the PSFA will streamline its procurement procedures, update its procurement templates, and conduct pertinent training.



STATE OF NEW MEXICO
PUBLIC SCHOOL FACILITIES AUTHORITY
1312 BASEHART RD SE, SUITE 200
ALBUQUERQUE, NM 87106-4365