

**PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL MEETING
MINUTES
July 13, 2020
VIA VIDEOCONFERENCE**

Members Present: Mr. Joe Guillen, NMSBA Mr. Raúl Burciaga, LSC
Mr. Antonio Ortiz, PED Mr. David Abbey, LFC (arrived at 8:10)
Mr. David Robbins, PEC Ms. Debbie Romero, DFA (arrived at 8:10)
Ms. Rachel S. Gudgel, LESC
Ms. Stephanie Rodriguez, Office of the Governor

Designee: Mr. Martin Romero (for Ms. Marguerite Salazar, RLD)

1. **Call to Order** – Chair Guillen called the meeting to order at 8:00 A.M.
 - a. **Approval of Agenda** – Chair Guillen asked if there was any objection to the agenda presented; as there was none, the agenda was unanimously approved.

b. Correspondence – None.

2. **Public Comment** – None.

3. **PSCOC Financial Plan**

- a. **PSCOC Financial Plan and Outside of Adequacy Projects Summary**

Mr. Evans reviewed the changes to the financial plan since the last meeting: revised revenue projections were received from DFA in the amount of \$53.4M. A general fund appropriation to PSFA of \$1.6M for panic buttons will be passed on to PED for expenditures. The SB9 projected amount of \$18.4M and a slight 2% CPI increase for FY22-24 were reflected. Instructional materials has been zeroed out for FY21 and FY22. An \$18.9M appropriation for impact aid districts for tribal lands was added. Pre-K classroom funding has been reduced to \$2.0M from \$3.5M based on applications and \$5.0M has been included for the out years FY22-24. Emergency reserve for contingencies balance of \$7.6M reverted to the fund; the fund has \$4.0M for the out-years FY21-24. Funding requests of \$13.3M for previously awarded projects are estimated to be paid out in the fourth quarter; this amount will be updated once final numbers are received.

Ms. Gudgel agreed that all of the funding sources aligned with bonding revenue estimates and that the uses aligned with the statutory changes. The \$25.0M that had been included in the out-years for instructional material was pulled out rather than signaling to the legislature that the money was available to be spent. Awards cycles were balanced across fiscal years so that we do not have a situation where all of the money is being spent on projects this year and have out-year commitments and are unable to make awards during future award cycles. Ms. Gudgel stated it would be helpful if the totals in the project award schedule summary were tied to the projected amounts and projects for that cycle. Ms. Gudgel noted that education technology

has been front and center to the conversation of serving kids in school this fall and PSFA staff was asked to think about other work that needs to be done beyond E-rate. It was suggested that for a future meeting staff bring some recommendations about education technology so Council can potentially increase the amount being spent to support kids and schools during the pandemic.

Mr. Chamblin drew member attention to the spreadsheet reflecting the status of the outside of adequacy awards/projects that were made last year. Though some projects are ahead of others, by years end all of the districts should be expending their awards.

4. Consent Agenda

- a. Approval of Minutes – May 11, 2020
- b. Gallup – S20-004 – Crownpoint MS – Award Language Change and Additional Funding Request
- c. Ruidoso - O20-015 – Outside of Adequacy Award Language Change
- d. BDCP – 2020 Cat2 (Equipment) Awards
- e. Program Changes and Adoption of Security Announcement

MOTION: Ms. Gudgel moved for Council approval of the consent agenda. Mr. Robbins seconded and the consent agenda was unanimously approved.

5. 2020-2021 Award Cycle

- a. **Overview of Capital Outlay Application Process/Requirements**
- b. **District Presentations**

- 1. Zuni – Twin Buttes ES (standards), Zuni HS (standards)
- 2. Carrizozo – Carrizozo Combined (standards)
- 3. Hobbs – Heizer MS (standards)
- 4. Gallup-McKinley – Gallup HS (standards), Crownpoint HS (standards), Navajo Pine HS (Standards), Crownpoint MS (systems), Tohatchi MS (Systems), Red Rock ES (Pre-K), Crownpoint ES (Pre-K)
- 5. Grants – Mesa View ES (Standards)
- 6. State Charter – Albuquerque Sign Language Academy (ASLA) (Standards)
- 7. Los Lunas – Peralta ES, Raymond Gabaldon ES (Pre-K)
- 8. Hatch Valley – Garfield ES (Pre-K), Hatch Valley MS (Systems)
- 9. Clovis – Clovis HS (Systems)
- 10. Las Cruces – Tombaugh ES, Oate HS (Systems)

Zuni

Ms. Randy Stickney – Acting Superintendent

Mr. Jerome Haskie – School Board Vice President

Mr. Martin Romine – Chief Financial Officer

Mr. Mark Archuleta – Director, Operational Support Services

Mr. Chamblin noted both high schools were ranked and eligible for standards-based awards. The district is bringing a request for award as part of what they are hoping will become a 6th – 12th grade campus rebuild project on the existing high school campus. The

district received an award last year for Zuni MS. The district's plan is to move the middle school to the high school site as part of the whole project and also renovate/reconstruct the high school buildings to accommodate all of the students from Zuni MS, Twin Buttes HS and Zuni HS at one site. The request for the high schools also include a request for teacher housing to be constructed on the Zuni HS site.

District Presentation: Mr. Romine stated the districts desire was to combine the different schools into one campus, which would allow them to share staff and increase the number of electives, and potentially decrease the everyday costs to operate the buildings.

Regarding Zuni HS, Mr. Romine reiterated it was a relatively new facility, constructed in three phases, the first in the late 1990s. Unfortunately, the foundation was not well constructed and as a result, the building has had, and continues to have, severe and significant settling issues. In 2009 the district received an award from PSCOC to install helical piers. The piers were installed however, settling issues continued. In April, a firm was brought in to assess the condition of the building and one thing they noted that continues to be an issue is that while the helical piers took care of the settling issues on the exterior walls nothing was done on the interior load bearing walls. As a result, the slabs continue to separate and there are many issues where rooms can no longer be used and according to the assessment, it is only a matter of time before those portions of the building will be condemned. Portions of the building, which are considered to be in a current state of distress and/or failure, include cafeteria, vocational wing, library, main entry, administration offices and the east classroom wing. At the time of assessment, portions of the vocational wing were rendered uninhabitable for their intended use due to the degree of structural damage and associated hazards. At the time of the structural assessment, it was determined that even after renovations, and because the building continues to settle, there are a lot of breaks seen in water lines and the HVAC system, and plumbing issues are starting to be noticed such as leaks and drainage issues. The hope that the helical piers would have corrected the issues did not occur and instead made the issues worse in certain areas. It is only a matter of time before the cost to repair the building will exceed the cost of the original construction. Mr. Romine stated that the build cost of the building was originally \$12.6M and after 20+ years, between the helical piers and drainage and HVAC renovations, over \$4.0M has been spent by the district trying to keep the building usable. The district would like to replace three teacherages; one which was built in 1955 and is no longer able to be renovated. Another, which was built in the mid-60s, has been in use for 55+ years.

Facility	Rank	wNMCI (%)	FCI (%)
Twin Buttes HS	1	64.53%	49.99%
Zuni HS	20	47.99%	55.37%

Member Questions/Comments: Regarding the proposed construction, Mr. Guillen asked if the problems the district has experienced with the structural soundness of the current facility would exist with the new construction since it was on the same site. Mr. Romine replied that they have recognized there are severe issues with the soil and the site they would be built upon is located nearly half a mile away. An engineering firm would come

in and different types of foundations would be reviewed. The foundation chosen was used at Shiwi Ts'ana ES and there have been no issues with the rammed aggregate piers. Ms. Gudgel inquired if the district has begun working on an updated lease with the Zuni Pueblo and reiterated that PSCOC would require a new 25-year lease plus 25-year option to extend. Regarding the area for the proposed high school, Mr. Romine stated the tribe had allocated 99 acres as an educational site. The area was allocated with a 99-year lease however; the district will go back and confirm this with the tribe. Mr. Guillen asked what the district plans were for the existing facility once the project was complete; Mr. Romine replied that depending on the final resolution of the high school, the area with the vocational classrooms, cafeteria and west end classrooms would likely need to be demolished as the assessment pointed out it was on the verge of being condemned. If the rest of the facility could be used, it would be incorporated into the design, however, if it could not be renovated then the entire facility would be demolished. Mr. Romero drew attention to verbiage in the assessment which states "*due to concerns of ongoing structural failure, coupled with the issues reducing the ability to determine the potential success of additional foundation repair, demolition should be considered during planning and prioritization for funding*" and asked if it would be wise to continue to put money into the other areas to investigate structural or foundation failures knowing that this is presently occurring. Mr. Chamblin replied that the cafeteria and vocational wing is the area of the building heavily damaged by structural movement and is the area that may need to be demolished first. The rest of the building has documented damage though it is not as extensive. Staff recommendation is to continue some work to understand the options for the classroom wings to determine if they can be stabilized for the long term and renovated or if they would likewise need to be demolished. The report has not documented much, if any, structural damage in the gym and that portion of the building appears salvageable.

Carrizozo

Mr. Todd Lindsey – Superintendent

Mr. Chamblin noted this is a combined school campus, Pre-K – 12th and the request is for a potential estimated total project cost of \$19.0M - \$20.0M. Like Zuni, this campus has a number of mixed assets. It is a relatively small school but there is a collection of buildings that were constructed over the last 80 years. The district is in the process of master planning to determine what they can/should do with their buildings; part of the issue is structural, part is the age of the buildings and the ability to renovate. The campus has a lot of excess square footage not only for their current student populations but also for their projections. The district has started the planning phase, with their own funds. This is another campus with many unknowns. The scenario being presented assumes full replacement similar to Zuni.

District Presentation: Mr. Lindsey stated that over the last two years he has been working hard to make the community aware of how much excess square footage there is and the fact that some of the spaces need to be gotten rid of which would in turn would help lower the districts bills. Mr. Lindsey stressed that the fire alarms are gone and would cost about \$60K to fix, intercoms are toast, the gym is 47 years old, the heating and cooling is gone, roofs are leaking, there is black mold, and sewage was being drained on top of the ground

outside of the science lab. There are no students in the high school and currently students are housed in the middle school. At present, the district is rebuilding their cafeteria as the smell coming from water being drained under the building is overpowering. During the rebuild, other problems have been identified such as clay pipes, electrical problems, and gas leaks. Mr. Lindsey stressed that he is willing to do anything the Council requires in order to get their issues fixed.

Facility	Rank	wNMCI (%)	FCI (%)
Carrizozo Combined	6	53.02%	69.69%

Member Questions/Comments: Ms. Debbie Romero asked if the district has been compliant with their maintenance plans, or if it was the fact that the buildings were old and needed to be fixed; Mr. Chamblin replied it was both. Noting that not only was it a disorganized campus, in addition, with the excess square footage, the district, for a number of years, has been unable to maintain the existing buildings to anything like a satisfactory level. The district now, with new leadership, is working closely with PSFA, has an updated PM Plan that is good, and is striving to make improvements on their maintenance performance. PSFA Maintenance staff has been working with the district and the district is committed to improving the maintenance of their existing facilities but this is a district that has enough excess square footage that they are behind on work orders, preventive maintenance, and replacement cycles and will not be able to catch up until they reduce square footage. Mr. Guillen commented that the amount of funding needed for the project would require a GO bond issue and asked Mr. Lindsey how he felt about the community passing one once a definite plan was in place. Mr. Lindsey replied that the community has never failed a bond however to get the kind of money needed it would be tough. Mr. Lindsey stressed that the community was supportive and they love the school but it would be a step-by-step process; passing a bond will not be an issue, but getting the total amount for the project will be. Mr. Guillen noted the district has a current grant of \$27K and asked if that was what the district was using to put the planning process into play and identifying the square footage needed/not needed. Mr. Lindsey replied in the affirmative and noted they had to use some other bond money as well since money is tight. Mr. Chamblin added that the district and PSFA have discussed how to phase the work effort and inevitably, it will need to be a phased project over the course of 5-7 years with 2-3 major design and building phases, which will help keep the total cost per phase within feasibility. Mr. Abbey asked if the district had any outstanding bonds; Mr. Lindsey replied in the affirmative and noted that every time a bond can be sold it is passed however; the money is never enough to completely fix things as the funds only allow for band-aid fixes. Mr. Abbey asked what the outstanding debt was; Mr. Lindsey replied that he did not have the information available but thought it might be around \$8.0M. Mr. Evans added that the district always get their bonds passed and are very good about getting them paid down. Ms. Gudgel stated that their total bonding capacity is a little more than \$4.2M and at the end of last year they had \$1.0M they could have issued but this is one of the 90/10 projects that historically, even if they wanted to fund a full project, would get so little from the Council and their local capacity wouldn't cover a project. Mr. Chamblin stated that the last time he spoke with their bond advisor, their total residential mil rate, if they are fully indebted would be over 11mils. Mr. Abbey asked if the district was eligible for a waiver if they put all of

their bonding capacity in; Ms. Gudgel thought they would be as the requirement is to be indebted to seven mills for a district of their size. Mr. Abbey stated that the good news is if the district taxes themselves 11 mills the State could theoretically waive the other costs and pay one hundred cents on the dollar. Ms. Gudgel felt that the key is to work with the district and let the superintendent know what allows them to qualify for a waiver and that staff should work with the district to figure it out over the next few months.

Hobbs

Mr. T.J. Parks – Superintendent

Mr. Gene Strickland – Associate Superintendent

Mr. Zeke Kaney – Director of Operations

Mr. Chamblin began by stating this was a standards-based request based on Heizer MS. Hobbs has three existing middle schools and the request is for a new middle school. The district is not to do anything with Heizer even though it is ranked and eligible, but would instead like to take any award that the might get for the middle school and build a new middle school. In talking with the district, the new school would be located on the north side of the district. This district has been experiencing some growth for the last decade and have been at or over capacity within their middle schools for the same time. What is seen in the five-year enrollment projections is that they will clearly be over capacity by 700+ students at the middle school level within five years and is a clear indicator for the need of a new middle school. PSFA's recommendation is to begin with the planning phase; the district needs to go out and re-verify the enrollment projections, find a site, do a campus master plan and ed spec for a new facility if awarded.

District Presentation: Mr. Strickland reiterated what Mr. Chamblin said regarding the three middle schools exceeding their capacity. The district concurs with the PSFA staff recommendation to proceed with a planning phase. The district does believe it to be prudent, to study their current economic condition as well as what the enrollment looks like. Mr. Strickland recalled a recent newspaper article on the construction in Hobbs relative to commercial, retail and housing construction and the volume of construction anticipated in the immediate time frame through the next five years. Mr. Strickland spoke about where the fourth school came from, noting that the district maintains a facility assessment community team who are part of the annual facility master plan process. They are updated and feedback is provided in order to help advise the district where they can move forward with their FMP each year. As the district is going through their draft/rewrite FMP, the conversation surfaced on how to deal with the continued growth at the middle schools. The district is fortunate to have Mr. Jeremy Sanchez, PSFA Regional Facilities Manager, as part of the facility assessment team. This project has the full support of the committee in addition to the full support of the board of education. Some of the things done locally to address the growth include opening a freshman academy in 2011. While the freshmen benefitted from it, it was really intended to alleviate the over-crowding at the elementary schools. The district took an old middle school and moved the 6th graders out of the elementary. Moving forward, areas of the middle school were reassigned based on the fourth middle school being available. In 2012, a new elementary school was constructed as well as replaced an existing campus to address the growth in the middle

schools. Those facilities became operational in 2015. The current application would allow the district to begin construction in the fall of 2022 upon completion of the planning and design phases. Mr. Strickland highlighted that given the age of Heizer, as well as the overcrowding of the middle schools, the district continues to maintain a district average of 84.88% for maintenance.

Facility	Rank	wNMCI (%)	FCI (%)
Heizer MS	51	41.94%	79.54%

Member Questions/Comments: Mr. Abbey inquired as to when the enrollment projections had been made. Mr. Strickland replied that they were made in January and noted that two surveys had been sent out to the community in May and in June. The surveys show that 0.9% of the families will not return to Hobbs Municipal Schools and will be moving out of the district; out of 6,000 parents, 2,600 replied to the survey. The larger number that is being seen is 70 kids will not be returning due to online activities. Mr. Abbey asked that Mr. Parks follow-up with PSFA staff and expand on the enrollment trends/charts for a longer period of time as well as include the oil prices/drilling activity so that Council can look at one of the periods where oil collapsed and see what the decline in enrollment looked like. Mr. Abbey then asked if the demographics were different in the three middle schools; Mr. Parks replied that in the more northern part of the district there is a higher socioeconomic status and acknowledged that though the town is not very wide, when they last redistricted, the demographics were looked at in order to ensure equity. Mr. Abbey suggested that this be included in the planning process and the equity issues on the north side be addressed. Mr. Parks stated that Hobbs has an open enrollment and that about 10% of the population does not attend the school that is in their zone and the number is about the same for those going to/from their socioeconomic areas. Ms. Gudgel sought clarification on the Hobbs application as it appears one school is eligible but it seems the request is inconsistent with how Council has handled this issue in the past. Mr. Chamblin replied that this request is similar to a recent project in Lordsburg, which had a mix of campuses. The Lordsburg district applied for one and through that award, they ended up doing work to build a new facility, to consolidate/demolish or dispose of the original awarded school. Mr. Chamblin agreed that additional research would be done for precedent where similar types of projects occurred based on awards for one school and potentially doing work at another. Ms. Gudgel sought additional clarification on what the district meant when they said it was their intent to address Heizer; Mr. Parks replied that it would be the district's intent to revisit the Council. Mr. Guillen then asked why the district did not just fix Heizer if it was the school that qualified for an award; Mr. Parks replied that Heizer was sufficient for the time being and that the greater need was the lack of square footage and that financially speaking, the district could not afford to do both projects simultaneously. Mr. Chamblin added that the current wNMCI score for Heizer is what it is in large part because of the overcrowding. Mr. Chamblin also noted that if the project were awarded, Heizer would be moved into the previously awarded group and would be ineligible for any awards for the duration of the project. Once Heizer is less overcrowded, the wNMCI score for the campus will go down; in addition, the district has said they plan to do some major systems work at Heizer on their own.

Gallup-McKinley

Mr. Tim Bonds – Assistant Superintendent of Support Services

Ms. Roxy Flanders – Director, Facilities/Planning

District Presentation: Mr. Chamblin noted that the district has a number of requests for standards, systems and Pre-K. The three standards-based requests are for Gallup HS, Crownpoint HS and Navajo Pine HS. The staff recommendation for Gallup HS is to begin with a planning phase, which would include some detailed structural investigation of the existing buildings. Similar to Zuni, there is some damage that needs to be addressed/fixed. Staff recommends a one-year planning phase and educational specification. For Crownpoint HS, the staff recommendation is to also begin with a master plan and educational specification. Crownpoint HS shares a campus with Crownpoint MS and part of the planning work that is being recommended is that the district look at what might need to happen between the high school and middle school over the long term to develop the whole campus plan for the next 40 years. The recommendation for Navajo Pine HS would be to begin with a planning phase of work to explore how Navajo Pine HS can share the existing site with Navajo MS, which shares the same property. Mr. Bond noted that part of the reason the district applied for three standards-based projects is that over the last ten years they have been awarded about eight new schools. The district has about 34 schools and believes over the next 30-40 years every school will need to be replaced, therefore they need to average about one project per year. Gallup HS was built in 1998 and thought it is fairly new, over the last few years more than \$2.0M has been put into the gym and other areas due to foundation problems. The school was originally built for 1,400 students when there was only one other high school in the Gallup area; enrollment has since gone down to about 800-850 students once the other high schools were built. Another goal for the district is to right-size Gallup HS. Crownpoint HS was built in 1973 and is nearly 50 years old. There are ADA compliance challenges as well as settling issues. Safety upgrades are also needed. The school was built for over 600 students while current enrollment is closer to 300. The district would like to right-size the building. The high school shares a campus with the middle school, which was added about 15-20 years ago. The community is not in favor of having a 6th-12th grade school and the district will need to do a lot of work to make sure that the kids remain separated but are able to share some parts of the campus such as the cafeteria. Navajo Pine HS was built around 35 years ago in 1985. The building was constructed before all of the technology upgrades; there are numerous ADA compliance issues (i.e.: restrooms) and site upgrade challenges. The school is not right-sized and only about half of the facility is used. The school was originally built for 450 students; current enrollment is around 150.

Mr. Chamblin summarized the requests for the systems-based applications that the district submitted. It was noted that the request for Crownpoint MS was now moot, as the Council had already taken action on it earlier on the agenda. Tohatchi MS is seeking a roof replacement however; the staff recommendation is that funding be limited to the maximum allowable gross square footage as the building has extra square footage. The Red Rock Pre-K request sees no recommendation for a separate award by PSFA staff as the scope of the application can be added to the school's existing award. For Crownpoint ES, staff is also recommending no award for the one classroom addition based on

enrollment projections that show a decline within the next five years for the area which would result in vacant classrooms within the current square footage. Per Mr. Chamblin, if enrollment projects do not pan out, if there is not a decline or it isn't as steep as the projections show, then the district can return with a Pre-K request next year to build the additional classroom.

Facility	Rank	wNMCI (%)	FCI (%)
Gallup HS	29	46.29%	57.96%
Crownpoint HS	70	40.58%	75.52%
Navajo Pine HS	96	37.75%	72.47%
Crownpoint MS	124	35.46%	61.63%
Tohatchi MS	209	30.01%	62.43%
Red Rock ES	27	49.31%	69.17%
Crownpoint ES	674	9.08%	27.22%

Member Questions/Comments: Ms. Gudgel inquired as to the district's capacity level to manage three ongoing projects when they have a number of projects currently funded. Mr. Bonds replied that the projects were actually submitted in a different order, that it should be Crownpoint HS and Navajo Pine HS and the district felt they should be able to do planning, feasibility and educational specifications within a year and break ground after. Gallup HS will require many studies (i.e.: soils) and a determination of what parts can and cannot be saved. It is believed that the Gallup HS project would take a year longer than the other two before ground can be broken. Mr. Chamblin drew member attention to the spreadsheet included in the meeting material that identified the previously awarded standards-based projects that are just starting versus all of the other potential projects. Ms. Gudgel then inquired about Gallup HS falling under previously funded; Mr. Chamblin stated that the school had received a systems award last fall. At the time when the application process had started earlier this year, the school still had not committed to the project or signed an MOU for Gallup HS. After the final application deadline, the district signed the MOU to do the systems project at the high school. Mr. Bonds reiterated that the district would prefer to work on Crownpoint HS and Navajo Pine HS first then Gallup HS in a couple of years.

Grants

Mr. Max Perez - Superintendent

Mr. Vance Lee – Director of Facilities

District Presentation: Mr. Chamblin noted this request was for a replacement of the existing elementary school. The submitted application also included a request for teacher housing in Cubero, NM. Based on Council action earlier in the year, teacher housing off the applicant site is not eligible for a standards-based award. Mr. Perez noted that the school is old and it no longer makes sense to invest money in to it. The school is also being considered to house the centralized Pre-K, which is currently spread between 3-4 schools. Mr. Lee spoke about the awards received for Bluewater ES, Mesa View ES and Mt. Taylor ES. The district felt the master plan should reflect addressing Mesa View and including a Pre-K would be in their best interest.

Facility	Rank	wNMCI (%)	FCI (%)
Mesa View ES	100	37.47%	68.50%

Member Questions/Comments: Mr. Guillen asked for the districts reasoning in their request for teacher housing on a different site. Mr. Lee recalled that last year Council determined that teacher housing could be applied for under the standards-based program. The district had initially applied for teacher housing under the systems-based program at the Cubero ES site because it was more central to not only the town but the tribal areas as well. Mr. Lee stressed that teacher housing was a definite need for the district. Mr. Perez added that there is little to no housing and many teachers have to commute. The site at Cubero is in the middle of the need and in that area there is no available housing. Mr. Guillen asked how many units would be tied to the Mesa View ES project; how many teachers would be associated to the housing units and tied directly to the school. Mr. Mr. Perez replied that he did not have that number and it would be provided to the members and stressed that it was a broader need and not necessarily tied to the Mesa View project. Ms. Gudgel asked if the proposal to tear down the new Pre-K facility that was built in 2011 and start over with the whole site or if there was any plan to save it and build around it. Mr. Lee replied that there has been a push from the district to place Pre-K classrooms around the district and the thought of centralizing the Pre-K classrooms would be the way to go for better utilization. Mr. Chamblin clarified the question was regarding the existing Pre-K classroom at Mesa View and stated that it was a single Pre-K classroom. Staff had looked at the site and did not see an immediate way to build something new, replace the old 1950's buildings, and keep the 2011 classroom and have a campus that is stitched together. That would be a phasing option that could be explored during the design process to test the feasibility of it, but it initially did not seem feasible. Ms. Gudgel stressed the Council should be cognizant of making future awards and making sure that new facilities are not being built that will be torn down in less than ten years. Mr. Abbey pointed out that Milan ES and Mt. Taylor ES have a lot of capacity that is being unused. Ms. Gudgel reiterated the same concern she had with Hobbs; typically the money follows the students and here we are bringing in students from schools that aren't funded and haven't applied for an award into the project and stressed that Council should look at this and think about it from that standpoint. Mr. Chamblin stated additional review and analysis would be done and brought back. Mr. Guillen asked that PSFA and the district continue to work together to address some of the questions and concerns that were posed.

State Charter – Albuquerque Sign Language Academy (ASLA)

Mr. Rafael Martinez – Executive Director

District Presentation: Mr. Chamblin noted this was a state charter school located in downtown Albuquerque. The district does not have a local match for the construction phase of this project and for that reason, staff is recommending no award for the school at this time as that is a baseline requirement for any school or district submitting an application that they are willing and able to pay their local share as required to complete the project. Mr. Martinez acknowledged that the school did not yet have their match and noted that their goal is to secure the match within a year's time. The idea is to leverage every possible resource available to them including federal support, corporate

sponsorship, foundational sponsorship and securing a loan through U.S. Eagle Federal Credit Union. The school thinks it is in a position to be able to raise the amount of the match needed to comfortably carry the loan into the future. Mr. Martinez stressed that ASLA was a one-of-a-kind charter that serves significantly deaf, hard of hearing and hearing kids who need sign language and that there was a need for this type of program in the city/state. The school plans on paying for the design phase themselves. Mr. Guillen inquired what type of property the school was looking at and what type of facility they were attempting build. Mr. Martinez replied that they were working with Bernalillo County to build on county property. The school hopes to build on four of the 22 acres available in the North Valley.

Facility	Rank	wNMCI (%)	FCI (%)
Albuquerque Sign Language Academy	2	64.01%	43.48%

Member Questions/Comments: Mr. Robbins referred to the school's discussions with APS about using MacArthur which broke down because the school would not consider becoming an APS charter and asked why they would rather stay as a state charter rather than become an APS charter. Mr. Martinez stated that APS has a number of schools that are half populated and ASLA approached APS about MacArthur and La Luz. The ask was if APS would consolidate the two schools into La Luz and ASLA could then develop their program at MacArthur; the discussions continued for a few weeks and one of the requests from APS was that ASLA move from being a state charter to being an APS charter. The biggest pushback was from the ASLA community, many of the students/families came out of APS under not so good terms, they were not seeing the move as advantageous, and as a result, the talks ceased.

Los Lunas

Mr. Walter Gibson – Interim Superintendent

Ms. Susan Chavez – Assistant Superintendent

Ms. Kathy Martinez – Financial Specialist

District Presentation: The district is requesting two Pre-K awards. The Los Lunas school district is divided by the river; their request is to consolidate existing Pre-K classrooms into two sites; the west-side Pre-K center and an east-side Pre-K center. PSFA recommendation for Peralta ES is that a separate Pre-K award is potentially not needed as the school has an existing standards-based award. The request, if awarded, could be added to their existing standards-based award to build an east-side Pre-K center at Peralta ES. The request for Raymond Gabaldon ES is similar to Peralta's except that they do not have an existing award. Their request is to renovate an existing building to create a west-side Pre-K center on their campus. There are several issues for the campus, one being the long-term commitment by the district to the Gabaldon campus, which is a mixed campus with older and newer buildings. Staff recommendation for Gabaldon is for potential award only with assurance that the district will do a reboundary study to move kids out of the existing Gabaldon campus in order to make room for additional Pre-K classrooms. Mr. Gibson reiterated that this application was for two Pre-K centers, one on each side of the river and

part of their proposal would be to reboundary and students on the west side of the river would go to Pre-K at Gabaldon and those on the east side would go to Peralta. Mr. Gibson stated they are unable to, but would like to, offer full day kindergarten because of overcrowding particularly at some of the west-side schools. Peralta ES Pre-K Center is priority one for the district; the center would have 150 students; The Gabaldon Pre-K Center would be for 180 students and is priority two. Both projects are part of the districts master plan and the district has their match for both.

Facility	Rank	wNMCI (%)	FCI (%)
Peralta ES	38	46.18%	74.85%
Raymond Gabaldon ES	140	33.95%	72.43%

Member Questions/Comments: Regarding staff's recommendation to move Peralta's award to their current standards-award, if kids are being pulled from other places, Ms. Gudgel did not think that it was something Council would be able to do and a separate Pre-K initiative would be needed. Ms. Gudgel suggested that this might need some additional research; Mr. Chamblin agreed. Mr. Guillen asked what adding the two Pre-K centers would do in terms of enrollment and what the current enrollment was at the elementary schools; Mr. Gibson replied that Peralta has over 369 students K-6th. It is anticipated that Peralta will be built for a capacity of 500 students. The potential enrollment at Gabaldon is unknown. Mr. Abbey asked if the parents in the district preferred to have their children closer to home and closer to other siblings that are in school. Mr. Gibson replied that as the plan was presented to the community, there hasn't been and feedback regarding such concern; Ms. Chavez agreed and noted it would give the district flexibility in having all Pre-K students on one campus as well as bringing all Pre-K teachers together for collaboration assistance. Ms. Martinez reiterated that there is no room at the elementary schools to have full day programs and the state PED wants them to move towards full day and not half day programs. This would allow the district the opportunity to offer all full day programs and continue with the numbers that they currently have. If the district were to go full day at the two sites that do not have the building space for them, the district would lose Pre-K spots for about 40 students. Ms. Gudgel sought clarification if the move to full day programs was contingent on state funding; Ms. Martinez replied in the affirmative.

Hatch Valley

Mr. Michael Chavez – Superintendent

Ms. Sheila Offutt – Director of Finance and Operations

Mr. Chris Aguilar - Consultant

District Presentation: Mr. Chamblin noted that the district has submitted a systems-based application as well as a Pre-K application. The systems-based request is to replace some roofing as well as a heating and cooling unit at Hatch Valley ES. The Pre-K request is for limited renovation of existing Pre-K classrooms and restrooms at Garfield ES. PSFA is in agreement with both requests. Mr. Chavez stated that the request for Garfield ES is to repurpose some rooms that were originally designed for the older students and use the

space for Pre-K. Ms. Offutt noted that with COVID, there are needs at the school, i.e.: sinks that are too tall for Pre-K students.

Facility	Rank	wNMCI (%)	FCI (%)
Garfield ES	475	17.00%	59.08%
Hatch Valley MS	275	26.24%	61.82%

Member Questions/Comments: Mr. Abbey asked if classrooms had been added to Garfield in the past for full day kindergarten; Mr. Chavez replied in the affirmative but noted they were not recently added.

Clovis

Mr. John King – Deputy Director of Operations

District Presentation: Mr. Chamblin noted the request was for a systems-based award to repair and replace roofing and HVAC at the high school campus. PSFA has determine that the square footage is within the limit of the calculator and is eligible. Mr. King stated there were actually three roofs on the building; a higher roof, a northern, lower roof section and a southern, lower roof section. The roofing portion of the application is just for the center portion and northern portion of the building; the HVAC unit is for the entire facility. The district is currently working with the architect in order to complete the RASC for approval submittal.

Facility	Rank	wNMCI (%)	FCI (%)
Clovis HS	102	37.11%	73.44%

Member Questions/Comments: Ms. Romero referred to the awards spreadsheet included in the meeting material and noted that it said the district has procured design services and the award will be for design and construction and sought clarification on the verbiage. Mr. Chamblin replied that given the timing, the district has started some procurement for the design services and the project will be at or in the early phases of design by the time of a potential award and the timing of state funding could dovetail with the whole project. Ms. Romero inquired as to why the entire roof wasn't going to be done; Mr. Chavez replied that because PSFA does not typically fund something that is still under its 20 year warranty and the fact that the roof is under design, the district is considering moving forward with it so that when the HVAC is replaced, the remaining 5,400 square foot of roof could also be replaced in order to be on the same life cycle. Mr. Chavez reiterated that would be at the district's expense 100%. Ms. Romero stated she would be more comfortable having a firm commitment from the district that the entire roof would be addressed; Mr. Guillen agreed and asked Mr. King to confirm the district's commitment prior to Council taking action at a later date. Mr. King agreed to get a letter submitted to PSFA.

Las Cruces

Ms. Gloria Martinez – Director of Construction

Dr. Karen Trujillo – Superintendent

Mr. Gabe Jacques – Deputy Superintendent of Operations and Leadership
 Mr. Ed Ellison – Chief Financial Officer
 Mr. Sean Barham – Chief of Staff
 Mr. Bobby Stout – Executive Director, Physical Plant Department

District Presentation: Mr. Chamblin noted there were two requests for systems awards; a roofing and HVAC request at Tombaugh ES as well as a HVAC request at Onate HS. Mr. Chamblin stated that the request for Onate was only for the gym. Referring to a floorplan of the gym, Mr. Chamblin acknowledged that there were ineligible spaces for PSCOC funding i.e.: the athletic team sports spaces. The staff recommendation is to exclude those spaces from the potential award and as such, would be for limited state participation for eligible square footage and eligible space types. Mr. Martinez noted that the roof membrane at Tombaugh was splitting and at 18 years old was near the end of its expected life. The project would be done in two phases; phase one would be the design and would include hiring an architect and going out to bid. Once a bid is received, the district plans to return to the Council and request out of cycle funding for construction. The district's match for this project will come from their HB33 funds. Regarding Onate HS, the HVAC system was installed in 1993 and no longer operates; the system is beyond its expected life and is in need of replacement. Ms. Martinez noted that HVAC systems are eligible for state participation however, electrical is not and though the district understands this, they are concerned that since modifying the electrical is necessary for the project it will not be funded. The district will have no choice but to fund the electrical upgrade at 100% unless the Council decided otherwise. This project will be funded and done in two phases; phase one will be design including hiring an architect; phase two will be construction. Based on actual cost of construction, where the electrical portion is a separate bid lot, if needed, the district will return to Council for an out of cycle funding request for construction to complete the HVAC project. The funding for this project will also come from HB33 funds.

Facility	Rank	wNMCI (%)	FCI (%)
Tombaugh ES	64	40.97%	74.08%
Onate HS	184	32.78%	34.31%

Member Questions/Comments: Mr. Robbins sought clarification that the square footage excluded by PSFA was about 20% of the total square footage; Mr. Chamblin replied that the square footage was added up on the floor plan and was the basis of the math underlying the exclusion of the square footage. Mr. Chamblin added that the numbers were accurate but staff could reconfirm.

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

a. Gallup – P19-003 – Rocky View ES and Red Rock ES – Out-of-Cycle Funding

Mr. Chamblin drew member attention to the clarifying points that were added to the executive summary following the Awards Subcommittee meeting. Mr. Bond agreed with the motion as presented.

MOTION: Council approval of the Awards Subcommittee recommendation to approve design funding for a new Red Rock Elementary School, combining Rocky View ES and

Red Rock ES, repurposing Rocky View ES as an administration building, demolishing the existing Red Rock ES, and constructing a new Red Rock ES with a design enrollment of 420 students, an approved square footage of up to 55,181 GSF, for a total request of \$3,076,796 with a State Share of \$2,461,437 (80%) and a Local Share of \$615,359 (20%). The district shall provide a report detailing the proposed uses for Rocky View ES, and shall be obligated to maintain that facility at no additional cost to the state. If the district desires to use the facility as a school in the future, the school will not be eligible for PSCOC funding until an assessment by PSFA determines the school has a condition rating equal to or better than the average weighted New Mexico condition index. As this was a Subcommittee recommendation, a second was not needed and the motion was unanimously approved.

b. Gallup – P19-004 – Tohatchi HS – Out-of-Cycle Funding

Mr. Chamblin noted that following the Awards Subcommittee, PSFA staff had some follow-up discussions with the district about the project as well as performing some additional research. The district submitted an updated letter regarding the project. The letter outlines the districts understanding that 57,797 gross square feet is the limit of state participation on the project and if the project were larger than that square footage, any additional amount would be 100% district funded. Mr. Bond stated that the district understands and agrees with the additional stipulations.

MOTION: Council approval of the Awards Subcommittee recommendation to approve design funding for Tohatchi High School, to include renovation of the gym and cafeteria, demolition of the vocational building, portables and replacement of the administration, general classrooms, specialty classrooms and support spaces, for a design enrollment of 300 students, with an approved square footage of up to 57,797 GSF for a total request of \$3,134,965 with a state share of \$2,507,972 (80%) and a local share of \$626,993 (20%). As this was a Subcommittee recommendation, a second was not needed and the motion was unanimously approved.

7. Informational

- a.** PSCOC Project Status Report – Mr. Avila noted there were no significant changes. Mr. Chamblin noted that there were a number of projects that were running slower than the original schedule and staff is working with the districts to get those projects moving.
- b.** Maintenance Program Status Report – Mr. Tillotson stated that a slight improvement has been seen in the preventive maintenance program across the state. The current FMAR performance rating is 70.857% Satisfactory. Significant improvements in preventive maintenance are being seen statewide.
- c.** Staffing Update – Mr. Chamblin reviewed information listed within the executive summary. For FY21, there is the budget in the 200 Category to staff up to the 49 FTE is possible. Mr. Guillen thanked Ms. Romero for her assistance in getting the BAR issues approved. Mr. Abbey inquired as to how the hiring freeze factors into the PSFA staffing levels; Ms. Romero replied that the hiring freeze applies to general funded positions and since PSFA is not general funded, and because of the workload at the agency, DFA is

approving the positions. Ms. Romero reiterated that DFA is not approving intern positions at this time when there are so many people out of a job.

8. Next PSCOC Meeting - Proposed for August 17, 2020.

9. Adjourn – There being no further business to come before the Council, Mr. Robbins moved to adjourn the meeting. Mr. Abbey seconded and the motion was unanimously approved. The meeting adjourned at 12:29 p.m.

_____ Chair

_____ Date