

**PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL MEETING
MINUTES**

September 9, 2019

**Los Lunas High School
LOS LUNAS, NEW MEXICO**

Members Present: Mr. Joe Guillen, NMSBA Mr. Raúl Burciaga, LCS
Ms. Rachel Gudgel, LESC Mr. Antonio Ortiz, PED
Mr. Martin Romero, CID Mr. David Robbins, PEC
Ms. Stephanie Rodriguez, Office of the Governor
Ms. Olivia Padilla Jackson, DFA (arrived at 8:44)

Designees: Mr. Noel Martinez (for David Abbey, LFC)

1. **Call to Order** – Chair Guillen called the meeting to order at 8:34A.M.
 - a. **Approval of Agenda** – Chair Guillen asked if there was any objection to the agenda as presented; as there was none the agenda was unanimously adopted; Ms. Padilla-Jackson was not present for the vote.
 - b. **Correspondence** – None.
2. **Public Comment** – Staff introductions were made and Mr. Guillen thanked the Los Lunas Public Schools for hosting the PSCOC. Ms. Dana Sanders, Superintendent; Ms. Darian Jaramillo, Interim Principal; Ms. Claire Cieremans, Finance Officer; Ms. Juliette Romero Benavides, Assistance Superintendent; Ms. Susan Chavez, Assistant Superintendent and Mr. Andy Garcia, Director of Maintenance, introduced themselves and welcomed everyone to Los Lunas HS. A tour of the school was offered to any of the attendees during the lunch break.
3. **PSCOC Financial Plan**
 - a. **PSCOC Financial Plan**

Mr. Evans reviewed the changes to the financial plan since the last meeting: an award for NMSBVBI Garrett Dormitory Phase 1 Design for \$166,775 and the FY20 Security Awards for \$8,466,456 which results in a favorable change to the financial plan of \$1.5M due to a budgeted \$10.0M for security awards. An advance repayment was received from NMSD for \$165K. The PSCOC Fund balance is \$299,771,653 following a draw request for July expenditures of \$4,276,305. Updated SSTB revenue projections for FY20-24 were received from Board of Finance; the financial plan will be updated to reflect the changes to the out years.

Ms. Gudgel drew member attention to the Instructional Materials or Transportation Distribution line item within the financial plan and recalled a conversation during the Awards Subcommittee that there was no longer a need to use SSTBs as general fund revenues are for transportation and instructional materials and reminded staff that a request had been made to zero out the line item. Mr. Evans replied that the AMS Subcommittee preferred that it be a

decision of the full Council. Ms. Gudgel reiterated that it is not anticipated to be recommended through the Legislative Finance Committee and the \$25.0M could be made available for the retroactive adequacy program; Mr. Evans agreed.

4. 2019-2020 Awards Cycle

a. Overview of the Capital Outlay Application Process/Requirements

Ms. Cano provided an overview of the application process. The 2019-2020 preliminary funding pool was opened in April to accept pre-applications under the standards-based program for all facilities in the Top 75 of the 2019-2020 final wNMCI ranking and under the systems-based program for all facilities within the Top 300 of the same ranking. In June, the list of applications was presented to the PSCOC and a final funding pool was adopted which allowed standards-based requests that stayed the same with all facilities within the top 75 and systems-based requests within the top 300 which also had either a minimum of 5% of the replacement cost, a minimum of \$1.0M total project cost or other critical systems to proceed with site visits and the release of full applications. No action will be taken by the Council; following this meeting staff recommendations will be prepared and presented to the October Awards Subcommittee and PSCOC for potential award.

Presenters include the PSFA team leads: Mr. Chamblin, Ms. Casias, Mr. Avila and Ms. Cano, the Regional Facilities Managers (RFM) and district representatives; questions will be posed after each district presentation. Mr. Guillen questioned what the preliminary staff recommendation focused on; Mr. Chamblin replied that it was a short summary of the analysis done on the district's request (dollars and scope) and laid out some key points for each project.

b. District Presentations

1. Alamogordo – Chaparral MS (standards)
2. Central – Newcomb ES (standards)
3. Grants – Bluewater ES (standards)
4. Des Moines – Des Moines Combined School (standards)
5. Las Cruces – Columbia ES (standards); Valley View ES (systems)
6. Hobbs – Southern Heights ES (standards); Hobbs HS (systems); Mills ES (systems)
7. Roswell – Mountain View MS (standards); Washington Avenue ES (standards); Roswell HS (systems)
8. Clovis – Barry ES (standards); Clovis HS (systems)
9. Gallup-McKinley – Gallup HS (systems); Crownpoint MS (systems); Tse Yi Gai HS (systems)
10. Portales – Brown Early Childhood Center (systems)
11. San Jon – San Jon Combined School (systems)

Alamogordo (RFM: Scott Ficklin)

Tim Wolfe – School Board President

Cara Malone – Deputy Superintendent

Justin Burks – Chief of Capital Outlay & Facilities

Erik Harrigan – RBC Capital Management

District Presentation: The district is requesting a standards-based award to replace the existing school. The project is included as a top priority in the facility master plan (FMP) but has not come up in the rankings as quickly as other projects. The facility is 60 years old and has a lot of structural issues. In the previous 2012 FMP, \$14.0M worth of deficiencies were identified in need of capital improvements. Since that time, additional structural issues that need to be addressed are being monitored to ensure the buildings remain safe to occupy. Other identified deficiencies: portions of the sewer system have collapsed and some of the drain lines, drinking fountains and restroom facilities have had to be abandoned. Portions of the foundation have sunk as much as four inches, there are a number of asbestos containing materials and the roof is beginning to fail. PSFA staff has evaluated the facility and the Facility Assessment Database (FAD) has been updated to include said deficiencies. Though the FMP is current, it is in the process of being renewed for 2019-2024.

PSFA recommends planning and design as the first phase of the project, to include an Educational Specification for the campus to define the educational space needs within the new facility and to continue to validate an updated 5-year enrollment projection that quantifies the expected demographic fluctuation within the district.

Total estimated project cost is \$36,045,921. Phase 1 recommendation is \$3,604,591 with a district match at 40% (including offsets) is \$1,441,837 and state match of 60% at \$2,162,755. The district has indicated they have their local funding for this project.

The district uses a bond cycle program where they go to the voters every four years and ask for authorization to issue general obligation (GO) bonds in an amount not to exceed a certain number. For the district it was important to maintain their historical debt service tax rate and at the November election will ask the voters for \$17.0M of GO bonds and will continue to maintain their historical service tax rate over the next four years. During that time period the district is expected to be approximately 71-75% bonded to capacity.

The district's preventive maintenance plan is current. The district average FMAR is 78.86% and the campus FMAR is 71.99%.

Facility	Rank	wNMCI (%)	FCI (%)
Chaparral MS	1	78.51%	68.35%

Member Questions/Comments: Ms. Gudgel inquired as to the contingency amount listed within the application as it was nearly 30% of the total project cost and asked if the percentage was reasonable; Mr. Chamblin replied in the affirmative and noted it was the standard for contingency and soft costs. Ms. Padilla-Jackson asked about the reduction in square footage and what changed to require a reduction; Mr. Burks replied that Chaparral MS was the only

middle school in Alamogordo until early 2000 when Mountain View MS was constructed and the student population was significantly more when Chaparral MS was the only middle school. Enrollment in previous years declined but now appears to be swinging in the other direction and the district is aware they will need to reduce some square footage based on their current enrollment. Ms. Rodriguez asked if there was still no risk of a Base Realignment and Closure (BRAC) and that there would be continuation of the base and their mission including the F-16 moving forward; Mr. Burks replied that the district is in close collaboration with Holloman Air Force Base. The base is unique in the amount of flight space that they have and while the missions may vary at Holloman and there can be some different trends for the personnel depending on the mission(s) the base is very much the life of the Alamogordo and Arturo Space community and every indication is that they will continue to be strong.

Referring to the meeting material, Mr. Martinez noted that the structural issues were caused by the expansive and settling soil and as one of the proposed sites is the grassy area north of the building and asked whether the district envisioned any issues with the soil there and if so, how they would be addressed. Mr. Burks replied that the soil in Alamogordo is challenging as there is a lot of sand and special consideration has to be given when surveying and doing geotechnical studies of the soil conditions and there would be no exception with the new school. Mr. Chamblin replied that given the site issues with the existing buildings we do want to have an ample budget to do an upgraded foundation system for the new structure as may be required to ensure that it doesn't suffer the kind of damage that the existing one has. Mr. Romero asked whether a determination had been made if the site was located within a flood plain; Mr. Burks replied they have not gotten that far in the design process to determine the status however, most of the facilities in that area are considered in a flood plain.

Mr. Guillen posed a question to Mr. Wolfe regarding their upcoming bond election and asked if there were other entities that would also have bond issues on the ballot and how he felt their chances were for passing the bond. Mr. Wolfe replied there were potentially one or two additional tax levy questions from the city and the county and though the district is not excited about competing and being in that situation election time the community has been extremely supportive and the district was successful in the spring with their SB9 and HB33 elections. Mr. Wolfe could not recall when, or if, there had ever been a bond turned down in Alamogordo and are expecting successful results in November with the understanding that Chaparral MS is the target for those funds. The community has known of the need for a replacement for Chaparral MS for several years and are supportive of being able to participate and get the states help in the match that is available. Mr. Guillen acknowledged Mr. Wolfe's decision to not run for re-election and thanked him for his service as school board president.

Central (RFM: David Biggs)

Terrian Benn - Superintendent

Kyle Archibeque – Chief Financial Officer

Candice Thompson – Director of Operations

District Presentation: The district is requesting a standards-based award to replace the existing school. The elementary school has 245 students, is one of the oldest facilities in the district and is located in the remote and rural area of Newcomb, NM on the Navajo Reservation. The school

sits on approximately 16 acres. The elementary school is currently ranked number 2 in the state; the original building was constructed in 1963 and has had six additions. The poor expansive soil conditions are causing several structural damages to the building. Going forward with new construction, the district would like to look at the use of caisson type foundation due to the poor soil condition. The building is currently oversized for the number of students that are enrolled and in the future the district is looking at realigning their program to include the 6th grade back into the elementary school. An FMAR was recently done and reflects 79.47%. There is also damage to the parking lots, sidewalks and playgrounds. The school continues to receive “critical repeat” citations from the Navajo Office of Environmental Health (Indian Health Services) for structural cracking in the building and kitchen. The district is also asking for a waiver and that the state and PSFA help to construct the school due to the current circumstances the district has incurred with the passing of the new Energy Transition Act which has shut down the power plant as well as the coal mine in the next couple of years, and not being able to go out and bond for this new facility. Mr. Archibeque spoke to the districts bonding capacity and noted there are imminent power plant closures expected in 2022 as well as the expected closure of the Four Corners power plant in 2030. RBC Wealth Management did an analysis to see what the districts bonding capacity looked like; the district will have the legal capacity to go out and try to bond \$18.0M over the next four years but would really be limited to about \$4.0M due to the impact to the tax rate. If all of the assessed property leaves the county the tax rate will sky rocket along with that, membership is decreasing and is not guaranteed to stay at its current levels with the closures. The district is an impact aid district and are limited in ways that the operational dollars can be used for capital though a two-mill levy was passed in the spring but it is difficult to go to the community and expect more from them especially with the circumstances that are coming.

PSFA recommends a planning study as the first phase of the project to identify the best option for consolidation and reconfiguration of all schools on the shared campus. Planning and design of a new elementary school should be part of the comprehensive master plan and educational specification that includes middle and high schools. Once Planning is complete, the district can return for an out-of-cycle award request for design and construction.

Total estimated project cost is \$24,380,179. Phase 1 recommendation is \$75,000 with a district match at 40% for \$30,000 and state match at 60% is \$45,000. The district had previously indicated they did have their local match of \$30,000 to do planning, however, once the project scope and cost are more clearly defined by the planning study, the district intends to request a local match reduction for the design and construction phases.

The district’s preventive maintenance plan is not current but is in the process of being updated. The district average FMAR is 82.63% and the campus FMAR is 79.47%.

Facility	Rank	wNMCI (%)	FCI (%)
Newcomb ES	2	69.30%	69.84%

Member Questions/Comments: Ms. Gudgel clarified that Newcomb ES was on the reservation and asked what the status of the land use lease was with the tribe; Ms. Thompson replied that the district did have a lease with the Nation. Ms. Gudgel stated historically, new projects had

a 25-year land lease with an additional 25 years and suggested that the lease be shared with PSFA prior to the next meeting; Ms. Thompson replied that it could be done. Ms. Padilla-Jackson noted that the maximum allowable gross square foot (GSF) was significantly lower than the existing GSF and asked the district for comment regarding such. Ms. Thompson replied that in prior years' student enrollment was higher than the current enrollment and the square footage was appropriate for the student count at that time. Mr. Guillen asked how parents felt about moving the elementary school students closer to the middle and high school students; Ms. Thompson replied that going forward in the education specification (ed spec) they would involve the parents, however the elementary school currently sits behind the transportation facility and the diesel fumes from the trucks are taken in by the HVAC system and the school needs to be relocated. Also, from the safety aspect, the elementary school is out by themselves and bringing the campus closer together would allow for a more secured site. Mr. Guillen asked how close the school was to being impacted by the plant closure and questioned if other schools would also be impacted; Ms. Thompson replied that all schools would be affected equally. Mr. Guillen questioned what other projects the district had under construction that had Council participation as they indicated they were going to request a waiver for this project. Ms. Thompson replied that they had two security awards projects and were able to support those projects.

Grants (RFM: Richard Dicks)

Max Perez - Superintendent
 Carla Gonzales – Business & Finance Manager
 Vance Lee – Director of Facilities & Operations

District Presentation: The district is applying for a standards-based award to replace the existing school. Mr. Perez noted that Bluewater ES was originally built in 1955 and has been well maintained by the district however, the majority of the systems are beyond their expected life and the district determined it would be more prudent to apply for a standards-based award rather than a systems-based award. The district is in a financially sound position to move forward with this project and currently has their match to fully fund this project through previously sold GO Bonds and SB9 funds.

PSFA recommends an initial planning and design award for new and/or partial renovation, as well as demolition of the existing Bluewater ES.

Total estimated project cost is \$7,759,839. Phase 1 recommendation is \$775,984 with a 25% district match of \$193,996 and a 75% state match of \$581,988. The district has indicated that they have their local match.

The district's preventive maintenance plan is current. The district average FMAR is 76.93% and the campus FMAR is 80.27%.

Facility	Rank	wNMCI (%)	FCI (%)
Bluewater ES	52	41.96%	82.78%

Member Questions/Comments: Ms. Gudgel sought clarification on the verbiage stating the existing gymnasium is large for the projected enrollment, however the district's overall GSF request does not exceed the maximum allowable GSF for 110 elementary school students. Mr. Chamblin stated that the district would like to keep the existing gym. The gym is a little larger than the minimum/typical elementary school gym that would be constructed now. Within the limit of the GSF calculator for the number of students, there is the freedom for the school to assign square footage within the building to make rooms larger or smaller and by keeping the existing gym, there would be tradeoffs that the district would have to work through during design to economize other spaces to keep the whole project within the limit of the GSF calculator. The district is confident that they can keep the existing gym, design a new building around it and still stay within the footprint. Referring to the fluctuation in enrollment and the recent decline, Ms. Gudgel asked if PSFA has worked with the district to right size as they are asking for a facility for 110 students; Mr. Perez replied that the enrollment was difficult to predict as a lot was based on economic development and noted that all indications were that it was stable and would remain consistent. Mr. Perez stated he was willing to work with the PSFA to work through the numbers a little better. Mr. John Valdez, PSFA Master Planner, acknowledged that enrollment has tended to fluctuate over the past few years and that the current projections are based on the FMP which was completed in 2016. Mr. Valdez noted that the projection of 110 students was only 15 students off the current enrollment however those students are spread throughout the various grade levels and classrooms; it is very unlikely that those students would be in one age group to where an extra classroom would be needed. Mr. Perez noted that the current gym is in good structural condition and was why they would like to keep the space; if there were foundation issues or if it was in poor condition they would reconsider however, the structure is in good condition. Noting the FCI for the gym was nearly 83%, Ms. Gudgel asked for comment; Mr. Chamblin replied that the gym, located on the corner of the buildings, would require some gymnastics to demo around the space and then build back to it in terms of literal, structural construction and also in terms of phasing. At this point, staff is less inclined to support the districts concept of keeping the existing gym which seems like a long way to go to keep square footage that may not be worth saving in the end. It will be part of the design process/life cycle cost analysis, that will shed light on the final decision and staff feels in the end it will be determined it is not worth it for a variety of reasons: location, condition of the building, condition of the particular space.

Mr. Romero noted that a lot of the older schools are dealing with flooding issues and the price per square foot varies and due to having to go through homeland security for being in a flood plain area asked if staff foresaw the price per square foot jumping significantly; Ms. Casias noted being in a flood plan would cause an increase in the cost of construction and in this instance a road had been built and water from the road was coming into the parking lot and from there it was coming in to the building and affecting the foundation; these items will be cost considerations for this particular project.

Mr. Guillen asked whether the local match was dependent on the bond issues; Mr. Perez replied that the district plan is to pay for the pay out of the upcoming bond and reiterated that the history of passing bonds has been very positive.

Des Moines (RFM: Irina Ivashkova)

Kodi Sumpter - Superintendent

Damon Brown - School Board President

Rick Miller – School Board Member

District Presentation: Ms. Sumpter provided a history of the school and its construction noting that there is a negative slope on a roof, foundational shifts and was built oversized for the student population. During the 2019 Legislative session, the district was appropriated \$250,000 to do a building systems analysis report (BSAR) structural study; the procurement process has been completed and the investigation has been started. The results of the investigation will let the district know what next steps should be taken and by working with PSFA, a worst case scenario application was submitted. Information on the district's financial position was presented; appraised value is \$38.0M, outstanding debt is \$190,000 in 2017 tech series notes. The district has had GO Bonds in the past and there are currently none outstanding. Bonding capacity is slightly more than \$2.1M and there is a 2 mill levy that has been in effect for about 37 years which has always been widely supported. Based on the results of the BSAR, the district would seek to bond to capacity; the debt service for the GO Bonds and the ed-tech notes would be almost 11 mills. The BSAR is anticipated to be completed in January/February, the FMP will be done as well as the ed spec. Mr. Chamblin reiterated that the district is applying for a standards-based award to replace or renovate all or a portion of the existing school based on the outcome of the structural investigation. The combined school was constructed in three phases. The structural integrity and construction quality of the 2002 construction has been in question since it was completed. The flat roof was constructed with zero slope in any direction which creates heavy ponding and roof leaks, in addition, the roofing membrane was a failed product type by a manufacturer that is no longer in business. The exterior stucco was poorly installed and is resulting in problems similar to the roofing issues and is in a premature state of degradation. The 2002 structure was built with a second floor which will never be occupiable as it is not code compliant in anyway. The district has been testing for mold and has had a structural engineer come in to determine what is going on with the structure. The preliminary report concluded that the existence of a code compliant lateral reinforcing system for the whole building is not known and is not evident. The district would like to keep the original 1960's building as it is worth saving with some potential renovation.

PSFA recommends deferring consideration of an award pending the outcome of the structural study and planning work currently underway. The district can return for out-of-cycle funding.

The district's preventive maintenance plan is current. The district average FMAR is 75.17% and the campus FMAR is 72.07%.

Facility	Rank	wNMCI (%)	FCI (%)
Des Moines Combined School	46	42.98%	57.24%

Member Questions/Comments: Mr. Robbins asked if the design study were to come back and indicate that the building could be salvages at a certain reasonable cost, if there was a way to close off or minimize the operational costs for such a large facility. Mr. Chamblin replied that

the structural study is limited to the building and the building systems and that the planning step would clarify options and help the district select the best option for consolidation of space. Ms. Gudgel asked if under any scenario it was safe to assume that the district would ask for a waiver from the Council and noted that there are statutory requirements for waivers and suggested that the district be aware of the requirements and know what is required.

Las Cruces (RFM: Jorge Au; presented by Gordy King)

Gabe Jacquez – Deputy Superintendent of Operations

Dr. Steve Sanchez – Deputy Superintendent of Instruction & Student Information Systems

Ed Ellison – Chief Financial Officer

Bobby Stout – Executive Director, Physical Plant

Gloria Martinez – Director of Construction

Anthony Lucero – Director of Construction

District Presentation: In February 2018, the district passed a \$50.0M GO Bond that included upgrades to classrooms, multipurpose rooms and kitchens, energy efficient projects, ADA compliance, roof replacement, furniture, playground equipment and shade structures. The district is currently updating their 5-year FMP. The district is requesting funding for Columbia ES and Valley View ES. Columbia ES, built in 2003, has been closed since 2018 due to mold within the school and all students were relocated to Centennial HS. The district is requesting demolition and replacement of the existing facility for a design capacity of 600 students, grades K-5 after which students will be brought back from Centennial HS. The second project is to replace the existing roof at Valley View ES; the roof was done in two installments (2004 and 2007). Due to leaks the 2007 roofing has been identified as Category 3; systems which should be repaired or replaced to mitigate additional damage.

Enrollment projections for Columbia ES includes 387 students, grades K-5, 50 pre-k students and an increase of 64 students based on potential adjustment to the attendance boundaries for a total of 500 students, grades pre-k – 5.

PSFA supports the district's request for a standards-based award for replacement however, the project should be reduced to the maximum allowable GSF for 500 students, grades pre-k – 5. Staff recommends the Columbia ES project proceed with planning and design, represented as 10% of the project cost, which shall include an educational specification for the school. Replacement of the facility will eliminate future risk of unforeseen conditions and will also right-size the facility to accommodate the educational adequacy of the projected enrollment. Should the district decide to move forward with a school for 600 the space for the additional 100 students would need to be fully funded by the district, however, upon completion and design, the district may request an award language change if further justification for the additional capacity can be demonstrated. Upon completion, the district may request the out-of-cycle construction funding phase. For Valley View ES, PSFA supports the district's request for a systems-based award to complete replacement of the roof due to its degraded condition, however, the total estimated project cost of \$2,335,131 is high for the scope of work. The roof report submitted with the application indicates a project cost of \$1,634,592 which is reasonable for the scope of work. Staff recommends using \$1,634,592 as a total estimated project cost,

which will be limited to the maximum allowable GSF. Based upon the system type identified in the districts application, a single phase award is recommended.

Total estimated project cost for Centennial ES is \$35,476,846. The adjusted project cost to maximum allowable GSF is \$30,697,527. Phase 1 recommendation is \$3,069,753 with a 43% local match (including offsets) of \$1,31,994 and a 57% state match of \$1,749,759. Total estimated project cost for Valley View ES is \$2,335,131. Adjusted project cost to maximum allowable GSF is \$1,340,365 with a 43% local match of \$576,357 and a 57% state share of \$764,008. The district has indicated that they have available funds to accommodate the local match for both projects.

The district's preventive maintenance plan is current. The district average FMAR is 74.82%; the Columbia ES campus FMAR is 61.48% and the Valley View ES campus FMAR is 84.15%.

Facility	Rank	wNMCI (%)	FCI (%)
Columbia ES	7	53.54%	45.49%
Valley View ES	246	27.84%	53.34%

Member Questions/Comments: Mr. Robbins sought comment on the excess capacity within the district; Mr. Valdez replied that the enrollment numbers were provided by the districts master plan consultant and are in the preliminary FMP which is currently in process. Ms. Martinez stated that with three schools on the east mesa currently over capacity, the district is considering building another school with their next bond. Ms. Gudgel sought clarification on whether the pre-k students were new or currently funded; Ms. Martinez replied they were currently funded. Mr. Noel Martinez asked if there were any other reports that recommended demolishing the facility other than PSFA recommendations; Ms. Martinez replied that Bohannon Huston Engineering provided reports on the facility and drainage improvement requirements as well as a report from Armstrong Engineering that evaluated the envelope of the facility. Mr. Martinez then asked about community reaction during the process from closing the school to deciding how to rebuild; Dr. Sanchez replied some individuals did not want to see the school closed and preferred that it be remodeled however, the Board ultimately decided to move forward with the current plan. Mr. Martinez then inquired if the proceeds from the \$50.0M bond passed in 2018 would be used to fund the two projects or if the district would be going out for another bond; Mr. Ellison replied that an approximate \$7.0M remains from the 2014 bond and \$4.0M is allocated to Columbia from the 2018 bond and the district will look at some additional bond funds along with a combination of contingency and the set aside of some HB33 funds. Ms. Padilla-Jackson asked if there was any liability on the part of the contractor as a building that is only 15 years old needs to be replaced; Ms. Martinez replied that after two years of noted construction deficiencies you cannot go back to the contractor and also noted that the district checked with CID and with their legal staff and had no recourse going back to the contractor and noted that the contractor is no longer in business. Ms. Martinez stated that the insurance company was willing to fund a portion of the demolition and reconstruction at a cost of approximately \$700,000.

Referring back to the enrollment of Columbia ES, Ms. Gudgel acknowledged that the district is looking for an increase based on potential re-boundarying and asked when it was anticipated

to happen as that decision should be made prior to Council making a decision to potentially over fund students. Dr. Sanchez stated that he was unsure as to a timeline regarding redistricting and reiterated he would be able to provide additional information once the interim superintendent was in place. Mr. Guillen asked how quickly a new school could be done on the site since the current facility is vacant; Ms. Martinez replied that the project would be completed in 2022.

Hobbs (RFM: Jeremy Sanchez)

TJ Parks - Superintendent

Gene Strickland – Assistant Superintendent of Operations

Frank Mackay – Architect, Wilson & Company

District Presentation: The district average for current inventory of Hobbs schools is at 50+ years. The school district is also the fastest growing school district in New Mexico; and has experienced 24% growth in enrollment. Southern Heights ES is 69 years old and has outlived its effective design. The school was one of the poorest performing facilities in maintenance at 69.5% and is recently performing at a 92.6%. The continued commitment to the facility maintenance has allowed the facility to maintain its educational mission; the plan is to replace the facility which would allow the students in one of the more financially depressed areas of town to attend school in a new facility. The HVAC request for Hobbs HS (Tydings Auditorium) is acknowledged by the district as not being historically funded by Council, however, the system for the HVAC replacement serves more than the auditorium, it also serves classrooms to the south and west of the auditorium. The third project, Mills ES, involves site improvements including student drop off/pick up, busing, drainage and parking availability. Many of the districts campuses were built when the majority of students walked to school and so the front door is within feet of a collector street and thus, pick up and drop off has become an issue and as enrollment increases, the problem is compounded.

Mr. Avila noted that the request for Southern Heights ES is for facility replacement based on its current condition, rank and projected enrollment including the demolition of the existing facility. The request for Hobbs HS is for replacement of the ventilation, air-distribution, heating and cooling systems for Tydings Auditorium. Despite routine maintenance and repair of parts over the years, the remaining original heating and cooling components are at the end of their life cycle and the refrigerant currently utilized by the cooling system will be discontinued in 2020. The district request for Mills ES is for renovation/replacement of four system types: drainage, vehicular and site circulation, parking, and entry and exit from the public right-of-way. Fencing modifications are also required to ensure a secure site and will also function as a vehicular control.

PSFA recommends the Southern Heights ES project proceed with planning and design, with Phase 1 represented as 10% of the project cost, which shall include an educational specification for the school. For Hobbs HS, staff has advised the district that the request associated with the Auditorium is not eligible for PSCOC funding as historically the PSCOC has not funded Performing Arts Centers. However, PSFA would consider partial participation to include the 100 classroom wing attached to the auditorium including the old administration building currently used for special education and autism classrooms. Of the total 51,846 GSF, staff

recommends participation in 40% of the total square footage which is approximately 20,570 GSF. In addition, staff recommends participation up to 40% of the \$1,429,229 cost for a total participation of \$571,692 with a state share of \$297,280. For Mills ES, PSFA staff believes that the site would benefit from the improvements requested and confirms the request is commensurate with existing conditions as noted.

Total estimated project cost for Southern Heights ES is \$29,901,457. Phase 1 recommendation is \$2,990,146 with a 48% local match of \$1,435,270 and a 52% state match of \$1,554,876. Total estimated project cost for Hobbs HS is \$1,429,229. Adjusted project cost to maximum allowable is \$571,169. Phase 1 recommendation is \$57,169 with a 48% local match of \$27,441 and a 52% state share of \$29,728. Total estimated project cost for Mills ES is \$642,857 with a 48% local match of \$308,571 and a 52% state match of \$334,286. The district has indicated that they have available funds to accommodate the local match for all three projects.

The district's preventive maintenance plan is current. The district average FMAR is 82.95%; the Southern Heights ES campus FMAR is 92.61%, the Hobbs HS campus FMAR is 90.15%, and the Mills ES campus FMAR is 90.43%.

Facility	Rank	wNMCI (%)	FCI (%)
Southern Heights ES	5	54.76%	65.39%
Hobbs HS	215	29.48%	53.21%
Mills ES	266	26.70%	67.48%

Member Questions/Comments: Mr. Guillen asked if demolition was also being considered on the Southern Heights ES project; Mr. Parks stated they would demolish the existing facility and noted the construction area would be cordoned off from the students and the demolition would take place after students were moved in to the new facility; preferably demolition would occur over the summer and occupancy would occur in August 2022. When asked how the parents and the community felt about the replacement, Mr. Parks replied that the parents and community prefer that it be replaced given the current conditions. Mr. Chamblin added the typical school building life span is 40-50 years and Southern Heights ES was nearly 70 years old; at an industry building level, when an FCI score goes over 60% that is the typical threshold where you can begin to looking at replacement. Ms. Gudgel sought confirmation that the district was growing; Mr. Parks replied there were an additional 300 students this year. Ms. Gudgel then asked how the request for Southern Heights ES accounted for other growth at the district level. Mr. Parks replied that the elementary schools were stressed, that 2 of the 3 middle schools accounted for 200 students over capacity and noted that the dilemma at Southern Heights ES is the condition of the facility and stated he refused to have the districts lower socioeconomic students in the districts worst facility and was looking to make sure all of the kids were taken care of, especially with growth in the northern part of the community, the children in the lower socioeconomic school would be left behind. Mr. Parks reiterated that in 10 years, the district has grown 2,200 students and this year there are 299 more kids today then during the same time a year ago. Kindergarten enrollment is 844 students and 650 kids will be graduating; the district is not losing kids as trending backwards, there was 647 kids when they were in 2nd grade and though it may not be the exact same kids, the numbers are remaining the same. Mr. Parks noted the district will have a \$30.0M bond election in November and if it

passes the district will have \$70.4M in construction out of it. There is \$31.2M promised and appropriated to the district out of private/public partnerships, the City of Hobbs has approved \$10.0M, the Permian Strategic Partnership, which includes the 20 largest oil companies in the nation, has appropriated \$10.0M, the JF Maddox Foundation has appropriated \$10.0M and the county has appropriated \$900,000 to help the district get through some of their construction.

Roswell (RFM: Jeremy Sanchez)

Chad Cole – Assistant Superintendent of Finance & Operations

Mac Rogers – Coordinator of Construction

District Presentation: Mr. Rogers provided a brief history of PSCOC funded projects and spoke to the three projects being presented for award. The district is requesting standards-based funding for the replacement of Mountain View MS. During the site visit, the district expressed interest in renovating the 1996 gym. Significant site improvements need to be made and important school operations such as bus drop off and parent pick up/drop off occur in the street and there is inadequate parking for teachers and potential visitors. The district would like to adequately accommodate the existing enrollment and build to 21st century learning environments including providing for current and future technology needs. The district uses best practices to maintain their facilities while keeping costs down. Mountain View MS was originally constructed in 1953 and has had 7 additions. The district is proposing a design capacity of 525 students which aligns with the master plan and last year's enrollment of 515 students. In February 2019, the voters authorized \$14.0M in GO Bonds; those funds will go to this project. The replacement school will be built on the existing 14-acre site, south of the existing building. The district's second priority, Washington Avenue ES, is located on a 3-acre site downtown and has a lot of similar issues that Mountain View ES has with parent pick up/drop off and bus traffic occurring in the street. The district is requesting a standards-based award to renovate the existing building and construct a 4,000 square foot addition which would replace the existing portables on the site. The project goals are to adequately accommodate all of the students, provide for current and future technology needs, reduce maintenance costs through energy efficient design, improve air quality, and security. Funds are being requested for a design capacity of 460 students which is in line with the 2016 approved FMP; the district will utilize their 2019 GO Bond authorization. During construction, additional portables would need to be moved on to the site and the renovation work would be done 6-8 classrooms at a time with estimated completion in 2023. The systems request for Roswell HS is for funds to replace the fire alarm system. The existing system is proprietary and devices on the network are no longer manufactured therefore the system is currently not maintainable and replacement parts can no longer be purchased. Roswell HS was originally constructed in 1953 and the fire alarm, though not original to the building, was updated approximately 20 years ago.

PSFA recommends the Mountain View MS project proceed with planning and design, represented as 10% of the project cost, which shall include an educational specification for the school. Upon completion, the district can come back and request their out-of-cycle construction funding. For Washington Avenue ES, staff supports the district's request for a standards-based award to complete renovation of the existing facility and an addition to replace the existing portables to the maximum allowable gross square footage for 430 students, grades k-5. Due to the under-sized facility, outdated enrollment projections and limited local funding

available to complete the project, staff recommends the project begin with an ed spec/feasibility study to ensure the project will accommodate the educational adequacy of the projected enrollment. The district can return for out-of-cycle funding for the subsequent phases. For Roswell HS, as this is a critical life/health/safety system PSFA staff believes that the site would benefit from the improvements requested and confirms the request is commensurate with existing conditions as noted. Funding would be limited to the maximum allowable GSF based on projected enrollment. Specific to the systems-based program, there was a minimum threshold set of 65% FMAR to be eligible for an award. At this time the FMAR score is 39.64% and the requirement is prior to an award this would need to be at a 65% so the district would need to coordinate with the PSFA Maintenance Group to look at opportunities to bring the score up to the minimum to be eligible for an award.

Total estimated project cost for Mountain View MS is \$26,582,892. Phase 1 recommendation is \$2,658,289 with a 32% local match of \$850,653 and a 68% state match of \$1,807,637. Total estimated project cost for Washington Avenue ES is \$9,596,836. Phase 1 recommendation is \$75,000 with a 32% local match of \$24,000 and a 68% state share of \$51,000. Total estimated project cost for Roswell HS is \$500,000. Adjusted project cost to maximum allowable GSF is \$345,000 with a 32% local match of \$110,400 and a 68% state match of \$234,600. The district has indicated that they have available funds to accommodate the local match for all three projects.

The district's preventive maintenance plan is current. The district average FMAR is 79.17%; Mountain View MS campus FMAR is 78.08%, Washington Avenue ES campus FMAR is 82.47%, and the Roswell HS campus FMAR is 39.65%.

Facility	Rank	wNMCI (%)	FCI (%)
Mountain View MS	3	63.15%	78.35%
Washington Avenue ES	12	51.58%	72.68%
Roswell HS	6	53.65	70.96

Member Questions/Comments: Regarding Washington Avenue ES, Mr. Robbins stated the campus site was really small for the number of students and asked if the district has looked at relocating, reboundarying or closing the school because even with the addition and with removal of the portables there is still a small, cramped site with little outdoor space for the students. Mr. Cole replied that those discussions are currently taking place within the community. Mr. Romero expressed concern with the fire code and the requirement of the voice evac and that it may need to be brought up to current code; Mr. Rogers replied that they would work with a design professional to identify the requirement for that system as he was unsure how the new requirement for a voice evac would play into those discussions. Mr. Chamblin added that the amount associated with the request at this point was reasonable for a replacement of the existing system with a code compliant modern version and was something staff would continue to evaluate. Referring to the Mountain View ES replacement request, Mr. Guillen asked what would be done with the students while construction was occurring; Mr. Rogers replied there would be active construction on an active school site, fencing would be placed to create the separation between the construction areas and the school areas. Mr. Guillen then

asked if there were any additional technology improvements i.e.: cameras, that could be set in place at Roswell HS along with the fire system; Mr. Rogers replied that it would be looked at however they do have a current camera system as well as an aged intercom system that could be upgraded. Mr. Cole added that district-wide they added cameras at schools that did not have them and updated cameras in those facilities that already had cameras. The district has been looking at adding more cameras as well as the ability to use text messaging with parents and staff through current technologies.

Clovis (RFM: Jeremy Sanchez)

Renee Russ - Superintendent

John King – Deputy Director of Operations

Ronnie Anaya – Coordinator of Physical Plant

District Presentation: Barry ES was originally built in 1970 and sits on 10 acres. The district is requesting funding for 6 classrooms which will include 2 pre-k classrooms (previously funded under the pre-k program), 2 kindergarten classrooms and 4 half size classrooms for ancillary programs and complete renovation of the entire existing facility. The classroom addition will eliminate three double portables and will bring all students into the main building. The flooring, ceilings, windows, doors, plumbing, restrooms and electrical systems are original to the building and the roof/HVAC systems are beyond their expected life. The project will bring the entire facility up to current adequacy standards. Due to the building age, there is some asbestos that will require abatement. There has been a significant increase in enrollment at Barry ES since the 2017 school year; the district did close one elementary school and while those students were moved and housed in other facilities, Barry did see a jump in enrollment. The district passed a bond issue in February 2017 which includes the district match funds for the Barry ES project; the project would also be supplemented by the existing pre-k award which was awarded in June 2018. The next bond sale of \$3.0M is scheduled for September 2019. The combined funds from the September sale and funds currently on hand will be the districts match for these projects. The Clovis HS request consists of a systems-based request for the fire alarm system which is no longer manufactured or supported by the manufacturer. The district can no longer maintain or repair the system without converting. Complete replacement of the system is necessary to ensure the life, health and safety of all students and staff and to comply with current fire code. The request also includes funding for windows and door replacements as most are original to the facility.

PSFA recommends the Barry ES project proceed with planning and design, represented as 10% of the total project cost, which shall include an educational specification for the school and construction funding to complete the roofing and HVAC replacement as well as construction funding to complete the classroom addition. Based on the current progress of the project, staff would support providing credit to the district for all design work already completed for this portion of the work. For Clovis HS, staff supports the district's request for a systems-based award to complete replacement fire alarm system as a critical life/health/safety system as well as replacement of various exterior doors and exterior windows as noted in the application. Funding for these systems will be limited to the maximum allowable GSF based on the project enrollment. Based upon the system type identified in the districts application, a single phase award is recommended. As the facility is currently ranked 102, it is nearing eligibility for a

standards-based award and the district should begin exploring long-term solutions for the facility.

Total estimated project cost for Barry ES is \$8,883,586. Phase 1 recommendation is \$4,113,359 with a 32% local match of \$1,316,275 and a 68% state match of \$2,797,084. Total estimated project cost for Clovis HS is \$1,114,643. Adjusted project cost to maximum allowable is \$803,504 with a 32% local match of \$25,712 and a 68% state share of \$54,638. The district has indicated that they have available funds to accommodate the local match for both projects.

The district's preventive maintenance plan is current. The district average FMAR is 90.08%; the Barry ES campus FMAR is 84.57% and the Clovis HS campus FMAR is 70.51%.

Facility	Rank	wNMCI (%)	FCI (%)
Barry ES	72	39.46%	73.28%
Clovis HS	102	37.11%	73.44%

Member Questions/Comments: Mr. Robbins asked if there were any discussions with Cannon Air Force Base regarding base expansions or contractions and how it could affect enrollment. Mr. King replied that the district is in close communication with the base and are being told with the mission and the training that they have there is no indication that they are going anywhere; the federal government continues to pour money into the facility as new base housing is being built and are expanding their facilities at the base. The district is confident the growth is at a maximum and overall only a small influx will be seen. Referring to Barry ES and noting that the FCI is 73.28% with the most recent addition being done in 1973 and the district only requesting to renovate space, Ms. Gudgel asked if it was a good investment or whether doing a feasibility study to determine if a renovation or tear down and rebuild was the right thing. Ms. Cano replied that there were a lot of contributing factors in to where the district is with their request, specifically, at the time the district began moving forward with their request it was based on the pre-k and the district does have a strong desire to keep the facility and even with a high FCI, the existing facility is good and has good bones and is worth moving forward with renovation for a long term solution.

Gallup-McKinley (RFM: Richard Dicks)

Mike Hyatt - Superintendent

Tim Bond – Assistant Superintendent of Support Services

Jvanna Hanks – Assistant Superintendent of Business Services

Roxy Flanders – Facilities & Planning Director

District Presentation: Mr. Hyatt provided an overview of the district and noted the significant deficits at the district. It is anticipated that the district will need to continue to request additional funding as they are not capable with capital dollars to fulfill their match and take care of their facilities. The district has 33 schools spread over 5,000 square miles in seven communities; the district also encompasses a large area of the Navajo Nation while serving 90 distinct communities. The cost to educate the students is high as they are a consolidated school district. For the Gallup HS project, the school is in need of a parking lot replacement as it is deroding

significantly. The school is in the top 100 and will never be able to make their match unless Council awards a waiver for all or a significant part of the local match. Mr. Hyatt stated that according to PSFA, adequacy for the parking lot would only be the front two areas of the school, although there is a need for the bus turn-around in the back, it does not fall under adequacy and the district is asking that it be included or that part of the cost for the south parking lot be used for the bus loop and turn-around area in the back of the school. For Crownpoint MS, the roof on the old part of the school is in significant repair and needs to be replaced. The project at Tse Yi Gai HS is in need of roof replacement and, per PSFA, only half of the roof is to adequacy. Mr. Hyatt disagreed with the assessment as the whole roof needs to be replaced and the district does not have the funds to replace the other half. Ms. Casias noted that for Gallup HS, the district was requesting a systems-based award to resurface the parking lots and repair/replace the walkways however the bus drop-off, mentioned by Mr. Hyatt, was not included in the application. Adding that the parking lot is calculated based on the adequacy standards as a base line, you get 1.5 spaces per full time employee and .25 space per each high school student; PSFA adds an additional 1 space times 2 for the space around each parking space as well as adding funding for drainage. It was noted that the systems included within the Crownpoint MS application are not within the gross square footage allowable areas however the spaces under the roof are as it is an educational space but is larger than the allowed square footage. The roof system being applied for is identified as a Category 3, mitigating additional damage. The systems-based request for Tse Yi Gai HS is also a re-roof. The system is within educational adequacy but the school is significantly over-sized. Ms. Casias noted that in order to be eligible for an award the applicant campus FMAR must be 65% or greater and reiterated the FMAR scores for the three Gallup projects were all under the minimum requirement.

For the Gallup HS project, staff recommends a systems-based award to resurface the existing parking lot and to replace/repair selected walkways. Based on the position in the statewide ranking, PSFA had suggested that the district apply for a standards-based award to replace the school, however; the district indicated that they do not have the funding to replace the school. Many of the systems are beyond expected life, degraded with potential mission impact, or mitigating additional impact; however, the district indicates they plan to house students in the facility for the next 5-10 years. For Crownpoint MS, the district is requesting replacement of the existing roof on the classroom building. PSFA agrees this roof should be replaced to mitigate additional damage to interior building systems. The FAD captures the roof as Category 3 and PSFA recommends a single-phase, systems-based award for the roof, within the limit defined by the maximum allowable GSF calculator. For Tse Yi Gai HS, PSFA staff believes that the site would benefit from the improvements requested and confirms the request is commensurate with existing conditions as noted. PSFA recommends a single-phase, systems-based award for the roof within the limit defined by the maximum allowable gross square foot calculator.

Total estimated project cost for Gallup HS is \$5,043,970. Adjusted project cost to maximum allowable is \$4,425,055 with a 20% local match of \$941,731 and an 80% state match of \$3,483,324. Total estimated project cost for Crownpoint MS is \$1,811,429. Adjusted project cost per maximum allowable is \$1,775,200 with a 20% local match of \$355,040 and an 80% state share of \$1,420,160. Total estimated project cost for Tse Yi Gai HS is \$1,170,379. Adjusted project cost to maximum allowable is \$526,671 with a 20% local match of \$105,334

and an 80% state match of \$421,336. The district is requesting a waiver of the local match for the three Gallup projects and indicates they do not have available funds.

The district's preventive maintenance plan is current. The district average FMAR is 48.29%; the Gallup HS campus FMAR is 17.19%, the Crownpoint MS campus FMAR is 59.83%, and the Tse Yi Gai HS campus FMAR is 34.62%.

Facility	Rank	wNMCI (%)	FCI (%)
Gallup HS	29	46.29%	57.96%
Crownpoint MS	124	35.46%	61.63%
Tse Yi Gai HS	213	29.54%	45.16%

Member Questions/Comments: Referring to the three maintenance modules: Maintenance Direct, Preventive Maintenance Direct and Utility Direct, Ms. Gudgel reiterated that staff had, in the past, indicated that a district not be at the minimum 65% requirement could easily come up to the minimum by the time an award was made and asked how PSFA was working with the district to help them get to the minimum. Mr. Tillotson replied that staff was working closely with the district through the FMAR 60-day response process whereby they have the opportunity to improve their facility conditions and the score by using the FIMS product and creating work orders to resolve the issues on the actual FMAR reports. Another portion would be to update the district's preventive maintenance plan which is worth 20% of the final FMAR score and the district has recently submitted an outstanding preventive maintenance plan. Ms. Flanders replied that the district was working with Mr. Tillotson, are keeping their preventive maintenance plan up-to-date and are starting to enter information into the FIMS program.

Ms. Padilla-Jackson inquired as to what the estimated cost would be for full replacement of the Gallup HS; Mr. Chamblin replied that using the five-year enrollment projection and the resultant maximum allowable gross square footage, the cost would be approximately \$43.6M.

Ms. Hanks spoke about the bonding capabilities and noted that discussion with the bond advisor RBC Capital Market as well as the local county assessor, McKinley County was involved in a lawsuit with the Navajo Nation regarding prices of grazing acres and it came out negatively against McKinley County who lost \$44.9M of assessed valuation which is more than 5% of their total assessed valuation. Every year the district repays principal then goes out for a subsequent bond in order to continue meeting their match. In previous history, they had been bonding about \$25.0M every four years; the bond advisors have told the district that with the debt they are currently carrying and the lower assessed valuation, the most they would likely be able to go out for would be \$12.0M. Ms. Hanks also noted that with the cash that the district is carrying they have a lot of federal funds that have gone from fully refunded in 2006-2007 to an expenditure reimbursement cycle through the Public Education Department (PED) which means that the district has to utilize operations funds until payments are reimbursed. Unfortunately, PED has been 6-7 months behind in reimbursing the funds, between 6-7 months behind. The districts outstanding loans at the end of last fiscal year was \$8.2M and the district is anticipating additional loans that will need to be made out of the cash balance as they will have to pay for the transportation funds up front then wait to be reimbursed. The district has also obligated \$2.6M in the current year budget for capital expenditures out of operational

funds and have also implemented a \$3.0M emergency reserve since the district has had some significant downturns as sequestration hit several years ago. Additionally, there was an Impact Aid lawsuit that delayed impact aid payments for several years and only once the suit was resolved was the district back paid for many years' worth of impact aid.

Ms. Padilla-Jackson asked if the district would be better off requesting a replacement of the facility with a waiver for the match; Mr. Hyatt replied that the district has never received a waiver for anything yet they continue to go through the process of asking for one but to think that they would get a waiver for the school is not very promising. Acknowledging the new members on the Council, the district hopes that some perspectives change regarding their district. Ms. Padilla-Jackson noted that with new members, it would be helpful to hear what the needs are so that they could make the determination on their own regarding a waiver; Mr. Hyatt offered to present the districts capital outlay issues to the members if they wanted as they have already presented to the LFC and LESC and were willing to speak with anyone willing to listen.

Referring to the proposed adjustments to the maximum allowable costs, Mr. Guillen stated that assuming the district meets the maintenance requirements to move the projects forward and to give the waiver request, asked how the district would address the reductions that are recommended by staff; would the district be willing to move forward, would they pick up the additional costs locally or how would they occur? Mr. Hyatt replied that the district was willing to do what they needed to do; if they have to pick up the additional costs they would try to do so and reiterated that it feels like a game that is stacked against them in how they have to pay for certain things in order to get other things done when they are significantly under-funded in the State of New Mexico for maintenance in the first place. Regarding the adjustments, Mr. Guillen asked if the district was comfortable that they were applied fairly and consistently in terms of the formulas that are in place. Mr. Bonds replied that on the Gallup HS project the district may be able to figure it out, though they may not be able to do all of the parking lots and the bus loop that they wanted. For Crownpoint MS, that one was fairly close and the district may be able to accomplish it. For Tse Yi Gai HS, the district was unsure how they would do that one when you have a school that is twice the size than is needed because the enrollment didn't come in as projected or has been reduced over the years. Mr. Bond stated he was unsure how one would replace half a school's roof and decide what part to replace. Mr. Hyatt replied that eventually the district would have to condemn the building. Ms. Gudgel sought clarification that the Tse Yi Gai HS was a Council built school; Mr. Bond replied in the affirmative. Ms. Gudgel then asked if the school had ever been at capacity; Mr. Hyatt replied in the negative and added that he was unsure why the school was built to the size it was. Mr. Chamblin noted that the school was a critical capital outlay project and given that the five-year enrollment projection is small, it is a potential candidate for some selected demolition of some excess classroom square footage to right size the facility and noted if it was amenable to the district, it could be added since demolition is a fundable system type and is an option for this particular school. Mr. Hyatt replied it might be something to think about.

Portales (RFM: Jeremy Sanchez)

Johnnie Cain - Superintendent

Sarah Stubbs – Director of Finance

Nat Gomez – Director of Maintenance

Owen Kramme – Architect, Formative Architecture

District Presentation: The district is requesting participation in a systems-based project to renovated Brown Early Childhood Center (BECC). The district is ready to begin the project upon approval and has financing in place to meet their match. Because of a 2018 award for pre-k funding, the school is over 60% complete with their design on the building. If approved, the district will be ready to go out for bid in late January and begin renovations by June of 2020 with completion before the start of the 2021 school year. In 2017, the taxpayers passed a \$7.5M bond that was paid out in four installments and that funding will be used to finish this project. Portales Schools are considered grade-level schools where there is a pre-k, 3-year-old program and kindergarten class which are all at Brown Early Childhood Center. The 1st and 2nd graders are at James ES, 3rd and 4th graders are at Valencia ES, 5th and 6th graders are at Lindsey Steiner ES, 7th and 8th grade students are at the junior high and 9th-12th grades are at Portales HS. Enrollment is a little over 2,770 (3 year olds – 12th); at Brown Early Childhood Center there are 49 3 year-olds, 101 pre-k students and 190 kindergarten students for a total of 340 students. In 2018 they were awarded pre-k funding for about \$2.2M; the intent was to renovate nine classrooms in the original building at BECC to include the electrical, plumbing and mechanical upgrades. The district intent was to also add another \$800K to renovate the common restrooms and the remainder of the school, however, due to some language in the MOU and some unforeseen expenses it has become obvious that the \$3.0M would not be adequate to complete the project. To make the project be what it needs to be, the district decided to come before the Council and request the systems-based funding. BECC was built in 1948 and is 19,079 square feet in the one wing. Over the years it has been used by many students in different grades. With a new wing that was built in 2005 it takes the school off the list to be able to do a standards-based project and the district is unable to construct a new facility at this time. Per Mr. Cain, the original structure is structurally sound and safe and with a good face lift the building will be a great historical building that the district can expect to use for another 30 years or more. The request for systems upgrades includes every system within the building: electrical, mechanical, plumbing, exterior lighting, resurfacing of the parking lot, energy efficient windows and exterior walls, LED lighting throughout, technology infrastructure upgrades and fire safety upgrades. The electrical and plumbing systems are from the original 1948 construction.

PSFA supports the district's request for a systems-based award to complete a comprehensive systems replacement to renovate the 1948 building. The award would be supplemented by the existing pre-k classroom facilities award. Funding for the systems will be limited to the maximum allowable gross square foot based on the projected enrollment. Based on the system types identified, a two phase award is recommended. The district may return to the PSCOC for out-of-cycle funding for construction.

Total estimated project cost is \$4,344,223. Phase 1 recommendation \$434,422 with a 31% district match of \$134,671 and a 69% state match of \$299,751. The district has indicated they have their local funding for this project.

The district's preventive maintenance plan is current. The district average FMAR is 75.55% and the campus FMAR is 80.22%.

Facility	Rank	wNMCI (%)	FCI (%)
Brown Early Childhood Center	246	27.84%	53.34%

Member Questions/Comments: Ms. Gudgel sought clarification on the 284 projected enrollment and the 365 actual enrollment; Mr. Cain replied it was the New Mexico pre-k students; Mr. Valdez noted that the 284 projection was from the facilities master plan and at that time it took into consideration the kindergarteners and the 3 & 4-year-old DD students. Ms. Gudgel suggested that the enrollment numbers be better defined and reminded members of the statutory changes in SB231 that we are now allowed to fund pre-k spaces for pre-k students. Ms. Cano clarified that the language is specific to standards-based not systems and reiterated this would be dually funded from the existing pre-k award and the rest of the enrollment would be from the 3&4-year-old DD students. Noting that the staff recommendation is for a two phase award, and that the school has been in the planning phase for the pre-k classrooms for some time, Mr. Guillen asked if there was any way to expedite the process since it has been in planning for a while, or will there be a shorter planning period and asked how the timeframe looked for the project. Mr. Sanchez replied that the design for pre-k and what the district had intended is about 60% and it is expected to wrap up in the next couple of months and be shovel ready in 2020 with construction in about 6 months.

San Jon (RFM: Jeremy Sanchez)

Janet Gladu - Superintendent

Mike Thrasher – Director of Food Service & Maintenance

District Presentation: Ms. Galdu stated that San Jon is a small district in eastern New Mexico with 145 students. The district is requesting \$2.75M and currently has \$219,194 as a cash balance in their operational fund and will have a bond election in November for \$900,872. The district is looking at several projects; ceiling finishes, hard floor finishes within the cafeteria, fire systems, multipurpose room ceilings, HVAC. Outside projects include the track, football field/playground equipment, fencing around the site for security, parking lots for drainage purposes. The FMAR score is 79% and the district has fixed items that were able to easily done. The district would like to get the projects started as soon as the bonds are sold. Mr. Chamblin reiterated this was a systems-based request that includes a variety of site and building systems. The systems listed within the application are not all within the limit defined by the maximum allowable GSF calculator and/or within eligible space types. With the exception of the paving, the systems listed within the application are degraded and in need of replacement.

PSFA recommends participation in a two-phase award for each of the site and building systems within core educational spaces, up to the limit defined by the maximum allowable GSF calculator. Funding for these systems will be limited to the maximum allowable GSF based on the projected enrollment.

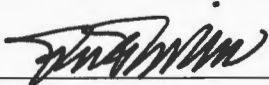
Total estimated project cost is \$2,750,000. Adjusted project cost to maximum allowable is \$2,396,667 with a 31% district match (including offsets) of \$87,497 and 69% state match of \$152,170. The district has indicated they have available funds to accommodate a portion of the project; the balance of the project will be funded through a future bond sale.


The district's preventive maintenance plan is current. The district average FMAR is 79.16%; the campus FMAR is 79.16%.

Facility	Rank	wNMCI (%)	FCI (%)
San Jon Combined School	210	29.72%	61.14%

Member Questions/Comments: Upon looking at the definition of a building system, Ms. Gudgel sought clarification on the inclusion of the track, as the definition doesn't contemplate athletic fields; noting this may be a point that needs to be clarified for the systems program, Mr. Chamblin replied that staff is considering that the track would be eligible for systems funding; as we have been doing site work of various kinds of other projects (parking lots, paving, fencing, grading and drainage) as part of the systems program, yet there doesn't appear to be a full request such as this. Ms. Cano added that within the definition in statute of a building system, the Council does have some flexibility in determining what a system is. Mr. Guillen suggested this be further clarified at the next Awards Subcommittee meeting.

There being no further business to come before the Council, Mr. Robbins moved to adjourn the meeting. Ms. Gudgel seconded and the motion passed unanimously. Meeting adjourned at 3:51 P.M.


Chair


Date