

PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL

January 14, 2026 – 9:00 AM

State Capitol Building, Room 321

Santa Fe, NM

I. Call to Order - Joe Guillen, Chair

- A. Roll Call
- B. Approval of Agenda*
- C. Correspondence

* Denotes potential action by the PSCOC

PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL (PSCOC)

Agenda

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State Capitol Building Room 321

490 Old Santa Fe Trail, Santa Fe, NM 87501

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I. Call to Order – Joe Guillen, Chair

- A. Roll Call
- B. Approval of Agenda*
- C. Correspondence

II. Public Comment

III. Finance

- A. PSCOC Financial Plan

IV. Consent Agenda*

- A. December 11, 2025, PSCOC Meeting Minutes*
- B. P23-004 Heights MS (Farmington) – Award Language Change*
- C. P23-005 Mesa Verde ES (Farmington) – Award Language Change*
- D. P24-008 Algodones ES (Bernalillo) – Award Language Change*
- E. Recertification of SSTBs*

V. Awards Cycle

- A. FY26 Lease Assistance Award Update*

VI. Out-of-Cycle Awards

- A. P19-017 Tularosa Middle School (Tularosa) - Construction Funding Request*
- B. P22-002 Combined School (Mosquero) – Additional Construction Funding Request*

VII. Other Business

- A. FY26 Capital Outlay Awards Cycle Adjustment/Update*

VIII. Informational

- A. PSFA HR Staffing Report
- B. Zuni Lawsuit Update
- C. NMMI SB280 Update
- D. Adequacy Planning Guide Update
- E. Executive Director Evaluation Process

IX. Next PSCOC Meeting – March 11, 2026 – (tentatively)

X. Adjourn

PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL (PSCOC)

Agenda

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State Capitol Building Room 321

490 Old Santa Fe Trail, Santa Fe, NM 87501

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**PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL
SUBCOMMITTEE ASSIGNMENTS**

PSCOC

Joe Guillen, Chair

Awards Subcommittee

Charles Sallee, LFC - Chair

John Sena, LESC

Mariana Padilla, PED

Martin Romero, CID

Administration, Maintenance & Standards Subcommittee

Ashley Leach, DFA - Chair

Randall Cherry, LCS

Stewart Ingham, PEC

Elizabeth Groginsky, Governor's Office

Joe Guillen will serve on subcommittees in the absence of any member or designee.

I. Correspondence

II. Presenter(s): Marcos Trujillo, Executive Director

III. Executive Summary (Informational):

No correspondence at this time.

II. Public Comment

III. Finance

A. PSCOC Financial Plan

I. PSCOC Financial Plan**II. Presenter(s): Matthew Schimmel, Chief Financial Officer****III. Executive Summary (Informational):****Key Points:****Awards Year-to-Date Updates (Lines 34-36 - Financial Plan Sources & Uses Detail)**

Version	FY26	FY27	FY28	Total
December 2025	490.9	652.3	0.0	1,143.2
January 2026	493.4	652.3	0.0	1,145.7
Net Change	2.5	0.0	0.0	2.5

*in millions of dollars***Out of Cycle Requests:**

- P19-017 Tularosa Middle School (Tularosa) – Construction Funding Request
 - Total State Match Request: \$30,095,130.00
 - *Total Local Match Reduction Request: \$7,822,891.00
 - Total Request: \$37,918,021.00
- P22-002 Combined School (Mosquero) – Additional Construction Funding Request
 - Total State Match Request: \$90,000.00
 - *Total Subcommittee Recommended Local Match Reduction: \$750,000.00
 - *Total Subcommittee Recommended Advance for Local Match: \$660,000.00
 - Total Request: \$1,500,000.00

Exhibit(s):

A – PSCOC Financial Plan

PSCOC Financial Plan

Sources & Uses Detail (millions of dollars)

January 14, 2026

I. SOURCES & USES		FY25 Act.	FY26 Est.	FY27 Est.	FY28 Est.		
	SOURCES:						
1	Uncommitted Balance (Period Beginning)	536.1	437.8	222.2	375.5	1	
2	SSTB Notes (Revenue Budgeted July)	340.4	396.5	537.4	407.4	2	
3	SSTB Notes (Revenue Budgeted January)	144.2	213.6	407.4	438.7	3	
4	(2025) HB-002 Community Benefit Fund Transfer (SB-048) - Electric Vehicle Charging Infrastructure		60.0			4	
5	Project Reversions - ESTIMATE	22.5	0.6	0.6		5	
6	Operating Reversions	0.0	0.0	0.0		6	
7	Advance Repayments	0.1	1.2	0.5		7	
8	Subtotal Sources:	1,043.3	1,109.7	1,168.0	1,221.5	8	
	USES:						
9	Capital Improvements Act (SB-9) & HB 119 (L22,C22)	45.4	50.0	45.5		9	
10	Lease Payment Assistance Awards	23.0	25.0	26.6		10	
11	Facilities Master Plan Assistance Awards	0.7	2.2	0.7		11	
12	BDCP (Includes Cat. 1 & Cat. 2)	10.0	10.0	10.0		12	
13	(2025, 2024) HB-002, Broadband Access and Expansion Program Transfer	0.7	0.7			13	
14	PSFA Operating Budget	7.4	7.8	9.1		14	
15	CID/SFMO Inspections	0.3	0.3	0.3		15	
16	Emergency Reserve for Contingencies		10.0	10.0		16	
17	SB275 School Buses (PED)	29.2				17	
18	SB275 School Bus Cameras (PED)		0.6			18	
19	Tribal Libraries (PED)					19	
20	HB2 School Safety Summits (PED) (Ch210, S199)	0.2				20	
21	SB275 Fueling/Charge Stations for Buses (PED)	1.5				21	
22	HB2 Las Vegas City Memorial MS	1.5				22	
23	SB275 Higher Education Appropriation	30.0				23	
24	PSFA Vehicles HB2 (L23, 1S,C210,S5,I209)					24	
25	HB505 Security and CTE FY24					25	
26	(2025) HB-450, Sec. 49, HED STEM Institute Construction (Albuquerque, Bern. County)		20.0			26	
27	(2025) HB-450, Sec. 50, PED Statewide Alternatively Fueled Vehicle Stations Construct		1.5			27	
28	(2025) HB-450, Sec. 51-1, SFIS Paolo Soleri Amp Construct (Santa Fe, Santa Fe County)		3.0			28	
29	(2025) HB-450, Sec. 51-2, Navajo Prep Schl Infra & Drainage Improve (Farmington, San Juan County)		3.0			29	
30	(2025) HB-450, Sec. 52, Statewide School Dist Distributions (Security, CTE, Maintenance/Repair)		50.0			30	
31	(2025) HB-002 Community Benefit Fund Transfer (SB-048) - Electric Vehicle Charging Infrastructure		60.0			31	
32	(2025) Measurement & Verification (M&V) - Phase II		1.3				
33	Out-of-Cycle Potential Waivers	78.7	149.4	38.1		33	
34	Awards YTD - Pilot Teacher Housing (per Project Awards Schedule)	1.0	0.0	0.0	0.0	34	
35	Awards YTD - Pre-K (per Project Awards Schedule)	56.9	1.8	0.9	0.0	35	
36	Awards YTD - Standards & Systems-based (per Project Awards Schedule)	318.6	491.6	651.3	0.0	36	
37	Subtotal Uses:	605.5	887.5	792.6	0.0	37	
38	Estimated Uncommitted Balance Period Ending	437.8	222.2	375.5	1221.5	38	
II. PROJECT AWARD SCHEDULE SUMMARY		Total	FY25 Act.	FY26 Est.	FY27 Est.	FY28 Est.	Total
39	FY12 Awards Cycle	5.4	0.0	5.0	0.0	0.0	5.4
40	FY15 Awards Cycle	0.4	0.0	0.4	0.0	0.0	0.4
41	FY16 Awards Cycle	5.9	0.0	5.9	0.0	0.0	5.9
37	FY19 Awards Cycle	193.7	16.5	56.0	3.3	0.0	193.7
38	FY20 Awards Cycle	201.4	1.4	60.8	53.7	0.0	201.4
39	FY21 Awards Cycle	442.5	161.0	0.4	175.1	0.0	442.5
40	FY22 Awards Cycle	200.9	48.1	22.9	64.5	0.0	200.9
41	FY22 Awards 2nd Cycle	25.9	5.5	1.0	1.3	0.0	25.9
42	FY 22 Awards Cycle Subtotal	226.8	53.6	24.0	65.8	0.0	226.8
43	FY23 Awards Cycle	206.7	46.7	104.9	54.8	0.0	206.7
44	FY24 Awards Cycle	528.3	76.6	201.2	185.1	0.0	528.3
45	FY25 Awards Cycle	170.1	20.7	34.9	114.6	0.0	170.1
46	FY26 Awards Cycle	0.0	0.0	0.0	0.0	0.0	0.0
47	Subtotal Uses :	1,981.3	376.5	493.4	652.3	0.0	1981.3

PSCOC Financial Plan

Summary of Changes Since 12/11/2025

PSCOC ACTION - OUT-OF-CYCLE, EMERGENCY, ADDITIONAL FUNDING		Award Amount
S24-017 Sandia ES (Clovis) – Rescind Award		(\$105,122)
S24-019 Los Alamos HS (Los Alamos) - Additional Construction Funding		\$606,818
S24-023 Melrose Combined (Melrose) - Award Language Change		\$80,000
P24-001 Combined School (Maxwell) – Construction Funding Request		\$50,882,869
	Total Awards: \$ 51,464,565	
	Total Reversion/Reallocation/Rescind: \$0	

PSCOC FUND PROJECT AWARD SCHEDULE DETAIL - MODIFICATIONS					
Potential Council Action Projects - Agenda:	Original Award	Previous	Current	Change	
	Fiscal Year (FY)	FP Estimate	FP Award	Fav (Unfav)	
P19-017 Tularosa Middle School (Tularosa) - Construction Funding	FY19	\$ 53,136,722.10	\$ 37,918,021.00	\$ 15,218,701.10	
P22-002 Combined School (Mosquero) – Additional Construction	FY22	\$ -	\$ 1,500,000.00	\$ (1,500,000.00)	
	Subtotal	\$ 53,136,722.10	\$ 39,418,021.00	\$ 13,718,701.10	

FINANCIAL PLAN ASSUMPTIONS and SUMMARY:					
Financial Plan Variance Between Months					
	FY24 Act.	FY25 Act.	FY26 Est.	FY27 Est.	
Uncommitted Balance [FY26 - Dec. 2025 (Q4)]	536.1	437.8	208.5	361.7	
Uncommitted Balance [FY26 - Jan. 2026 (Q1)]	536.1	437.8	222.2	375.5	
Variance Favorable (Unfavorable)	-	-	13.7	13.7	

PSCOC FUND PROJECT AWARD SCHEDULE DETAIL - (Representation of Uncommitted Balance in FY26)

Legend													
Purple Text													Awarded Design
Purple Highlight													Pending Design Award
Green Text													Awarded Construction
Green Highlight													Pending Construction Award
\$000,000													Numbers in <i>italics</i> indicate bonds have not been certified

January 14, 2026

														FY 2026				FY 2027				FY 2028						
														\$493,382,919				\$652,260,354				\$0						
														\$1,839,503	\$51,637,324	\$126,892,757	\$313,013,335	\$209,731,939	\$395,932,663	\$46,595,753	\$0	\$0	\$0	\$0	\$0	\$0		
FY12 AWARDS														Phase 1	Phase 2	Total	2025_Q3	2025_Q4	2026_Q1	2026_Q2	2026_Q3	2026_Q4	2027_Q1	2027_Q2	2027_Q3	2027_Q4	2028_Q1	2028_Q2
P12-006	Espanola	Velarde ES	A01 - SSTB20BE0003 - \$379,456		\$379,456	\$5,036,864	\$5,416,320			\$0	\$0	\$0	\$5,036,864															
				Total	\$379,456	\$5,036,864	\$5,416,320		\$0	\$0	\$0	\$5,036,864																
FY15 AWARDS														Phase 1	Phase 2	Total	2025_Q3	2025_Q4	2026_Q1	2026_Q2	2026_Q3	2026_Q4	2027_Q1	2027_Q2	2027_Q3	2027_Q4	2028_Q1	2028_Q2
P15-006	Gallup-McKinley	Thoreau Teacher Housing	A32 - SSTB18SD 0001 - \$1,516,391.00		\$364,500	\$0	\$364,500						\$364,500															
			A81 - SSTB18SB 0004 - \$13,647,522																									
			A92 - SSTB19SD 0004 - \$350,924																									
			Total	\$2,314,298	\$19,195,765	\$21,676,838			\$0	\$0	\$0	\$364,500																
FY16 AWARDS														Phase 1	Phase 2	Total	2025_Q3	2025_Q4	2026_Q1	2026_Q2	2026_Q3	2026_Q4	2027_Q1	2027_Q2	2027_Q3	2027_Q4	2028_Q1	2028_Q2
P16-002	Espanola	Abiquiu Elementary School	A51 - SSTB15SB0001 - \$198,059		\$454,036	\$0	\$454,036						\$5,934,164															
			A92 - SSTB19SD0004 - \$255,977																									
			Total	\$454,036	\$0	\$454,036			\$0	\$0	\$0	\$5,934,164																
FY19 AWARDS														Phase 1	Phase 2	Total	2025_Q3	2025_Q4	2026_Q1	2026_Q2	2026_Q3	2026_Q4	2027_Q1	2027_Q2	2027_Q3	2027_Q4	2028_Q1	2028_Q2
P19-004	Gallup-McKinley	Tohatchi Teacher Housing	A03 - SSTB20SD 0002 - \$22,625,748		\$346,585	\$3,253,415	\$3,600,000						\$3,253,415															
P19-006	Las Vegas	Sierra Vista ES	A81 - SSTB18SB0004 - \$447,398		\$447,398	\$18,284,012	\$18,731,410						\$18,054,732															
P19-017	Tularosa	Tularosa MS	A92 - SSTB19SD 0004 - \$2,792,788		\$2,792,788	\$37,918,021	\$40,710,809						\$37,918,021															
			Total	\$18,170,516	\$27,022,019	\$290,192,535			\$0	\$0	\$0	\$55,972,753																
FY20 AWARDS														Phase 1	Phase 2	Total	2025_Q3	2025_Q4	2026_Q1	2026_Q2	2026_Q3	2026_Q4	2027_Q1	2027_Q2	2027_Q3	2027_Q4	2028_Q1	2028_Q2
P20-001	Alamogordo	Chaparral MS	A81 - SSTB18SB 0004 - \$774,754		\$2,162,755	\$31,332,600	\$33,495,355						\$31,332,600															
P20-002	Central	Newcomb ES	A82 - SSTB18SD 0001 - \$25,000		\$1,087,543	\$22,386,078	\$23,473,621						\$22,386,078															
P20-003	Roswell	Mountain View MS	A82 - SSTB18SD 0001 - \$1,807,637		\$1,807,637	\$35,883,600	\$37,691,237						\$35,883,600															
P20-006	Roswell	Washington Avenue ES	A82 - SSTB18SD 0001 - \$51,000		\$2,488,106	\$22,392,958	\$24,881,064						\$2,488,106															
			Total	\$17,318,852	\$240,846,526	\$258,013,372			\$0	\$0	\$0	\$60,757,784																
FY21 AWARDS														Phase 1	Phase 2	Total	2025_Q3	2025_Q4	2026_Q1	2026_Q2	2026_Q3	2026_Q4	2027_Q1	2027_Q2	2027_Q3	2027_Q4	2028_Q1	2028_Q2
P21-003	Gallup-McKinley	Gallup HS	A04 - SSTB21SD 0001 - \$11,922,644		\$12,023,894	\$80,254,339	\$92,278,233						\$68,331,695															
P21-005	Gallup-McKinley	Crownpoint HS	A04 - SSTB21SD 0001 - \$4,720,541		\$5,071,465	\$66,937,466	\$72,008,931						\$62,216,925															
P21-005	Gallup-McKinley	Crownpoint HS Teacher Housing			\$350,924	\$-	\$350,924			</																		

PSCOC FUND PROJECT AWARD SCHEDULE DETAIL - (Representation of Uncommitted Balance in FY26)

January 14, 2026

Legend	
Purple Text	Awarded Design
Purple Highlight	Pending Design Award
Green Text	Awarded Construction
Green Highlight	Pending Construction Award
\$000,000	<i>Numbers in italics indicate bonds have not been certified</i>

Cost per Square Foot Variance Analysis for Out-Year Funding

Standards-based Projects

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q		
Fiscal Year	Project Number	District	School	Project Type	Original Estimated State Match	Original Estimated Cost per Square Foot (SqFt) MACC	Original Estimated TPC per Square Foot (SqFt)	Updated State Match	Updated Estimated Cost per SqFt MACC	Updated TPC/SqFt (MACC + Soft Cost)	TPC Cost per SqFt Percentage Increase	Difference (I - G)	Waiver (X)	Potential FY26 Additional Cost (Waiver)	Potential FY27 Additional Cost (Waiver)	Potential FY28 Additional Cost (Waiver)		
1	FY12	P12-006	Espanola	Velarde ES	Full Renovation	\$ 3,794,560	\$ 175	\$ 228	\$ 5,416,320	\$ 300	\$ 390	71%	\$ 163				1	
2	FY15	P15-006	Gallup-McKinley	Thoreau	Teacher Housing				\$ 3,645,000	N/A	N/A						2	
3	FY16	P16-002	Espanola	Abiquiu ES	Full Renovation	\$ 3,726,450	\$ 175	\$ 228	\$ 6,388,200	\$ 300	\$ 390	71%	\$ 163				3	
4	FY19	P19-004	Gallup-McKinley	Tohatchi	Teacher Housing				\$ 3,600,000	N/A	N/A						4	
5	FY19	P19-006	Las Vegas City	Sierra Vista ES	Full Renovation	\$ 4,473,984	\$ 100	\$ 130	\$ 18,502,130	\$ 600	\$ 780	498%	\$ 650				5	
6	FY19	P19-017	Tularosa	Tularosa MS	Full Replacement	\$ 27,927,879	\$ 372	\$ 484	\$ 39,709,952	\$ 700	\$ 910	88%	\$ 426	PARTIAL	\$ -		6	
7	FY19	P19-018	Belen	Dennis Chavez ES	Partial Replacement and Renovation	\$ 11,777,849	\$ 350	\$ 455	\$ 16,345,052	\$ 450	\$ 585	29%	\$ 130				7	
8	FY20	P20-001	Alamogordo	Chaparral MS	Full Replacement	\$ 30,959,593	\$ 415	\$ 540	\$ 31,332,600	\$ 550	\$ 650	20%	\$ 111				8	
9	FY20	P20-002	Central	Newcomb ES	Full Replacement	\$ 15,087,253	\$ 447	\$ 580	\$ 22,386,078	\$ 900	\$ 1,170	102%	\$ 590	PARTIAL	\$ 14,924,052		9	
10	FY20	P20-003	Roswell	Mountain View MS	Full Replacement	\$ 18,076,367	\$ 225	\$ 293	\$ 32,640,816	\$ 500	\$ 650	122%	\$ 358				10	
11	FY20	P20-006	Roswell	Washington Ave. ES	Design & Partial Replacement and Renovation	\$ 6,525,848	\$ 280	\$ 364	\$ 24,881,064	\$ 500	\$ 650	79%	\$ 286				11	
12	FY20	P20-010	Clovis	Barry ES	Partial Replacement and Renovation	\$ 6,507,124	\$ 105	\$ 137	\$ 11,697,530	\$ 250	\$ 325	138%	\$ 189				12	
13	FY21	P21-001	Zuni	Zuni HS/Twin Buttes HS	Full Replacement and Teacher Housing	\$ 95,196,214	\$ 475	\$ 618	\$ 113,887,800	\$ 900	\$ 1,170	89%	\$ 553				13	
14	FY21	P21-003	Gallup-McKinley	Gallup HS	Full Replacement	\$ 58,142,391	\$ 375	\$ 488	\$ 92,278,233	\$ 650	\$ 845	73%	\$ 358				14	
15	FY21	P21-004	Hobbs	Heizer MS	Full Replacement	\$ 21,735,309	\$ 450	\$ 585	\$ 31,744,284	\$ 650	\$ 845	44%	\$ 260				15	
16	FY21	P21-005	Gallup-McKinley	Crownpoint HS	Full Replacement	\$ 38,033,922	\$ 401	\$ 521	\$ 44,715,949	\$ 750	\$ 975	87%	\$ 454				16	
17	FY21	P21-006	Gallup-McKinley	Navajo Pine HS	Full Replacement	\$ 16,498,372	\$ 411	\$ 534	\$ 53,193,453	\$ 900	\$ 1,170	119%	\$ 636				17	
18	FY22	P22-001	Gadsden	Gadsden MS	Full Replacement	\$ 45,182,331	\$ 375	\$ 488	\$ 50,593,270	\$ 500	\$ 650	33%	\$ 163				18	
19	FY22	P22-004	Los Lunas	Ann Parish ES	Design & Partial Replacement and Renovation	\$ 17,273,200	\$ 320	\$ 416	N/A	\$ 450	\$ 585	41%	\$ 169				19	
20	FY22	P22-006	Gadsden	Chaparral MS	Full Replacement	\$ 31,447,682	\$ 275	\$ 358	\$ 59,199,504	\$ 600	\$ 780	118%	\$ 423				20	
21	FY23	P23-001	Gallup-McKinley	Gallup Central HS	Full Replacement	\$ 9,004,804	\$ 411	\$ 534	\$ 37,841,074	\$ 650	\$ 845	58%	\$ 311				21	
22	FY23	P23-002	Gallup-McKinley	Thoreau HS	Full Replacement	\$ 41,994,250	\$ 425	\$ 553	\$ 58,446,115	\$ 650	\$ 845	53%	\$ 293				22	
23	FY23	P23-003	Gallup-McKinley	David Skeet ES	Full Replacement and Teacher Housing	\$ 17,714,622	\$ 425	\$ 553	\$ 27,643,451	\$ 750	\$ 975	76%	\$ 423				23	
24	FY23	P23-004	Farmington	Heights MS	Full Replacement	\$ 41,652,468	\$ 400	\$ 520	\$ 43,619,390	\$ 650	\$ 845	63%	\$ 325				24	
25	FY23	P23-005	Farmington	Mesa Verde ES	Full Replacement	\$ 25,517,261	\$ 375	\$ 488	\$ 28,503,726	\$ 650	\$ 845	73%	\$ 358				25	
26	FY23	P23-007	Estancia	Estancia ES	Full Renovation and Addition	\$ 7,258,118	\$ 313	\$ 406	\$ 6,776,700	N/A	N/A			PARTIAL	\$ 11,931,124		26	
27	FY23	P23-008	Pojoaque Valley	Pojoaque MS	Partial Replacement and Renovation	\$ 26,152,091	\$ 400	\$ 520	\$ 27,238,575	\$ 600	\$ 780	50%	\$ 260	PARTIAL	\$ 5,155,059		27	
28	FY24	P24-001	Maxwell	Combined School	Full Replacement and Teacher Housing	\$ 25,422,389	\$ 500	\$ 650	\$ 29,241,000	\$ 600	\$ 780	20%	\$ 130				28	
29	FY24	P24-002	Central	Tse Bit Ai MS	Full Replacement and Teacher Housing	\$ 25,392,653	\$ 600	\$ 780	\$ 34,396,841	\$ 800	\$ 1,040	33%	\$ 260				29	
30	FY24	P24-003	Hobbs	New MS	New Construction	\$ 21,735,309	\$ 450	\$ 585	\$ 31,744,284	\$ 650	\$ 845	44%	\$ 260				30	
31	FY24	P24-004	Springer	Combined School	Full Replacement and Teacher Housing	\$ 20,627,768	\$ 458	\$ 595	\$ 25,568,000	\$ 600	\$ 780	31%	\$ 185	100% Construction	\$ 15,104,077		31	
32	FY24	P24-005	Dexter	ES/MS	Full Replacement	\$ 39,652,408	\$ 505	\$ 657	\$ 45,438,372	\$ 550	\$ 715	9%	\$ 59	100% Construction	\$ 11,641,645		32	
33	FY24	P24-006	Gallup-McKinley	Crownpoint MS	Full Replacement	\$ 22,789,001	\$ -	\$ -	\$ 22,512,614	\$ 750	\$ 975	0%	\$ 975				33	
34	FY20>FY24	P24-007	San Jon	Combined School										100% Construction	\$ 14,205,025		34	
35	FY24	P24-008	Bernalillo	Algodones ES	Renovation and Addition									\$ -	100% Construction	\$ 20,566,845		35
36	FY24	P24-009	Penasco	Penasco Combined	Full Replacement									\$ -	PARTIAL	\$ 11,818,557		36
37	FY24	P24-010	Artesia	Roselawn ES	Full Replacement									\$ -				37
38	FY24	P24-011	Hagerman	Hagerman Combined	Full Replacement											\$ 12,332,958		38
39	FY24	P24-012	Hondo	Hondo Combined	Full Replacement											\$ 11,420,780		39
40	FY24	P24-013	Albuquerque	Harrison MS	Full Replacement													40
41	FY24	P24-014	Albuquerque	Van Buren MS	Full Replacement													41
42	FY22>FY25	P25-001	Raton	Longfellow ES	Full Replacement										100% Construction	\$ 52,826,796		42
43	FY25	P25-002	Silver	Cliff Combined School	Facility Replacement										PARTIAL	\$ 46,106,197		43
44	FY25	P25-003	Bloomfield	Naaba Ani Elementary School	Facility Replacement & Consolidation										PARTIAL		\$ 38,134,152	44
45	FY25	P25-004	Rio Rancho	Lincoln Middle School	Planning Study, Systems Upgrade and Renovation													45
46	FY25	P25-005	Rio Rancho	Rio Rancho High School	Planning Study, Systems Upgrade and Addition													46
47					Total	\$ 777,279,468			\$ 1,081,127,376					Total:	\$ 78,673,466	\$ 149,359,		

IV. Consent Agenda*

- A. December 11, 2025, PSCOC Meeting Minutes*
- B. P23-004 Heights MS (Farmington) – Award Language Change*
- C. P23-005 Mesa Verde ES (Farmington) – Award Language Change*
- D. P24-008 Algodones ES (Bernalillo) – Award Language Change*
- E. Recertification of SSTBs*

* Denotes potential action by the PSCOC

I. December 11, 2025, PSCOC Meeting Minutes

II. Presenter(s): Marcos Trujillo, Executive Director

III. Potential Motion:

Council approval of the December 11, 2025, PSCOC Full Council meeting minutes.

IV. Executive Summary:

Exhibit (s):

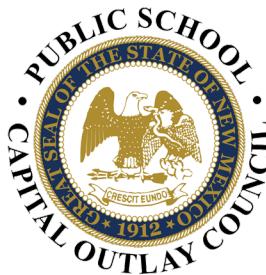
A- December 11, 2025, PSCOC Meeting Minutes.

State of New Mexico
Public School Capital Outlay Council

Exhibit A

PSCOC Members

Joe Guillen, *NMSBA – Chair*
Cally Carswell, *LFC*
Mark Montoya, *LESC*
Amanda Lopardus, *PED*
Martin Romero, *CID*
Stewart Ingham, *PEC*
Nicholas Gonzales, *DFA*
Kendal Chavez, *OG*
Randall Cherry, *LCS*



Public School Facilities Authority

Marcos Trujillo | Executive Director
Larry Tillotson | Deputy Director of Operations & Outreach
Sean Murray | Deputy Director of Capital Operations

MEETING MINUTES

PSCOC Full Council Meeting
State Capitol Building, Room 317 – December 11, 2025

*Unofficial notes drafted for the convenience of subcommittee members and subject to revision at member request.
Please note that further details and information regarding the meeting can also be found in the eBook.*

I. Call to order – Joe Guillen, Chair

The Public School Capital Outlay Council (PSCOC) meeting on December 11 2025, was called to order by Chair Joe Guillen at 9:03 AM.

A. Roll Call

Roll call was conducted, and a quorum was confirmed to be present for the meeting.

B. Approval of Agenda*

Staff presented two proposed modifications to the published agenda. Item VI.C (P24 008 Algodones Elementary School – Bernalillo) and Item VII.B (FY26 Capital Outlay Award Cycle Adjustment Timeline) was recommended for removal to allow for additional review. The Council discussed the proposed changes and raised no objections. Ms. Carswell moved to approve the agenda as amended, and Mr. Ingham seconded the motion. The agenda was approved as amended.

C. Correspondence

No Correspondence.

II. Public Comment

The Council received public comment from Katie Rarick of Axiom Analytics, speaking on behalf of clients receiving lease assistance. Ms. Rarick requested that the lease assistance member rate be increased in alignment with statute and the Consumer Price Index beginning in FY26. Ms. Rarick explained that lease costs continue to place pressure on school operating budgets and emphasized that increased lease assistance would allow more educational funding to remain in classrooms. No other public comments were made.

III. Finance

A. PSCOC Financial Plan

Mr. Matthew Schimmel, Chief Financial Officer at the Public School Facilities Authority (PSFA), presented the PSCOC Financial Plan, highlighting updates to award year to date totals, out of cycle funding requests, and changes to bond sale assumptions. Mr. Schimmel explained that the financial plan reflected a net increase

of approximately \$23.9 million, primarily driven by adjustments related to rescinded awards, award language changes, and new construction funding requests. Council members expressed concern regarding the number of projects being delayed into later quarters, particularly older projects that continued to shift schedules. Members emphasized the importance of improved accountability, realistic project timelines, and better coordination with districts and design teams. No formal action was required as the item was informational.

IV. Consent Agenda*

Mr. Tillotson provided an overview of each item. All the Consent Agenda items were approved in a single motion.

A. October 08, 2025, PSCOC Meeting Minutes*

Council approval of the October 08, 2025, PSCOC Meeting Minutes.

B. FY26 Facilities Master Plan Awards*

Council approval of the FY26 Facilities Master Plan (FMP) assistance applications totaling a not-to-exceed state share amount of \$256,901.96 for Taos Municipal Schools, Reserve Independent Schools, J. Paul Taylor Academy Charter School, Hatch Valley Public Schools, Lordsburg Municipal Schools, Albuquerque Aviation Academy, Grady Municipal Schools, Pojoaque Valley School District, and Tierra Encantada Charter School.

C. S24-017 Sandia ES (Clovis) – Rescind Award*

Council approval to rescind the 2023-2024 Systems-based award to Clovis Municipal Schools for Sandia Elementary School (S24-017) with a reversion of the state match in the amount of \$105,122.

D. S24-019 Los Alamos HS (Los Alamos) – Award Language Change*

Council approval to amend the current 2023-2024 Systems-based award language to Los Alamos Public Schools (LAPS) for Los Alamos High School (S24-019) to include:

- Addition of the Topper Freshman Academy (E-wing) to the existing Systems-based award.
- Additional construction funding totaling \$1,640,046 with a state match of \$606,818 (37%) and a local match of \$1,033,228 (63%) for the addition of HVAC units on the Topper Freshman Academy building (E-wing).

E. S24-023 Combined School (Melrose) - Award Language Change*

Council approval to amend the current 2020-2021 Standards-based award language to Gallup-McKinley County Schools (GMCS) for Gallup High School (P21-003) to include a reduction in the awarded design capacity from the current 1,047 to 820 students (decrease of 227), grades 9-12, and a decrease in the maximum allowable GSF from 134,821 GSF to 124,917 per the new GSF calculator (a 9,904 GSF decrease).

F. P21-003 Gallup HS (Gallup-McKinley) – Award Language Change*

Council approval to amend the current 2020-2021 Standards-based award language to Gallup-McKinley County Schools (GMCS) for Gallup High School (P21-003) to include a reduction in the awarded design capacity from the current 1,047 to 820 students (decrease of 227), grades 9-12, and a decrease in the maximum allowable GSF from 134,821 GSF to 124,917 per the new GSF calculator (a 9,904 GSF decrease).

G. P20-001 Chaparral MS (Alamogordo) – Award Language Change*

Council approval to amend the current 2020-2021 Standards-based award language to Alamogordo Public Schools (APS) for Chaparral Middle School (P20-003) to reduce the awarded design capacity from the current 658 to 580 students (decrease of 78), grades 6 - 8, and increase the maximum allowable gross square footage (GSF) from 87,035 GSF to 87,059 GSF per the new calculator (a 24 GSF increase).

H. P25-003 Combined School (Bloomfield) – Award Language Change*

Council approval to amend the current 2024-2025 Standards-based award language to Bloomfield School District (BSD) for the Combined School (P25-003) to include an increase in the maximum allowable gross footage (GSF) from 120,587 to 135,384 (a 14,797 GSF increase).

I. P24-012 Combined School (Hondo Valley) – Award Language Change*	
Council approval to amend the current 2023-2024 Standards-based award language to Hondo Valley Public Schools (HVPS) for the Combined School (P24-012) to include an increase in the maximum allowable gross footage (GSF) from 45,000 to 55,000 (a 10,000 GSF increase).	
J. K21-003 Raymond Gabaldon ES (Los Lunas) - Award Language Change*	
Council approval to rescind the current 2020-2021 Pre-Kindergarten-based award to Los Lunas Schools (LLS) for Raymond Gabaldon Elementary School. Los Lunas may apply for a Standards-based award in the FY27 capital funding awards cycle.	
K. S25-006 Harrison Schmitt ES (Silver) - Award Language Change*	
Council approval to amend the current Systems-based award to Silver Consolidated School District (SCSD) for Harrison H. Schmitt Elementary School to not participate in the design and construction of the kindergarten playground equipment. The district and PSFA staff will investigate alternative funding including HB-33 and/or SB-9 funding for the playground equipment.	
L. Recertification of SSTBs*	
Council approval to adopt the Resolution, Notification, Certification, and Reconciliation of unexpended bond proceeds as follows: <ul style="list-style-type: none"> SSTB24SD 0001 – Certifying the net amount of \$4,327,881.00 to be used for other the PSCOC projects. SSTB25SB 0001 – Decertifying the net amount of (\$4,098,293.00) to be used for other the PSCOC projects. 	
M. FY25 PSFA Annual Report Draft*	
Council approval of the FY25 PSCOC and PSFA Annual report draft, and authorization for PSFA staff to make final edits, technical corrections, and graphic development prior to printing and distribution.	
MOTION: The Chair called for a vote to approve the consent agenda items. There being no opposition, the motion passed.	APPROVED

V. Awards Cycle

A. FY26 Lease Assistance Awards*	
Mr. Tillotson presented the FY26 Lease Assistance Awards, outlining the statutory basis for annual CPI adjustments, the calculated not to exceed member rate, and award recommendations for 110 charter and district school applicants. Several members expressed strong support for charter schools and raised concerns that lease assistance reimbursements have not kept pace with increasing facility costs. A motion was introduced to increase the lease assistance rate to the statutory maximum; however, concerns were raised regarding the lack of prior subcommittee review and insufficient impact analysis. Following discussion, the Council voted to approve the Awards Subcommittee recommendation, which included a CPI based increase but did not adopt the maximum rate increase. The motion passed with one dissenting vote.	
MOTION: The Chair called for a vote for Ms. Carswell moved to approve the Council approval to: <ol style="list-style-type: none"> 1. Adjust the MEM Rate per the 2024 Consumer Price Index (CPI) for the United States, all items, at 2.9% (this is the not to exceed amount). 2. Adjust the PSCOC Rate per MEM, to calculate the lease assistance awards, to \$839.25, an increase of 2.9% from FY25. 3. Approve lease assistance awards, referencing the accompanying spreadsheet entitled “FY26 Lease Assistance Program Detail Summary,” to 110 charter and district school applicants, in the amount of \$23,967,383. • This award scenario represents an increase to the PSCOC Rate per MEM, as referenced in item 2 above. Upon acceptance of the award by the applicant charter school or district, Council authorizes PSFA staff to distribute the award amounts quarterly, on a reimbursement basis, upon	APPROVED

receiving proof of the actual lease payments. Council authorizes PSFA staff to make reductions to award amounts subject to PED and/or PEC written certification to PSFA that a condition exists that warrants an award adjustment or suspension due to a school closure, charter revocation, financial violation or irregularities, and/or adjustments to certified attendance numbers (MEM counts). Adjustments to lease amounts may also be made due to a lease termination or amendment. Reimbursements are contingent on the submittal of an E-Occupancy certificate, current facility master plan, audit report, invoices and other statutory requirements, as set forth in the application.

Mr. Ingham opposed the motion; the motion passed.

VI. Out-of-Cycle Awards

A. P24-001 Combined School (Maxwell) – Construction Funding Request*

Mr. Mathew Gerken, Senior Projects Manager at PSFA, presented the construction funding request for the Maxwell Combined School project, including a full construction funding request and a local match reduction. Discussion focused on bid competitiveness, reduced contingency levels, maintenance staffing capacity, and training requirements for new building systems. Council members emphasized the importance of long term maintenance planning and staff training. Mr. Gerken and district representatives confirmed commitments to maintenance agreements, vendor training, and collaboration with the Construction Industries Division. The Council approved the construction funding request and local match reduction by motion and vote.

MOTION: The Chair called for a vote to approve the Council approval to amend the current 2023-2024 Standards-based award language to Maxwell Municipal Schools (MMS) for the Combined School (P24-001) to include:

- Construction phase funding for the combined replacement facility for 117 students grades Kindergarten through 12th in 53,824 gross square foot (GSF), totaling \$50,882,869 with a state match of \$41,215,124 (81%) and a local match of \$9,667,745 (19%)
- A local match reduction totaling \$9,667,745 for a revised state match of \$50,882,869 (100%) and a revised local match of \$0 (0%), for the construction of the combined replacement facility. There being no opposition, the motion passed.

APPROVED

B. P23-003 David Skeet ES (Gallup-McKinley) – Award Language Change*

Mr. Gerken presented the request to change the project delivery method from design bid build to construction manager at risk (CMAR). Discussion addressed staffing capacity, project delays, and concerns that CMAR does not consistently result in cost savings. Council members expressed broader concerns regarding project stagnation within the district. Staff recommended maintaining the existing delivery method due to capacity limitations. The Council approved the staff recommendation to continue design bid build delivery.

MOTION: The Chair called for a vote to approve the Council approval to amend the current 2022-2023 Standards based award language to Gallup-McKinley County Schools (GMCS) for David Skeet Elementary School (P23-003) to continue with the established project delivery method of Design-Bid-Build. There being no opposition, the motion passed.

APPROVED

C. P24-008 Algodones ES (Bernalillo) Award Language Change*

This item was formally tabled per earlier agenda amendments and was not considered.

D. P23-008 Pojoaque MS (Pojoaque Valley) – Award Language Change*

Mr. Gerken presented an award language change related to site redesign, HVAC relocation, and updated square-footage calculations due to land ownership and lease issues. District representatives described challenges encountered during design and reaffirmed their commitment to resolving property issues and advancing the project. Following extensive

discussion and public clarification regarding redesign commitments and lease terms, the Council approved an amended motion authorizing redesign actions and updating the maximum allowable gross square footage.

MOTION: The Chair called for a vote and Ms. Carswell moved a motion for Council approval to amend the current 2022-2023 Standards based award language to Pojoaque Valley School District (PVSD) for Pojoaque Middle School (P23-008) to proceed with redesigning the sitework, HVAC components and any other work associated with replacement of the Middle School facility that was designed on Pueblo owned property at the design professional's expense and to increase the maximum allowable area from 53,725 to 62,787 GSF, for a design capacity of 345 students. Mr. Montoya seconded the motion. There being no opposition, the motion passed.

**AMENDED
APPROVED**

VII. Other Business

A. December Bond Sale*

Mr. Schimmel presented the proposed December 2025 Supplemental Severance Tax Bond sale totaling approximately \$213.6 million. The discussion focused on aligning bond certification with project readiness, reducing long term idle bond balances, and improving scheduling accuracy. Council members supported staff's efforts to tighten predictive modeling and ensure funds are drawn down in a timely manner. The Council approved the bond sale resolution by motion and vote.

MOTION: The Chair called for a vote to approve the Council approval to adopt the December 2025 certification and resolution to sell supplemental severance tax bonds (SSTB) in the amount of \$213,595,766. There being no opposition, the motion passed.

APPROVED

B. FY26 Capital Outlay Awards Cycle Adjustment Timeline*

This item was removed from the agenda for further review and discussion with legal counsel.

VIII. Informational

A. Strategic Plan Update

Mr. Tillotson presented an update on the Public School Facilities Authority (PSFA) Strategic Plan, which was approved by the Council in January 2025. Mr. Tillotson reported progress across multiple operational areas, including the establishment of routine leadership meetings, performance expectations for managers and staff, and implementation of improved internal communication structures. Updates included advancement of business operations foundations, quarterly agency-wide meetings, enhancements to the agency website, updates to the employee handbook, and implementation of a pre-application readiness tool designed to better assess district preparedness for capital outlay requests. Mr. Tillotson reported that approximately 85 percent of website updates had been completed, with remaining refinements ongoing. No action was taken; the item was informational.

B. Finance Department Update

Mr. Schimmel provided a comprehensive update on fiscal operations, including the status of the annual audit, bond reconciliation efforts, broadband program closeout, and recent appropriations. Mr. Schimmel reported that the agency was in the final stages of the audit process and was coordinating with the Office of the State Auditor to resolve remaining items. Updates were provided on House Bill 450 capital outlay distributions, noting that the majority of funds had been issued and remaining disbursements were expected shortly. Mr. Schimmel also discussed ongoing internal control reviews, improvements to bond tracking processes, and initial outcomes of the Community Benefit Fund program. The Council acknowledged the complexity of these efforts and staff's continued focus on fiscal accountability. No action was taken; the item was informational.

C. Adequacy Planning Guide Statewide Roundtable Update

Staff provided an update on the statewide roundtable process conducted to inform revisions to the Adequacy Planning Guide (APG). The Council was informed that feedback had been gathered from school districts, architects, design professionals, and other stakeholders across the state. Staff summarized key themes emerging from the feedback, including requests to incorporate modern instructional practices, clarify standards for critical learning spaces, improve flexibility in space allocations, and update guidance for pre-kindergarten facilities. Staff noted that an additional virtual roundtable was planned to capture remaining stakeholder input. A proposed timeline was presented, with recommendations anticipated for Council review later in 2026. No action was taken; the item was informational.

D. Ben Lujan Maintenance Achievement Awards

Staff provided an update on the 19th Annual Ben Lujan Maintenance Achievement Awards, which recognize outstanding maintenance and operations professionals across New Mexico public schools. Staff reported that awards were presented during the annual Facilities Managers Workshop and honored 21 individual staff members and four maintenance teams. Two districts received district-level performance awards, and the Plant Manager of the Year award was presented to a recipient from Farmington Municipal Schools. Staff noted strong attendance and continued statewide engagement in the program. No action was taken; the item was informational.

E. Semi-Annual Contracts Update

Staff presented the Semi-Annual Contracts Update, outlining the status of PSFA professional services and contractual agreements. The report included summaries of active contracts across multiple funding categories, as well as updates related to systems such as FIMS, SIMS, and E-Rate support services for FY26. Staff noted that the report was provided to support transparency and Council awareness of ongoing contractual obligations. No action was taken; the item was informational.

F. Teacher Housing Update

Staff provided an update on the Teacher Housing Pilot Program, including background on the Council's prior direction to pause the program and evaluate improvements. Staff summarized discussions held with Council subcommittee members and outlined recommended enhancements, including improved cost controls, clearer eligibility criteria, maintenance requirements, and strengthened application standards. Staff reported that a workgroup had been convened to refine program guidelines, with the goal of reintroducing the revised pilot program in April 2026. Applications submitted in the interim period will be subject to the revised criteria once finalized. No action was taken; the item was informational.

IX. Next PSCOC Meeting – January 14, 2026

Staff indicated that the next PSCOC meeting was tentatively scheduled for January 14, 2026, with additional scheduling details to be confirmed.

X. Adjourn

There being no further business, Mr. Ingham moved to adjourn the meeting. Mr. Romero seconded the motion, which was approved. The meeting was adjourned at 10:58 a.m.

Chair

Date

**Please Note: Italic motions indicate amendments.*

I. P23-004 Heights MS (Farmington) - Award Language Change

II. Presenter(s): Sean Murray, Deputy Director of Capital Operations
Mathew Gerken, Senior Project Manager

III. Potential Motion:

Council approval to amend the current 2022-2023 Standards-based award language to Farmington Municipal Schools (FMS) for Heights Middle School (P23-004) to include an increase in the maximum allowable gross footage (GSF) from 89,001 to 96,173 (a 7,172 GSF increase).

- Contingent on:
 - The program of spaces falls within the new calculator value of 96,173 GSF. Should the program contain space over that amount, the overage will fully be district financial responsibility.
 - The program contains academic spaces sized to the Adequacy minimums or over (as long as the total program does not exceed 96,173 GSF).
 - If the program contains ineligible space as defined by the Adequacy Planning Guide, this space will fully be district financial responsibility.

IV. Executive Summary:**District Request:**

- To increase the awarded maximum allowable area from 89,001 to 96,173 GSF an increase of 7,172 GSF.

Staff Recommendation:

- Approve the use of the new PSFA Gross Square Footage Calculator based on:
 - The program of spaces falls within the new calculator value of 96,173 GSF. Should the program contain space over that amount, the overage will fully be district financial responsibility.
 - The program contains academic spaces sized to the Adequacy minimums or over (as long as the total program does not exceed 96,173 GSF).
 - If the program contains ineligible space as defined by the Adequacy Planning Guide, this space will fully be district financial responsibility.

Key Points:

- The district is requesting utilization of the new PSFA Gross Square Footage Calculator, which allows 96,173 GSF for an enrollment of 680.
- The Design Professionals contract was approved in June 2023.
- Currently there is no program of spaces for PSFA Staff to review.
 - Staff is unable to review the requested space or the allotted GSF in this request.
 - The district has not yet begun the Program Statement (1 of 4) phase of Design.
 - The district stated the need to program larger CTE and special education spaces.

Update from December 1st, Awards Subcommittee (Tabled):

- The district has indicated that.
 - If a waiver of the local match is not approved. The district would request a local match advance and a repayment plan. To be paid through the district's recently approved bond election and future bond elections.
 - The district would commit \$7.5 million from the November 2025 and March 2026 bond sale for both projects for a total of \$15 million.
 - The estimated construction costs, including the additional GSF being currently requested using \$680/SF is \$45,562,040 for Mesa Verde ES and \$65,397,640 for Heights MS.
 - Construction could be requested approximately 10 months from the date of this request.
 - The construction of Mesa Verde ES would not start until after the completion of Heights MS.
 - Heights MS will be utilized to temporarily house Mesa Verde ES students during construction of Mesa Verde ES.
- The district originally indicated in writing that they will request a full or partial local match reduction (waiver) for the phase 2 (construction) funding request.

Enrollment

- The 2024-25 enrollment totaled 660, which is consistent with the projection of 680.
- The school's enrollment trend has been stable but has experienced decline last year to the 660 number for the 2024-school year.
 - Projections should remain stable, increasing slightly due to an increase in the elementary grade levels, which will age into middle school over the next 5 years.
- The enrollment increase between the 2021 and 2022 school years contributes to the stabilization of the Heights enrollment.
- Each Farmington Middle School utilizes its space at high rates. The ideal utilization rate for middle schools is 70-85%.

District Project History

- In November 2022, the PSCOC awarded Planning and Design Phase funding which included a partial local match reductions (waiver and advances)
 - With the Waiver and Advance the district's participation is reduced to \$0.
 - The Advance totaled \$1,943,782 and will be repaid based on the approved repayment plan of 2 annual payments of \$647,927.33 and 1 annual payment of \$647,927.34 starting on June 1, 2026 and concluding on June 1, 2029, that is contingent upon a successful GO Bond election in November 2025.
- For the Pre-K award project: K23-001 Pre-School Academy East
 - The district received two (partial and full) local match reductions (waivers); first for Planning and Design in November 2022, second was for Construction in December 2024.
 - First waiver for Planning/Design was a partial local match reduction.
 - Waiver totaled \$850,597 (50% of local match)

- Local match reduced to \$850,597
- Second waiver for Construction was a full local match reduction.
 - Waiver totaled \$24,720,892 (100% of local match)
 - The total funding awarded (state and local match) is \$41,939,819
- The district's contribution of \$41.9 million is \$850,597
- For the two standards-based projects: P23-004 Heights MS & P23-005 Mesa Verde ES.
- Both projects received partial local match reductions (waivers and advances) for the planning and design phase. (November 2022)
 - For Heights MS (Local match reduced to \$0):
 - Local match reductions (waiver and advance) totaled \$2,915,673
 - For Mesa Verde ES (Local match reduced to \$0):
 - Local match reductions (waivers and advance) totaled \$1,786,208
 - The waivers and advances for both projects reduce the district's contribution to \$0 for planning and design.

Exhibit(s):

- A – PSFA Recommendation Report: P23-004 Heights Middle School
- B – Farmington Municipal Schools Letter, dated September 23rd, 2025
- C – District updates from December 1st, Awards Subcommittee
- D – District Email



PSFA Recommendation Report

Out-of-Cycle

Farmington Municipal Schools
Heights Middle School
(P23-004)

Award Language Change

District Request & Information

Award language change to increase the maximum allowable area from 89,001 to 96,173 GSF an increase of 7,172 GSF.

- Superintendent: Cody Diehl
- District Representative: Candice Thompson

PSFA Staff Recommendation

Approve the use of the new PSFA Gross Square Footage Calculator based on:

- The program of spaces falls within the new calculator value of 96,173 GSF. Should the program contain space over that amount, the overage will fully be district financial responsibility.
- The program contains academic spaces sized to the Adequacy minimums or over (as long as the total program does not exceed 96,173 GSF).
- If the program contains ineligible space as defined by the Adequacy Planning Guide, this space will fully be district financial responsibility.

Award Language

- Approval to amend the current 2022-2023 Standards-based award language to Farmington Municipal Schools (FMS) for Heights Middle School (P23-004) to include an increase in the maximum allowable gross footage (GSF) from 89,001 to 96,173 (a 7,172 GSF increase).
 - Contingent on:
 - The program of spaces falls within the new calculator value of 96,173 GSF. Should the program contain space over that amount, the overage will fully be district financial responsibility.
 - The program contains academic spaces sized to the Adequacy minimums or over (as long as the total program does not exceed 96,173 GSF).
 - If the program contains ineligible space as defined by the Adequacy Planning Guide, this space will fully be district financial responsibility.

Potential Award Funding

- Estimated Total Project Potential Fiscal Impact for 96,173 GSF in new Construction.

Request Summary	State Match 37%	Local Match 63%	Total	Above Allowable
Estimated Total Project Cost for awarded 89,001 GSF	\$27,826,163	\$47,379,682	\$75,205,845	\$-
Estimated Total Project Cost for requested 7,172 GSF	\$2,069,839	\$3,524,321	\$5,594,160	\$-
Subtotal	\$29,896,002	\$50,904,003	\$80,800,005	\$-
Local Match Reduction	\$50,904,003	(\$50,904,003)	\$-	\$-
Advance	\$-	\$-	\$-	\$-
Estimated Total Project Potential Fiscal Impact	\$80,800,005	\$-	\$80,800,005	\$-

- Estimated Potential Fiscal Impact for 7,172 GSF in new Construction.

Request Summary	State Match 37%	Local Match 63%	Total	Above Allowable
Estimated Maximum Allowable Construction Cost	\$1,724,866	\$2,936,934	\$4,661,800	\$-
Soft Costs (20%)	\$344,973	\$587,387	\$932,360	\$-
Subtotal	\$2,069,839	\$3,524,321	\$5,594,160	\$-
Local Match Reduction	\$3,524,321	\$(3,524,321)	\$-	\$-
Advance	\$-	\$-	\$-	\$-
Estimated Potential Fiscal Impact	\$5,594,160	\$-	\$5,594,160	\$-

- Estimated Maximum Allowable Construction Cost (MACC):
 - \$650 / SF
 - \$4,661,800
- Estimated Potential Fiscal Impact:
 - \$780 / SF
 - \$5,594,160

Project Information

Project Information

- PSFA Regional Project Manager: Richard Dicks
- Design Professional: FBT Architects
- General Contractor: N/A
 - Other Bids Received: N/A

Scope of Work

- Full replacement of facility
- Design capacity: 680 students
- Current enrollment: 660 students
- Maximum allowable GSF: 89,001
- Above allowable SF: TBD

Phasing

- In Progress: Design
 - The district has not yet begun the Program Statement (1 out of 4) phase of Design
- Current Request: Award Language Change

Award History

Original Award

- July 2022
- Standards-based Award: Replacement of existing facility
- Ranking: 65
- wNMCI: 39.86%
- Original Award Language:
 - Council approval to make a Standards-based capital outlay award to (Farmington) Heights Middle School - planning and design phase: \$1,712,379 state share, \$2,915,673 district share; Planning and design phase funding for the replacement of the existing facility, for 680 students, grades 6-8, and 89,001 gross square feet. Enrollment projections and gross square footage (not to exceed the maximum gross square footage (pursuant to the Adequacy Planning Guide) must be updated and approved by the PSCOC prior to the completion of the planning and design phase. Each allocation is intended to fully complete the project, phase or specified purpose. Upon completion of this awarded phase of work, including conformance with all contingencies, out-of-cycle funding for future phases of work may be considered at any upcoming regularly scheduled PSCOC meeting.
- Estimated MACC: \$650 / SF
- Estimated Total Project Cost: \$75,205,845

Out-of-Cycle Award

- August 2022
- Tabled in the Awards Subcommittee
- Award Language:
 - Subcommittee recommendation for Council approval to amend the current Standards-based award to Farmington Municipal Schools for Heights MS to include an advance of the local match for the previously award Planning and Design Phase and a repayment plan of 25 annual payments of \$116,627 starting on June 1, 2026 and concluding on June 1, 2051, that is contingent upon a successful General Obligation Bond election in November 2025. For an increase in the State match of \$2,915,673 for a total of \$4,628,052 (100%) and decrease of the local match to \$0.00 (0%).

Out-of-Cycle Award

- October 2022
- Tabled in the Awards Subcommittee
- Award Language:
 - Subcommittee recommendation for Council approval to rescind the 2022-2023 Standards based award to the Farmington Municipal School District for Heights MS with a state match reversion in the amount of \$1,712,379.

Out-of-Cycle Award

- November 2022
- Local Match Reductions (Waiver and Advance) for Planning and Design phase funding
- Award Language:
 - Council approval to amend the current Standards-based award to Farmington Municipal Schools for Heights MS for the following:
 - Part 1: A reduction of the current local match from \$2,915,673 (63%) to \$1,943,782 (42%) and, an increase in the state match from \$1,712,379 (37%) to \$2,684,270 (58%).
 - Part 2: An advance of the reduced local match of \$1,943,782 for the previously award Planning and Design Phase and a repayment plan of 2 annual payments of \$647,927.33 and 1 annual payment of \$647,927.34 starting on June 1, 2026 and concluding on June 1, 2029, that is contingent upon a successful General Obligation Bond election in November 2025. For an increase in the State match of \$1,943,782 for a total of \$4,628,052 (100%) and decrease of the local match to \$0.00 (0%).

District Financial Information

State / Local Match

- Local match: 63%
- State match: 37%
- The district does have adequate funds to accommodate the local share of this project.
 - The district will request consideration for a local match reduction for the phase 2 (Construction) funding request.

Bond Information

<ul style="list-style-type: none">• GO Bond:<ul style="list-style-type: none">• Current: November 2021 for \$8 million• Future: November 2025 for \$30 million• Bonding Capacity: \$56,135,000• Available Capacity: \$51,659,003• Mill Levy: 1.928<ul style="list-style-type: none">○ Source: RBC Capital Markets	<ul style="list-style-type: none">• SB-9: \$3,400,000• HB-33: \$3,800,000• Cash Balance: \$9,500,000• Operational: \$137,000,000 <ul style="list-style-type: none">• Bond Sale:<ul style="list-style-type: none">• Current: 2025 for \$2 million• Future: March 2026
---	--

Project Funding

- Sources: GO Bond (Source 31100)

Local Match Reduction

- The district can support the local match for this phase of funding.
- **Farmington Municipal Schools does not meet statute requirements for a local match reduction.**
 - The district will request consideration for a local match reduction for the phase 2 (Construction) funding request.

Per Section 22-24-5 (B)(9), the council may adjust the amount of local share otherwise required if it determines that a school district has made a good-faith effort to use all of its local resources. Before making any adjustment to the local share, the council shall consider whether:

Option	Requirement	District Data	Meets Eligibility
1	Insufficient Bonding Capacity	\$56,135,000	NO
	Mill Levy \geq 10	1.928	
2	MEM Count \leq 1,500	10,439	NO
	Mill Levy \geq 7.00	1.928	

* District must meet 1 of the 2 options.

Planning Summary

Facilities Master Plan is Current

A. FMP Dates: 2023-28; 2016-21 addressed the potential for school replacement

B. FMP Priority for School:

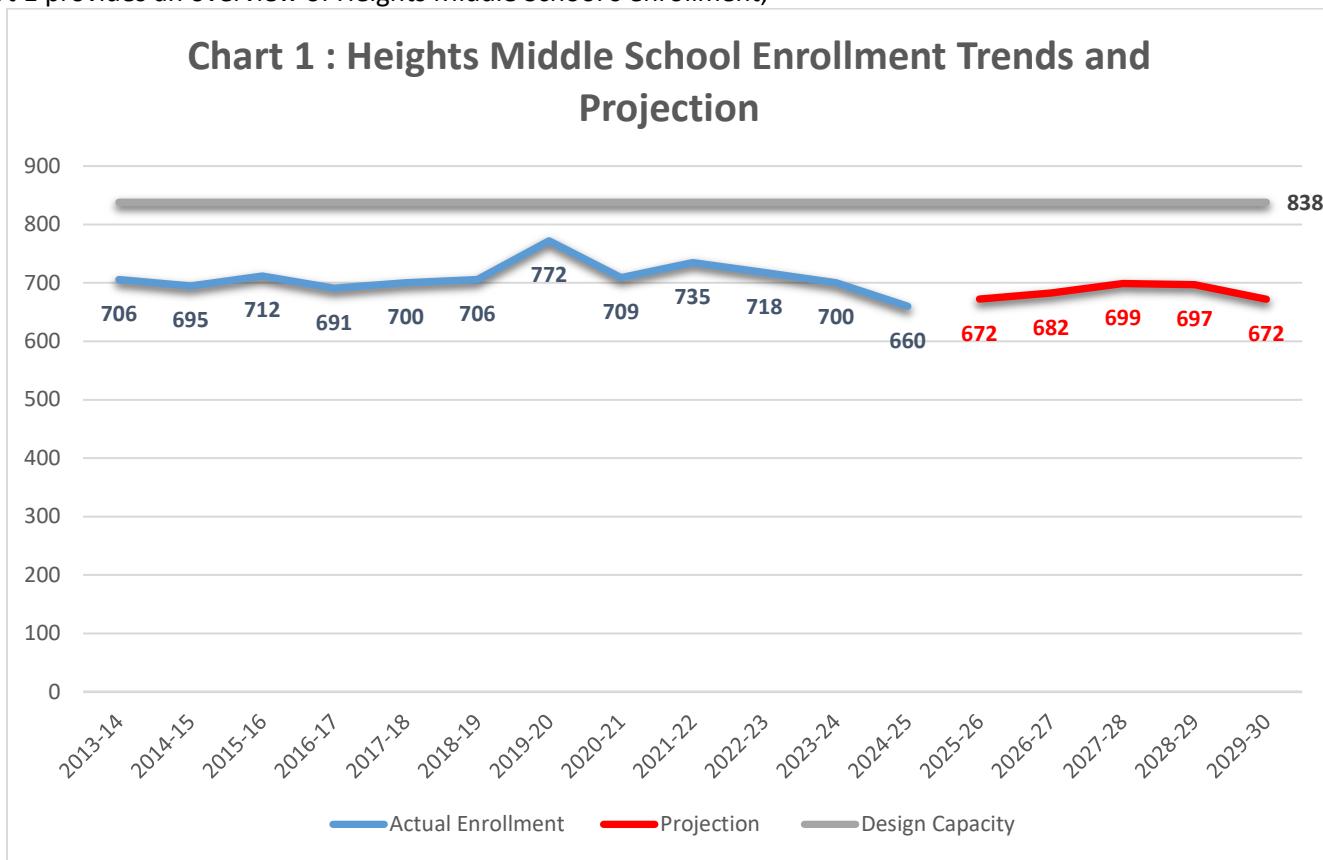
Initially, the 2016-21 FMP identified the need for HVAC and roof replacement. The district wanted to apply for a systems-based project. After further examination of the building issues, the district decided to pursue school replacement.

C. Key Facts

- The district is seeking use of the new Maximum Allowable Gross Square foot calculator, which allows for a GSF of 96,173 GSF for an enrollment of 680 students in grades 6th-8th.
- To date, the district has not started programming. PSFA staff can recommend use of the new calculator based on:
 - The program of spaces falls within the new calculator value of 96,173 GSF. Should the program contain space over that amount, the overage will fully be district financial responsibility.
 - The program contains academic spaces sized to the Adequacy minimums or over (as long as the total program does not exceed 96,173 GSF).
 - If the program contains ineligible space as defined by the Adequacy Planning Guide, this space will fully be district financial responsibility.
- While the district does not have a program of spaces at this time, PSFA staff held a meeting with the district where district representatives stated the need to program larger CTE spaces and special education space motivated its request to use the new calculator.
- The school's 2024-25 enrollment stands at 660, which is consistent with the projection enrollment projection. The school is projected to meet the 680 design capacity.

D. Enrollment Update

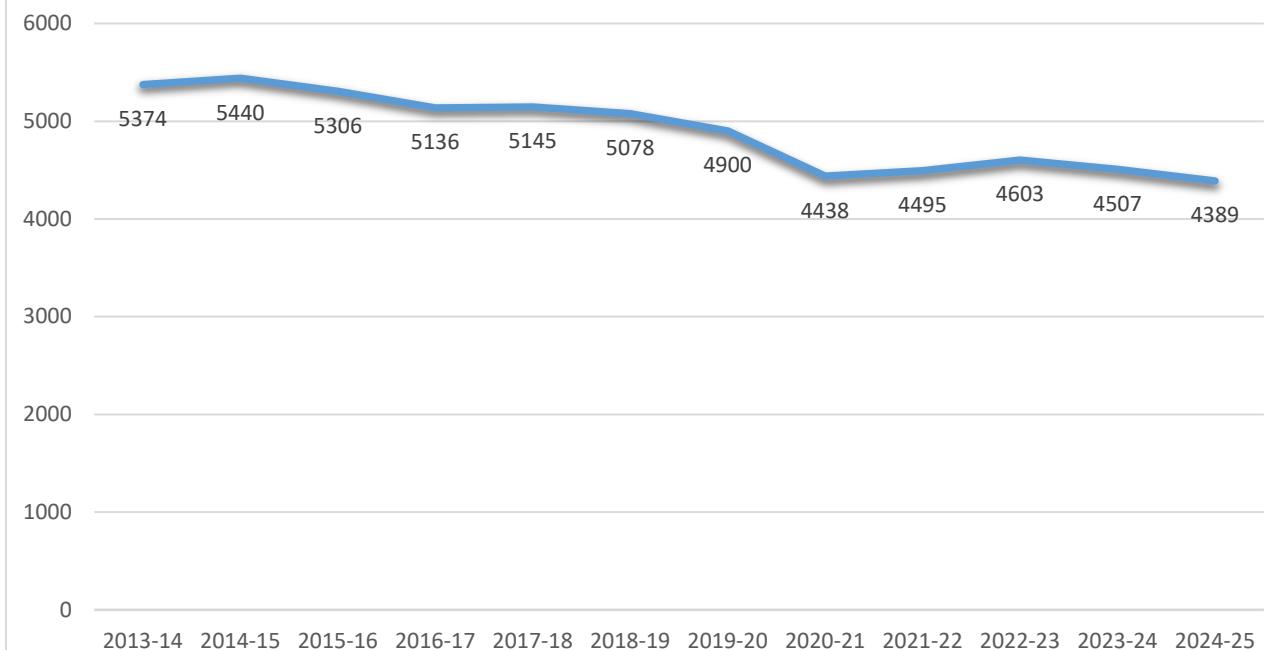
Chart 1 provides an overview of Heights Middle School's enrollment,



Source: Enrollment – NMPED 40-day Enrollment Trends; Projection – PSFA Cohort model updating FMP projections

- The school's enrollment trend has been stable but has experienced decline last year to the 660 number for the 2024-school year.
- The projection should remain stable, increasing slightly due to an increase in the elementary grade levels, which will age into middle school over the next five years.
- The Heights Attendance Zone includes key activity centers for the City of Farmington and San Juan County. The school is near San Juan County Community College, the new Church of Latter Day Saints Temple, Piedra Vista High School, and Main Street commercial area. These elements anchor the area and make the neighborhoods around the school desirable. In recent years, the area has experienced multi-family residential development including adjacent to the school's site.
- Subdivision activity is continuing to occur off Windsor Drive, northeast of the school.
- Chart 2 shows the elementary grade levels enrollment trends. The increase between the 2021 and 2022 school years contributes to the stabilization of the Heights enrollment.

Chart 2: Farmington Municipal School District Elementary School Enrollment Trends (K-5th)



Source: Enrollment – NMPED 40-day Enrollment Trends; Projection – PSFA Cohort model updating FMP projections

E. Capacity Overview

This section provides an overview of the Farmington Middle School capacity.

Table 1: FMSD Middle School Capacity

Middle School (6th-8th)	HS Feed	2024-25 Enrollment	School Functional Capacity	Available Capacity	Vacant Classroom or Classrooms used for non-instruction (per FMP)	Occ. Rate	School Utilization (per FMP)
Heights MS	PVHS	660	178	30	1	90.00%	81%
Mesa View MS	PVHS	461	620	159	0.5	82.00%	77%
Hermosa MS	FHS	622	723	101	0	87.00%	88%
Tibbetts MS	FHS	652	808	156	0	82.00%	93%
TOTALS		2,395	2,814	554	1.5	85.25%	85%

Source 2023-28 Farmington Municipal School District FMP

- Farmington Municipal School District operates four middle schools, including:
 - Heights – feeding into Piedra Vista High
 - Mesa Vista – feeding into Piedra Vista High
 - Hermosa – feeding into Farmington High
 - Tibbetts – feeding into Farmington High
- According to information in the master plan, each Farmington Middle School utilizes its space at high rates. The ideal utilization rate for middle schools is 70-85%.
- Heights Middle School contains the most capacity of all the middle schools. Right-sizing the school will reduce excess capacity among the district middle schools.

Maintenance Summary

The Farmington Municipal School District does meet all statutory requirements (as of November 5, 2025)

- **Preventive Maintenance Plan is current**
 - Last updated October 6, 2025 (Annual update required; 6.27.3.11 NMAC)
 - Previous plan rated Outstanding, exceeding statute criteria.
- **Quarterly FIMS Proficiency Reports:** Outstanding user of all 3 State provided FIMS maintenance resources.
 - **PM Completion Rate:** 98.34% performance rating, above the 90% recommendation
- **Facility Maintenance Assessment Report (FMAR):** district average is **90.28%, Outstanding.**
 - The district is maintaining their assets and facility conditions to an overall 90% Outstanding level (district average), currently at the recommended 70% (FMAR 4th cycle)

Staff Recommends:

- Continue their diligence towards improved core maintenance to 90% (Outstanding) ratings;
- Continuing their use of the FIMS tools to drive district maintenance performance
- Respond to subsequent FMARs through the 60-day response process supporting quality facility conditions, addressing all deficiencies.

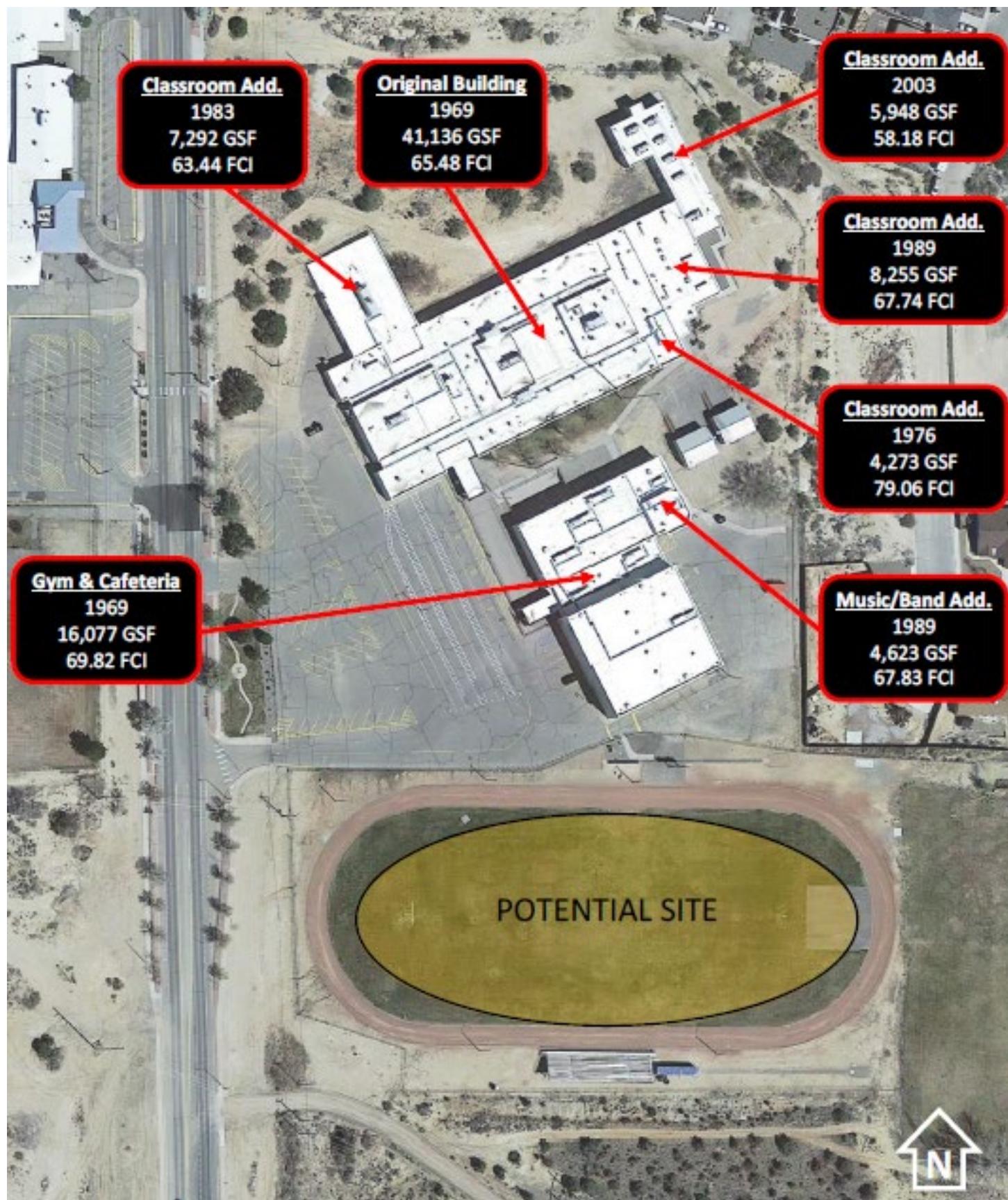
Historic and Current PSCOC Funded Projects

Current active projects: 4

Historic projects: 45

Fiscal Year Funded		Facility Name	Project Type	PSCOC Funding
		Current Projects		
2022-2023	Pre School Academy East	Pre-Kindergarten	\$ 41,089,222	
	Mesa Verde ES	Standards-Based	\$ 2,835,251	
	Heights MS	Standards-Based	\$ 4,628,052	
2021-2022	Piedra Vista HS	Systems-Based	\$ 10,483,367	
Total Funding				\$ 59,035,892
Historic Total Project Funding (2002-2024)				\$ 137,912,550

Site Plan / Renderings





September 23, 2025

Dear PSFA Team,

We would like to formally inform you that Farmington Municipal Schools would like to request a language change for the two projects listed below:

- Heights Middle School (Project No. P23-004)
- Mesa Verde Elementary School (Project No. P23-005)

We would like the language change to reflect the updated adequacy standards for square footage.

Per the request of PSFA at our kickoff meeting on September 22, 2025, we are also including in this letter that Farmington Municipal Schools intends to request a full waiver for the construction phase of these projects. Additionally, per their request, we are including both the original square footage awarded and the updated square footage based on the new calculator:

- Heights Middle School: original award 89,001 sq. ft.; new request 96,173 sq. ft.
- Mesa Verde Elementary School: original award 58,159 sq. ft.; new request 67,003 sq. ft.

Please note that the original letter regarding this request was sent to PSFA on September 4, 2025, and we received a response that we would be on the agenda for the November 19, 2025 meeting for this language change request.

Please let us know what next steps are required from Farmington Municipal Schools to facilitate this process in requesting this language change.

Thank you for your continued support and partnership.

Sincerely,

Isaac Gamboa
Executive Director of Operations & Athletics
Farmington Municipal Schools
igamboa@fms.k12.nm.us
(505)324-9840 x3208


ADMINISTRATIVE OFFICES

3401 E. 30th Street, Suite A
 Farmington, NM 87402
 district.fms.k12.nm.us
 Office: (505) 324-9840
 Fax: (844) 833-2819

1. From the November 2025 bond sale, how much of that bond sale would be committed to the local match of the future construction funding requests?

Please refer to the response for Item 2 below as this appears to be a duplicate question.

2. For the March 2026 bond sale that you indicated, how much of that bond sale would be committed to the local match of the future construction funding requests?

The total bond amount committed to the local match is **\$15 million**, allocated as follows:

- **Year 3 Bond Sale:** \$7.5 million
- **Year 4 Bond Sale:** \$7.5 million

3. How much do you estimate the cost of construction to be for each of the projects?

Project	Requested Additional Square Footage	Estimated Cost per Sq. Ft. (Pre-K)	Total Estimated Cost
Mesa Verde Elementary School	67,003 sq. ft.	\$680.00	\$45,562,040
Heights Middle School	96,176 sq. ft.	\$680.00	\$65,397,640
Total Estimated Construction Cost			\$110,959,680

4. Does the district have a timeline for when construction might be requested?
Design Phase:

- Approximately **ten (10) months** from the award date seeking the additional square footage.

Construction Phase:

- **Heights Middle School:** Approximately **eighteen (18) months** to construct.
- **Mesa Verde Elementary School:** Approximately **eighteen (18) to twenty-four (24) months.**
 - Mesa Verde construction will follow the completion of Heights Middle School, as Heights MS will be utilized to temporarily house elementary students during construction of the new Mesa Verde facility.

5. Does the district have a rough estimate of the amount that the PSCOC would need to advance the district for construction?

The district's intent would be to first request a **full waiver** of the local match requirement. If a full waiver is denied, the district would then seek a reduction of the approved **42% waivered local match**, including the additional **5% reduction awarded for exoplanetary maintenance**, resulting in a **37% local match requirement**.

The district would then present a **payment plan** to address the remaining balance.

Respectfully,

Candice Thompson

FMS Construction Coordinator

From: [Isaac Gamboa](#)
To: [Daniel Juarez](#)
Cc: [Sean Murray](#); [Marcos B. Trujillo](#); [John Valdez](#); [Candice Thompson](#); [Mathew Gerken](#); [Larry Tillotson](#); [Richard Dicks](#); [Matthew Schimmel](#); [Cody Diehl](#)
Subject: Re: PSCOC Presentation
Date: Tuesday, December 2, 2025 11:38:37 AM
Attachments: [image001.jpg](#)
[image002.png](#)
[image003.png](#)

Good afternoon, Daniel,

Thank you for the update regarding the Awards subcommittee meeting .

To provide the subcommittee with the necessary information, could you please clarify what specific detail about the local match funding they require? Specifically, are they asking about the funding for the Design Phase, the Construction Phase, or both?

When we met with the PSFA team on October 7, 2025, we discussed our funding plans, which are outlined below:

- **Design Phase Local Match:**
 - This will be funded using the recently approved local bond funds.
 - The initial payment is scheduled for release in March 2026, with the first bond payment due in June 2026.
- **Construction Phase Local Match:**
 - As discussed at our last meeting at the PSFA office, our primary intention is to request a full construction waiver from the PSCOC.
 - If the waiver is not approved, our secondary plan is to request a local match reduction and a payment plan to be paid through our recently approved bond funds and our next bond issue.

Since the funding for both the design and construction phases was discussed in detail at our previous meeting, I am uncertain about what additional information the subcommittee may be missing concerning our intended funding approach for these projects.

Please let me know the next steps and if you need further clarification on any of the points above.

Respectfully,

Isaac A. Gamboa
 Executive Director of Operations & Athletics
 Farmington Municipal Schools
 (505)324-9840 x3208
igamboa@fms.k12.nm.us

On Tue, Dec 2, 2025 at 10:56 AM Daniel Juarez <djuarez@nmpsfa.org> wrote:

Good morning, Isaac,

At yesterday's Awards subcommittee meeting the district's request for award language

changes to the Mesa Verde ES and Heights MS standards-based awards were tabled.

The Awards subcommittee requested information, about how the district would fund the local match for both the Heights MS and Mesa Verde ES projects.

If you have any questions or concerns, please let us know.

Thank you,

Daniel

Daniel Juarez | Senior Projects Coordinator

New Mexico Public School Facilities Authority

1312 Basehart Drive SE

Albuquerque, New Mexico 87106

Office: 505-843-6272

Cell: 505-274-0574

Email: djuarez@nmmpsfa.org

Web: www.nmpsfa.org



From: Isaac Gamboa <igamboa@fms.k12.nm.us>
Sent: Tuesday, December 2, 2025 7:51 AM
To: Sean Murray <smurray@nmpsfa.org>
Cc: John Valdez <jvaldez@nmpsfa.org>; Candice Thompson <cathompson@fms.k12.nm.us>; Mathew Gerken <mgerken@nmpsfa.org>; Larry Tillotson <ltillotson@nmpsfa.org>; Richard Dicks <rdicks@nmpsfa.org>; Daniel Juarez <djuarez@nmpsfa.org>; Matthew Schimmel <mschimmel@nmpsfa.org>; Cody Diehl <cdiehl@fms.k12.nm.us>
Subject: Re: PSCOC Presentation

Good morning,

Team, I hope you all had a great Thanksgiving and all is well. With the PSCOC meeting coming up on Dec. 11, we wanted to make sure there wasn't anything you needed from us. We plan on being there, so let us know if there is anything you need from us. Appreciate you all!

Respectfully,

Isaac A. Gamboa
Executive Director of Operations & Athletics
Farmington Municipal Schools
(505)324-9840 x3208
igamboa@fms.k12.nm.us

On Thu, Nov 6, 2025 at 12:55 PM Sean Murray <smurray@nmpsfa.org> wrote:

Candice

I will be reviewing the motion with Daniel next week, prior to presentation to the subcommittee. If there arises the need for any other information, we will let you know.

Kindly,

Sean C. Murray

Deputy Director of Capital Operations

New Mexico Public School Facilities Authority
1312 Basehart Dr. SE
Albuquerque NM, 87106
Cell: [505.677.1916](tel:505.677.1916)



From: John Valdez <jvaldez@nmpsfa.org>
Sent: Thursday, November 6, 2025 10:51:27 AM
To: Candice Thompson <cathompson@fms.k12.nm.us>
Cc: Sean Murray <smurray@nmpsfa.org>; Mathew Gerken <mgerken@nmpsfa.org>; Larry Tillotson <ltillotson@nmpsfa.org>; Richard Dicks <rdicks@nmpsfa.org>; Daniel Juarez <djuarez@nmpsfa.org>; Matthew Schimmel <mschimmel@nmpsfa.org>; Cody Diehl <cdiehl@fms.k12.nm.us>; Isaac Gamboa <igamboa@fms.k12.nm.us>
Subject: RE: PSCOC Presentation

You're welcome Candice,

Let us know if you have any other questions and we will be happy to help!

John

John M. Valdez, AICP | Facilities Master Planner
New Mexico Public School Facilities Authority
1312 Basehart Drive SE
Albuquerque, NM 87106
Phone: (505) 843-6272 (Main) | **(505) 677-3254 (NEW NUMBER)**

Email: jvaldez@nmmpsfa.org

web: www.nmpsfa.org



From: Candice Thompson <cathompson@fms.k12.nm.us>
Sent: Thursday, November 6, 2025 8:42 AM
To: John Valdez <jvaldez@nmmpsfa.org>
Cc: Sean Murray <smurray@nmmpsfa.org>; Mathew Gerken <mgerken@nmmpsfa.org>; Larry Tillotson <ltillotson@nmmpsfa.org>; Richard Dicks <rdicks@nmmpsfa.org>; Daniel Juarez <djuarez@nmmpsfa.org>; Matthew Schimmel <mschimmel@nmmpsfa.org>; Cody Diehl <cdiehl@fms.k12.nm.us>; Isaac Gamboa <igamboa@fms.k12.nm.us>
Subject: Re: PSCOC Presentation

John,

As always thank you for the information and quick response.

On Thu, Nov 6, 2025 at 8:39 AM John Valdez <jvaldez@nmmpsfa.org> wrote:

Good morning Candice,

You are correct, the Awards Subcommittee meeting is actually December 1st, 2025 with PSCOC on December 11th. From my perspective, I have everything I need but I will let other PSFA team members respond as well.

Thanks!

John

John M. Valdez, AICP | Facilities Master Planner

New Mexico Public School Facilities Authority

1312 Basehart Drive SE

Albuquerque, NM 87106

Phone: (505) 843-6272 (Main) | (505) 677-3254 (NEW NUMBER)

Email: jvaldez@nmpsfa.org

web: www.nmpsfa.org



From: Candice Thompson <cathompson@fms.k12.nm.us>

Sent: Thursday, November 6, 2025 7:54 AM

To: Sean Murray <smurray@nmpsfa.org>; Mathew Gerken <mgerken@nmpsfa.org>; Larry Tillotson <ltillotson@nmpsfa.org>; Richard Dicks <rdicks@nmpsfa.org>; John Valdez <jvaldez@nmpsfa.org>; Daniel Juarez <djuarez@nmpsfa.org>; Matthew Schimmel <mschimmel@nmpsfa.org>

Cc: Cody Diehl <cdiehl@fms.k12.nm.us>; Isaac Gamboa <igamboa@fms.k12.nm.us>

Subject: PSCOC Presentation

Good morning team,

I just wanted to touch base to see if there's any additional information you need from us prior to the PSCOC presentation. I noticed that the calendar doesn't show a meeting scheduled for November, but from our previous discussion, I recalled that we were expected to present this month.

Could you please provide an update on the schedule or next steps?

--

Best regards

Candice Thompson

Facilities Project Coordinator
Farmington Municipal Schools
(505) 324-9840 x1538
cathompson@fms.k12.nm.us

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Best regards
Candice Thompson
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(505) 324-9840 x1538
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I. P23-005 Mesa Verde ES (Farmington) - Award Language Change

II. Presenter(s): Sean Murray, Deputy Director of Capital Operations
Mathew Gerken, Senior Project Manager

III. Potential Motion:

Council approval to amend the current 2022-2023 Standards-based award language to Farmington Municipal Schools (FMS) for Mesa Verde Elementary School (P23-005) to include an increase in the maximum allowable gross square footage (GSF) from 58,159 to 67,003 (a 8,844 GSF increase).

- Contingent on:
 - The program of spaces falls within the new calculator value of 67,003 GSF. Should the program contain space over that amount, the overage will fully be district financial responsibility.
 - The program contains academic spaces sized to the Adequacy minimums or over (as long as the total program does not exceed 67,003 GSF).
 - If the program contains ineligible space as defined by the Adequacy Planning Guide, this space will fully be district financial responsibility.

IV. Executive Summary:**District Request:**

- To increase the awarded maximum allowable area from 58,159 to 67,003 GSF an increase of 8,844 GSF.

Staff Recommendation:

- Approve the use of the new PSFA Gross Square Footage Calculator based on:
 - The program of spaces falls within the new calculator value of 67,003 GSF. Should the program contain space over that amount, the overage will fully be district financial responsibility.
 - The program contains academic spaces sized to the Adequacy minimums or over (as long as the total program does not exceed 67,003 GSF).
 - If the program contains ineligible space as defined by the Adequacy Planning Guide, this space will fully be district financial responsibility.

Key Points:

- The district is requesting utilization of the new PSFA Gross Square Footage Calculator, which allows 67,003 GSF for an enrollment of 447.
- The Design Professionals contract was approved in June 2023.
- Currently there is no program of spaces for PSFA Staff to review.
 - Staff is unable to review the requested space or the allotted GSF in this request.
 - The district has not yet begun the Program Statement (1 of 4) phase of Design.
 - The district stated the need to program larger CTE and special education spaces.

Update from December 1st, Awards Subcommittee (Tabled):

- The district has indicated that.
 - If a waiver of the local match is not approved. The district would request a local match advance and a repayment plan. To be paid through the district's recently approved bond election and future bond elections.
 - The district would commit \$7.5 million from the November 2025 and March 2026 bond sale for both projects for a total of \$15 million.
 - The estimated construction costs, including the additional GSF being currently requested using \$680/SF is \$45,562,040 for Mesa Verde ES and \$65,397,640 for Heights MS.
 - Construction could be requested approximately 10 months from the date of this request.
 - The construction of Mesa Verde ES would not start until after the completion of Heights MS.
 - Heights MS will be utilized to temporarily house Mesa Verde ES students during construction of Mesa Verde ES.
- The district has indicated that if a waiver of the local match is not approved. The district would request a local match advance and a repayment plan. To be paid through the district's recently approved bond election and future bond elections.
- The district originally indicated in writing that they will request a full or partial local match reduction (waiver) for the phase 2 (construction) funding request.

Enrollment

- The 2024-25 enrollment totaled 445, which is consistent with the projection of 447.
- The school's enrollment tends to reflect a stable enrollment pattern. According to the district, the unofficial 40-day enrollment count totals 446 students.
- All the schools that share attendance boundaries with Mesa Verde operate with high utilization rates except for Northeast Elementary. According to the FMP, County Club and Ladera del Norte operate slightly overcapacity.
- High utilization rates and lack of vacant rooms mean that the district still needs Mesa Verde, and other schools cannot play a role in its potential solution (i.e. the district could not consolidate it with another school).

District Project History

- In November 2022, the PSCOC awarded Planning and Design Phase funding which included a partial local match reductions (waiver and advances)
 - With the Waiver and Advance the district's participation is reduced to \$0.
 - The Advance totaled \$1,190,805 and will be repaid based on the approved repayment plan of 3 annual payments of \$396,935 starting on June 1, 2026 and concluding on June 1, 2029, that is contingent upon a successful GO Bond election in November 2025.
- For the Pre-K award project: K23-001 Pre-School Academy East
 - The district received two (partial and full) local match reductions (waivers); first for Planning and Design in November 2022, second was for Construction in December 2024.

- First waiver for Planning/Design was a partial local match reduction.
 - Waiver totaled \$850,597 (50% of local match)
 - Local match reduced to \$850,597
- Second waiver for Construction was a full local match reduction.
 - Waiver totaled \$24,720,892 (100% of local match)
- The total funding awarded (state and local match) is \$41,939,819
 - The district's contribution of \$41.9 million is \$850,597
- For the two standards-based projects: P23-004 Heights MS & P23-005 Mesa Verde ES.
- Both projects received partial local match reductions (waivers and advances) for the planning and design phase. (November 2022)
 - For Heights MS (Local match reduced to \$0):
 - Local match reductions (waiver and advance) totaled \$2,915,673
 - For Mesa Verde ES (Local match reduced to \$0):
 - Local match reductions (waivers and advance) totaled \$1,786,208
 - The waivers and advances for both projects reduce the district's contribution to \$0 for planning and design.

Exhibit(s):

- A – PSFA Recommendation Report: P23-005 Mesa Verde Elementary School
- B – Farmington Municipal Schools Letter, dated September 23rd, 2025
- C – District updates from December 1st, Awards Subcommittee
- D – District Email



PSFA Recommendation Report

Out-of-Cycle

Farmington Municipal Schools
Mesa Verde Elementary School
(P23-005)

Award Language Change

District Request & Information

Award language change to increase the maximum allowable area from 58,159 to 67,003 GSF an increase of 8,844 GSF.

- Superintendent: Cody Diehl
- District Representative: Candice Thompson

PSFA Staff Recommendation

Approve the use of the new PSFA Gross Square Footage Calculator based on:

- The program of spaces falls within the new calculator value of 67,003 GSF. Should the program contain space over that amount, the overage will fully be district financial responsibility.
- The program contains academic spaces sized to the Adequacy minimums or over (as long as the total program does not exceed 67,003 GSF).
- If the program contains ineligible space as defined by the Adequacy Planning Guide, this space will fully be district financial responsibility.

Award Language

- Approval to amend the current 2022-2023 Standards-based award language to Farmington Municipal Schools (FMS) for Mesa Verde Elementary School (P23-005) to include an increase in the maximum allowable gross square footage (GSF) from 58,159 to 67,003 (a 8,844 GSF increase).
 - Contingent on:
 - The program of spaces falls within the new calculator value of 67,003 GSF. Should the program contain space over that amount, the overage will fully be district financial responsibility.
 - The program contains academic spaces sized to the Adequacy minimums or over (as long as the total program does not exceed 67,003 GSF).
 - If the program contains ineligible space as defined by the Adequacy Planning Guide, this space will fully be district financial responsibility.

Potential Award Funding

- Estimated Total Project Potential Fiscal Impact for 67,003 GSF in new Construction.

Request Summary	State Match 37%	Local Match 63%	Total	Above Allowable
Estimated Total Project Cost for awarded 58,159 GSF	\$18,183,411	\$30,960,944	\$49,144,355	\$-
Estimated Total Project Cost for requested 8,844 GSF	\$2,552,378	\$4,345,942	\$6,898,320	\$-
Subtotal	\$20,735,790	\$35,306,885	\$56,042,675	\$-
Local Match Reduction	\$35,306,885	(\$35,306,885)	\$-	\$-
Advance	\$-	\$-	\$-	\$-
Estimated Total Project Potential Fiscal Impact	\$56,042,675	\$-	\$56,042,675	\$-

- Estimated Potential Fiscal Impact for 8,844 GSF in new Construction.

Request Summary	State Match	Local Match	Total	Above Allowable
	37%	63%		
Estimated Maximum Allowable Construction Cost	\$2,126,982	\$3,621,618	\$5,748,600	\$-
Soft Costs (20%)	\$425,396	\$724,324	\$1,149,720	\$-
Subtotal	\$2,552,378	\$4,345,942	\$6,898,320	\$-
Local Match Reduction	\$4,345,942	\$(4,345,942)	\$-	\$-
Advance	\$-	\$-	\$-	\$-
Estimated Potential Fiscal Impact	\$6,898,320	\$-	\$6,898,320	\$-

- Estimated Maximum Allowable Construction Cost (MACC):
 - \$650 / SF
 - \$5,748,600
- Estimated Potential Fiscal Impact:
 - \$780 / SF
 - \$6,898,320

Project Information

Project Information

- PSFA Regional Project Manager: Richard Dicks
- Design Professional: FBT Architects
- General Contractor: N/A
 - Other Bids Received: N/A

Scope of Work

- Full replacement of facility
- Design capacity: 447 students
- Current enrollment: 445 students
- Maximum allowable GSF: 58,159
- Above allowable SF: TBD

Phasing

- In Progress: Design
 - The district has not yet begun the Program Statement (1 out of 4) phase of Design
- Current Request: Award Language Change

Award History

Original Award

- July 2022
- Standards-based Award: Replacement of existing facility
- Ranking: 59
- wNMCI: 40.95%
- Original Award Language:
 - Council approval to make a Standards-based capital outlay award to (Farmington) Mesa Verde Elementary School - planning and design phase: \$1,049,043 state share, \$1,786,208 district share; Planning and design phase funding for the replacement of the existing facility, for 447 students, grades K-5, and 58,159 gross square feet. Enrollment projections and gross square footage (not to exceed the maximum gross square footage pursuant to the Adequacy Planning Guide) must be updated and approved by the PSCOC prior to the completion of the planning and design phase. Each allocation is intended to fully complete the project, phase or specified purpose. Upon completion of this awarded phase of work, including conformance with all contingencies, out-of-cycle funding for future phases of work may be considered at any upcoming regularly scheduled PSCOC meeting.
- Estimated MACC: \$650 / SF
- Estimated Total Project Cost: \$49,144,355

Out-of-Cycle Award

- August 2022
- Tabled in the Awards Subcommittee
- Award Language:
 - Subcommittee recommendation for Council approval to amend the current Standards-based award to Farmington Municipal Schools for Mesa Verde ES to include an advance of the local match for the previously award Planning and Design Phase and a repayment plan of 25 annual payments of \$71,448 starting on June 1, 2026 and concluding on June 1, 2051, that is contingent upon a successful General Obligation Bond election in November 2025. For an increase in the State match of \$1,049,043 for a total of \$2,835,251 (100%) and decrease of the local match to \$00.00 (00%).

Out-of-Cycle Award

- October 2022
- Tabled in the Awards Subcommittee
- Award Language:
- Subcommittee recommendation for Council approval to rescind the 2022-2023 Standards based award to the Farmington Municipal School District for Mesa Verde ES with a state match reversion in the amount of \$1,049,043.

Out-of-Cycle Award

- November 2022
- Local Match Reductions (Waiver and Advance) for Planning and Design phase funding
- Award Language:
 - Council approval to amend the current Standards-based award to Farmington Municipal Schools for Heights MS for the following:
 - Part 1: A reduction of the local match from \$1,786,208 (63%) to \$1,190,805 (42%) and an increase in the state match from \$1,049,043 (37%) to \$1,644,446 (58%).
 - Part 2: An advance of the reduced local match of \$1,190,805 for the previously award Planning and Design Phase and a repayment plan of 3 annual payments of \$396,935 starting on June 1, 2026 and concluding on June 1, 2029, that is contingent upon a successful General Obligation Bond election in November 2025. For an increase in the State match of \$1,190,805 for a total of \$2,835,251 (100%) and decrease of the local match to \$0.00 (0%).

District Financial Information

State / Local Match

- Local match: 63%
- State match: 37%
- The district does have adequate funds to accommodate the local share of this project.
 - The district will request consideration for a local match reduction for the phase 2 (Construction) funding request.

Bond Information

<ul style="list-style-type: none">• GO Bond:<ul style="list-style-type: none">• Current: November 2021 for \$8 million• Future: November 2025 for \$30 million• Bonding Capacity: \$56,135,000• Available Capacity: \$51,659,003• Mill Levy: 1.928<ul style="list-style-type: none">○ Source: RBC Capital Markets	<ul style="list-style-type: none">• SB-9: \$3,400,000• HB-33: \$3,800,000• Cash Balance: \$9,500,000• Operational: \$137,000,000 <ul style="list-style-type: none">• Bond Sale:<ul style="list-style-type: none">• Current: 2025 for \$2 million• Future: March 2026
---	--

Project Funding

- Sources: GO Bond (Source 31100)

Local Match Reduction

- The district can support the local match for this phase of funding.
- **Farmington Municipal Schools does not meet statute requirements for a local match reduction.**
 - The district will request consideration for a local match reduction for the phase 2 (Construction) funding request.

Per Section 22-24-5 (B)(9), the council may adjust the amount of local share otherwise required if it determines that a school district has made a good-faith effort to use all of its local resources. Before making any adjustment to the local share, the council shall consider whether:

Option	Requirement	District Data	Meets Eligibility
1	Insufficient Bonding Capacity	\$56,135,000	NO
	Mill Levy \geq 10	1.928	
2	MEM Count \leq 1,500	10,439	NO
	Mill Levy \geq 7.00	1.928	

* District must meet 1 of the 2 options.

Planning Summary

Facilities Master Plan is Current

A. FMP Dates: 2023-28; 2016-21 addressed the potential for school replacement

B. FMP Priority for School:

The 2016-21 FMP recommended the district study replacement of the school. The 2023-28 FMP prioritized replacement

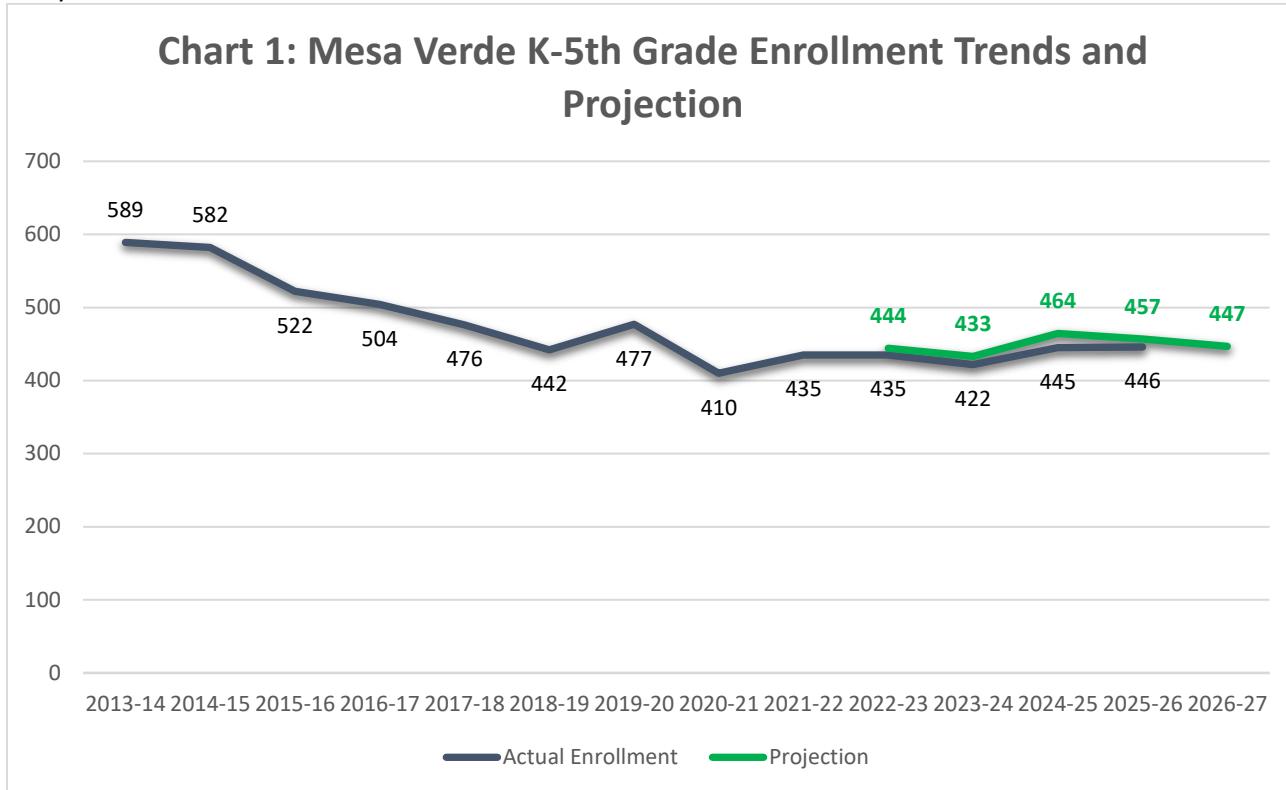
C. Key Facts

- The district is seeking use of the new Maximum Allowable Gross Square foot calculator, which allows for a GSF of 67,003 GSF for an enrollment of 447 students in grades K-5th.
- To date, the district has not started programming. PSFA staff can recommend using the new calculator based on:
 - The program of spaces falls within the new calculator value of 67,003 GSF. Should the program contain space over that amount, the overage will fully be district financial responsibility.
 - The program contains academic spaces sized to the Adequacy minimums or over (if the total program does not exceed 67,003 GSF).
 - If the program contains ineligible space as defined by the Adequacy Planning Guide, this space will fully be district financial responsibility.
- While the district does not have a program of spaces at this time, PSFA staff held a meeting with the district where district representatives stated the need to program larger special education space motivated its request to use the new calculator.

- The school's 2024-25 enrollment stands at 445, which is consistent with the projection enrollment projection. The school is projected to meet the 447-design capacity. The district informed PSFA Staff the unofficial 40-day count totals 446.
- Capacity and Utilization data from the FMP show most of the Farmington Elementary Schools operating within an acceptable level of utilization. While some have available capacity, many operate at capacity including many of the schools that share attendance boundaries with Mesa Verde Elementary Schools.

D. Enrollment Update

This section provides an update of the school's enrollment. Chart 1 shows the enrollment trends at Mesa Verde Elementary School.



Source: Enrollment – NMPED 40-day Enrollment Trends; Projection – 2023-28 FMP

- The school's enrollment tends to reflect a stable enrollment pattern. According to the district, the unofficial 40-day enrolment count totals 446 students.
- The Mesa Verde Attendance Zone includes key activity centers for the City of Farmington and San Juan County. The school is near San Juan County Community College, the new Church of Latter Day Saints Temple, Piedra Vista High School, and Main Street commercial area. These elements anchor the area and make the neighborhoods around the school desirable. In recent years, the area has experienced multi-family residential development including adjacent Height Middle School across the street.
- Subdivision activity is continuing to occur off Windsor Drive, northeast of the school, which will continue to contribute to enrollment stabilization.

E. Capacity Overview

This section provides an overview of the Farmington Middle School capacity.

School Name	Grade Level	2024-25 Enrollment	School Functional Capacity	Available Capacity	Vacant Classroom or Classrooms used for non-instruction (per FMP)	Occupancy Rate	School Utilization (per FMP)
Animas ES*	K-5th	345	434	89	2	86.00%	94%
Apache ES	K-5th	375	522	147	1	79.00%	69%
Bluffview ES	K-5th	355	448	93	3	78.00%	88%
Country Club ES*	K-5th	530	478	-52	0	97.00%	95%
Esperanza ES*	K-5 th	469	512	43	0.5	95.00%	90%
Farmington Preschool Academy West (Formerly CATE Center)	Pre-K	153	160	7	6	95.00%	100%
Farmington Preschool Academy East (Formerly Special Pre-School)	Pre-K	117	86	-31	0	63%	100%
Ladera Del Norte ES*	K-5 th	504	488	-16	1	85.00%	89%
McCormick ES	K-5 th	426	493	67	0	83.00%	97%
McKinley ES	K-5 th	438	486	48	0	77.00%	92%
Mesa Verde ES	K-5 th	445	431	-14	0	87.00%	97%
Northeast ES*	K-5 th	505	577	72	2	68.00%	65%
TOTALS		4662	5,115	453	15.5	82.75%	89.67%

Source: 2023-28 FMP

*indicates schools that share attendance boundaries with Mesa Verde Elementary School

- The table indicates that most Farmington Elementary Schools operate high levels of utilization and many operate near capacity.
- Mesa Verde shares attendance boundaries with:
 - Animas Elementary
 - Country Club Elementary
 - Esperanza Elementary
 - Ladera del Norte Elementary
 - Northeast Elementary
- All the schools that share attendance boundaries with Mesa Verde operate with high utilization rates except for Northeast Elementary. According to the data from the FMP, County Club and Ladera del Norte operate slightly overcapacity.
- The FMP shows 15.5 vacant elementary classrooms in the district, however, these vacant rooms do not occur in significant numbers at any one school (i.e. Bluffview has the most vacant rooms at three).
- High utilization rates and lack of vacant rooms mean that the district still needs Mesa Verde and other schools cannot play a role in its potential solution (i.e. the district could not consolidate it with another school).
- Based on the data, the district could reexamine its attendance boundaries to improve classroom occupancy levels for those operating at lower capacity/occupancy rates while relieving those at or near capacity (i.e. Northeast with lower occupancy rates/more available capacity vs Country Club, operating at capacity).

Maintenance Summary

The Farmington Municipal School District does meet all statutory requirements (as of November 5, 2025)

- **Preventive Maintenance Plan is current**
 - Last updated October 6, 2025 (Annual update required; 6.27.3.11 NMAC)
 - Previous plan rated Outstanding, exceeding statute criteria.
- **Quarterly FIMS Proficiency Reports:** Outstanding user of all 3 State provided FIMS maintenance resources.
 - **PM Completion Rate:** 98.34% performance rating, above the 90% recommendation
- **Facility Maintenance Assessment Report (FMAR):** district average is **90.28%, Outstanding.**
 - The district is maintaining their assets and facility conditions to an overall 90% Outstanding level (district average), currently at the recommended 70% (FMAR 4th cycle)

Staff Recommends:

- Continue their diligence towards improved core maintenance to 90% (Outstanding) ratings;
- Continuing their use of the FIMS tools to drive district maintenance performance
- Respond to subsequent FMARs through the 60-day response process supporting quality facility conditions, addressing all deficiencies.

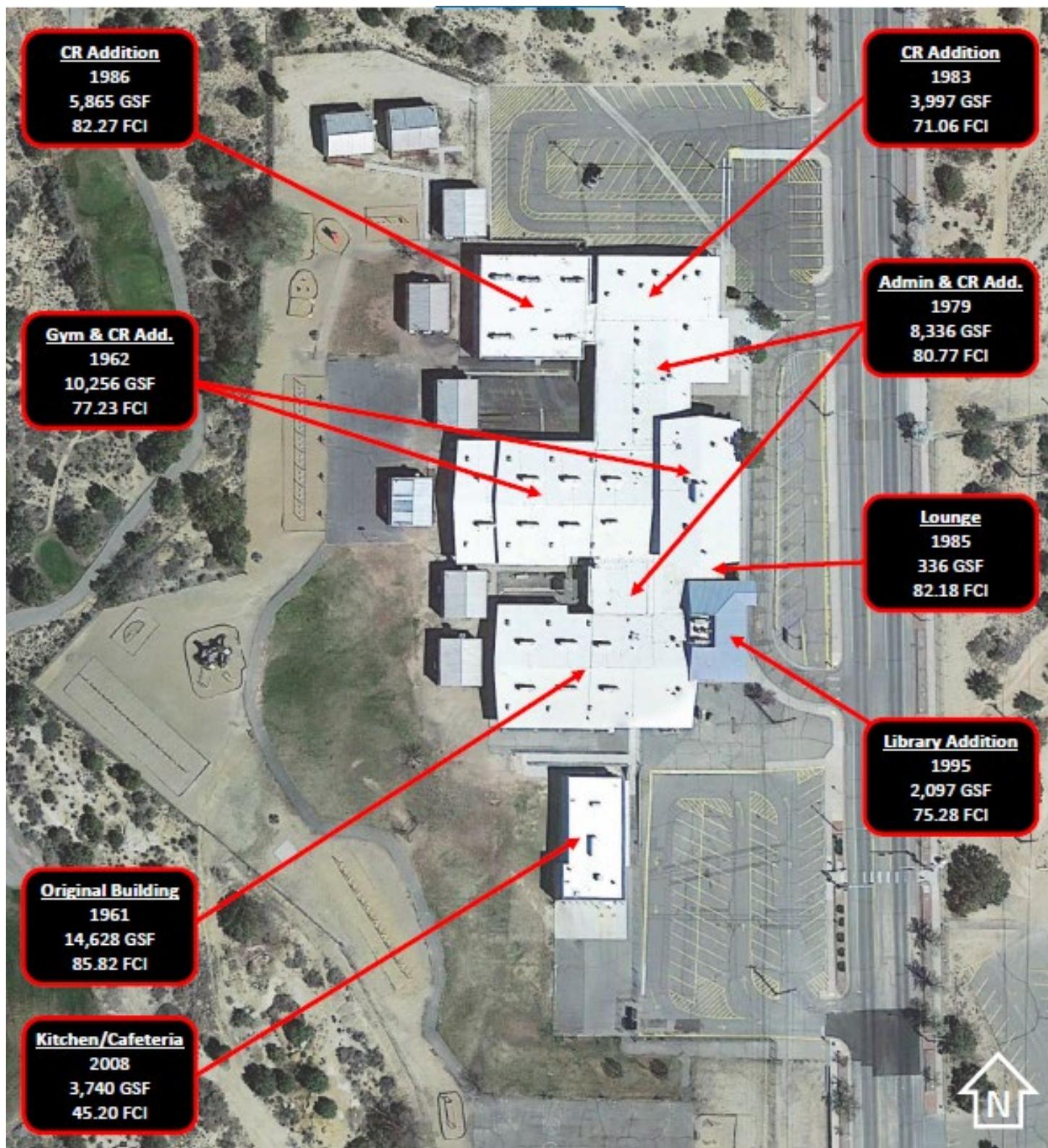
Historic and Current PSCOC Funded Projects

Current active projects: 4

Historic projects: 45

Fiscal Year Funded		Facility Name	Project Type	PSCOC Funding
		Current Projects		
2022-2023	Pre School Academy East	Pre-Kindergarten	\$ 41,089,222	
	Mesa Verde ES	Standards-Based	\$ 2,835,251	
	Heights MS	Standards-Based	\$ 4,628,052	
2021-2022	Piedra Vista HS	Systems-Based	\$ 10,483,367	
Total Funding				\$ 59,035,892
Historic Total Project Funding (2002-2024)				\$ 137,912,550

Site Plan / Renderings





September 23, 2025

Dear PSFA Team,

We would like to formally inform you that Farmington Municipal Schools would like to request a language change for the two projects listed below:

- Heights Middle School (Project No. P23-004)
- Mesa Verde Elementary School (Project No. P23-005)

We would like the language change to reflect the updated adequacy standards for square footage.

Per the request of PSFA at our kickoff meeting on September 22, 2025, we are also including in this letter that Farmington Municipal Schools intends to request a full waiver for the construction phase of these projects. Additionally, per their request, we are including both the original square footage awarded and the updated square footage based on the new calculator:

- Heights Middle School: original award 89,001 sq. ft.; new request 96,173 sq. ft.
- Mesa Verde Elementary School: original award 58,159 sq. ft.; new request 67,003 sq. ft.

Please note that the original letter regarding this request was sent to PSFA on September 4, 2025, and we received a response that we would be on the agenda for the November 19, 2025 meeting for this language change request.

Please let us know what next steps are required from Farmington Municipal Schools to facilitate this process in requesting this language change.

Thank you for your continued support and partnership.

Sincerely,

Isaac Gamboa
Executive Director of Operations & Athletics
Farmington Municipal Schools
igamboa@fms.k12.nm.us
(505)324-9840 x3208


ADMINISTRATIVE OFFICES

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 Farmington, NM 87402
 district.fms.k12.nm.us
 Office: (505) 324-9840
 Fax: (844) 833-2819

1. From the November 2025 bond sale, how much of that bond sale would be committed to the local match of the future construction funding requests?

Please refer to the response for Item 2 below as this appears to be a duplicate question.

2. For the March 2026 bond sale that you indicated, how much of that bond sale would be committed to the local match of the future construction funding requests?

The total bond amount committed to the local match is **\$15 million**, allocated as follows:

- **Year 3 Bond Sale:** \$7.5 million
- **Year 4 Bond Sale:** \$7.5 million

3. How much do you estimate the cost of construction to be for each of the projects?

Project	Requested Additional Square Footage	Estimated Cost per Sq. Ft. (Pre-K)	Total Estimated Cost
Mesa Verde Elementary School	67,003 sq. ft.	\$680.00	\$45,562,040
Heights Middle School	96,176 sq. ft.	\$680.00	\$65,397,640
Total Estimated Construction Cost			\$110,959,680

4. Does the district have a timeline for when construction might be requested?
Design Phase:

- Approximately **ten (10) months** from the award date seeking the additional square footage.

Construction Phase:

- **Heights Middle School:** Approximately **eighteen (18) months** to construct.
- **Mesa Verde Elementary School:** Approximately **eighteen (18) to twenty-four (24) months.**
 - Mesa Verde construction will follow the completion of Heights Middle School, as Heights MS will be utilized to temporarily house elementary students during construction of the new Mesa Verde facility.

5. Does the district have a rough estimate of the amount that the PSCOC would need to advance the district for construction?

The district's intent would be to first request a **full waiver** of the local match requirement. If a full waiver is denied, the district would then seek a reduction of the approved **42% waivered local match**, including the additional **5% reduction awarded for exoplanetary maintenance**, resulting in a **37% local match requirement**.

The district would then present a **payment plan** to address the remaining balance.

Respectfully,

Candice Thompson

FMS Construction Coordinator

From: [Isaac Gamboa](#)
To: [Daniel Juarez](#)
Cc: [Sean Murray](#); [Marcos B. Trujillo](#); [John Valdez](#); [Candice Thompson](#); [Mathew Gerken](#); [Larry Tillotson](#); [Richard Dicks](#); [Matthew Schimmel](#); [Cody Diehl](#)
Subject: Re: PSCOC Presentation
Date: Tuesday, December 2, 2025 11:38:37 AM
Attachments: [image001.jpg](#)
[image002.png](#)
[image003.png](#)

Good afternoon, Daniel,

Thank you for the update regarding the Awards subcommittee meeting .

To provide the subcommittee with the necessary information, could you please clarify what specific detail about the local match funding they require? Specifically, are they asking about the funding for the Design Phase, the Construction Phase, or both?

When we met with the PSFA team on October 7, 2025, we discussed our funding plans, which are outlined below:

- **Design Phase Local Match:**
 - This will be funded using the recently approved local bond funds.
 - The initial payment is scheduled for release in March 2026, with the first bond payment due in June 2026.
- **Construction Phase Local Match:**
 - As discussed at our last meeting at the PSFA office, our primary intention is to request a full construction waiver from the PSCOC.
 - If the waiver is not approved, our secondary plan is to request a local match reduction and a payment plan to be paid through our recently approved bond funds and our next bond issue.

Since the funding for both the design and construction phases was discussed in detail at our previous meeting, I am uncertain about what additional information the subcommittee may be missing concerning our intended funding approach for these projects.

Please let me know the next steps and if you need further clarification on any of the points above.

Respectfully,

Isaac A. Gamboa
 Executive Director of Operations & Athletics
 Farmington Municipal Schools
 (505)324-9840 x3208
igamboa@fms.k12.nm.us

On Tue, Dec 2, 2025 at 10:56 AM Daniel Juarez <djuarez@nmpsfa.org> wrote:

Good morning, Isaac,

At yesterday's Awards subcommittee meeting the district's request for award language

changes to the Mesa Verde ES and Heights MS standards-based awards were tabled.

The Awards subcommittee requested information, about how the district would fund the local match for both the Heights MS and Mesa Verde ES projects.

If you have any questions or concerns, please let us know.

Thank you,

Daniel

Daniel Juarez | Senior Projects Coordinator

New Mexico Public School Facilities Authority

1312 Basehart Drive SE

Albuquerque, New Mexico 87106

Office: 505-843-6272

Cell: 505-274-0574

Email: djuarez@nmmpsfa.org

Web: www.nmpsfa.org



From: Isaac Gamboa <igamboa@fms.k12.nm.us>
Sent: Tuesday, December 2, 2025 7:51 AM
To: Sean Murray <smurray@nmpsfa.org>
Cc: John Valdez <jvaldez@nmpsfa.org>; Candice Thompson <cathompson@fms.k12.nm.us>; Mathew Gerken <mgerken@nmpsfa.org>; Larry Tillotson <ltillotson@nmpsfa.org>; Richard Dicks <rdicks@nmpsfa.org>; Daniel Juarez <djuarez@nmpsfa.org>; Matthew Schimmel <mschimmel@nmpsfa.org>; Cody Diehl <cdiehl@fms.k12.nm.us>
Subject: Re: PSCOC Presentation

Good morning,

Team, I hope you all had a great Thanksgiving and all is well. With the PSCOC meeting coming up on Dec. 11, we wanted to make sure there wasn't anything you needed from us. We plan on being there, so let us know if there is anything you need from us. Appreciate you all!

Respectfully,

Isaac A. Gamboa
Executive Director of Operations & Athletics
Farmington Municipal Schools
(505)324-9840 x3208
igamboa@fms.k12.nm.us

On Thu, Nov 6, 2025 at 12:55 PM Sean Murray <smurray@nmpsfa.org> wrote:

Candice

I will be reviewing the motion with Daniel next week, prior to presentation to the subcommittee. If there arises the need for any other information, we will let you know.

Kindly,

Sean C. Murray

Deputy Director of Capital Operations

New Mexico Public School Facilities Authority
1312 Basehart Dr. SE
Albuquerque NM, 87106
Cell: [505.677.1916](tel:505.677.1916)



From: John Valdez <jvaldez@nmpsfa.org>
Sent: Thursday, November 6, 2025 10:51:27 AM
To: Candice Thompson <cathompson@fms.k12.nm.us>
Cc: Sean Murray <smurray@nmpsfa.org>; Mathew Gerken <mgerken@nmpsfa.org>; Larry Tillotson <ltillotson@nmpsfa.org>; Richard Dicks <rdicks@nmpsfa.org>; Daniel Juarez <djuarez@nmpsfa.org>; Matthew Schimmel <mschimmel@nmpsfa.org>; Cody Diehl <cdiehl@fms.k12.nm.us>; Isaac Gamboa <igamboa@fms.k12.nm.us>
Subject: RE: PSCOC Presentation

You're welcome Candice,

Let us know if you have any other questions and we will be happy to help!

John

John M. Valdez, AICP | Facilities Master Planner
New Mexico Public School Facilities Authority
1312 Basehart Drive SE
Albuquerque, NM 87106
Phone: (505) 843-6272 (Main) | **(505) 677-3254 (NEW NUMBER)**

Email: jvaldez@nmmpsfa.org

web: www.nmpsfa.org



From: Candice Thompson <cathompson@fms.k12.nm.us>
Sent: Thursday, November 6, 2025 8:42 AM
To: John Valdez <jvaldez@nmmpsfa.org>
Cc: Sean Murray <smurray@nmmpsfa.org>; Mathew Gerken <mgerken@nmmpsfa.org>; Larry Tillotson <ltillotson@nmmpsfa.org>; Richard Dicks <rdicks@nmmpsfa.org>; Daniel Juarez <djuarez@nmmpsfa.org>; Matthew Schimmel <mschimmel@nmmpsfa.org>; Cody Diehl <cdiehl@fms.k12.nm.us>; Isaac Gamboa <igamboa@fms.k12.nm.us>
Subject: Re: PSCOC Presentation

John,

As always thank you for the information and quick response.

On Thu, Nov 6, 2025 at 8:39 AM John Valdez <jvaldez@nmmpsfa.org> wrote:

Good morning Candice,

You are correct, the Awards Subcommittee meeting is actually December 1st, 2025 with PSCOC on December 11th. From my perspective, I have everything I need but I will let other PSFA team members respond as well.

Thanks!

John

John M. Valdez, AICP | Facilities Master Planner

New Mexico Public School Facilities Authority

1312 Basehart Drive SE

Albuquerque, NM 87106

Phone: (505) 843-6272 (Main) | **(505) 677-3254 (NEW NUMBER)**

Email: jvaldez@nmpsfa.org

web: www.nmpsfa.org



From: Candice Thompson <cathompson@fms.k12.nm.us>

Sent: Thursday, November 6, 2025 7:54 AM

To: Sean Murray <smurray@nmpsfa.org>; Mathew Gerken <mgerken@nmpsfa.org>; Larry Tillotson <ltillotson@nmpsfa.org>; Richard Dicks <rdicks@nmpsfa.org>; John Valdez <jvaldez@nmpsfa.org>; Daniel Juarez <djuarez@nmpsfa.org>; Matthew Schimmel <mschimmel@nmpsfa.org>

Cc: Cody Diehl <cdiehl@fms.k12.nm.us>; Isaac Gamboa <igamboa@fms.k12.nm.us>

Subject: PSCOC Presentation

Good morning team,

I just wanted to touch base to see if there's any additional information you need from us prior to the PSCOC presentation. I noticed that the calendar doesn't show a meeting scheduled for November, but from our previous discussion, I recalled that we were expected to present this month.

Could you please provide an update on the schedule or next steps?

--

Best regards

Candice Thompson

Facilities Project Coordinator
Farmington Municipal Schools
(505) 324-9840 x1538
cathompson@fms.k12.nm.us

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Best regards
Candice Thompson
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I. P24-008 Algodones ES (Bernalillo) - Award Language Change

II. Presenter(s): Sean Murray, Deputy Director of Capital Operations
Mathew Gerken, Senior Project Manager

III. Potential Motion:

Council approval to amend the current 2023-2024 Standards based award language to Bernalillo Public Schools (BPS) for Algodones Elementary School (P24-008) to include:

- An increase in the maximum allowable area from 48,081 to 58,820 (a 10,739 GSF increase).
- New construction of 58,820 GSF replacement facility in lieu of renovation/addition of the existing facility.
- Contingent on the approval of the reorganization request by the Public Education Department.

IV. Executive Summary:**District Request:**

- An increase in the maximum allowable area from 48,081 to 58,820 (a 10,739 GSF increase).
- New construction of 58,820 GSF replacement facility in lieu of renovation/addition of the existing facility.

Staff Recommendation:

- An increase in the maximum allowable area from 48,081 to 58,820 (a 10,739 GSF increase).
- New construction of 58,820 GSF replacement facility in lieu of renovation/addition of the existing facility.

Key Points:

- The district is requesting utilization of the new PSFA Gross Square Footage Calculator, which allows for 58,846 GSF for an enrollment of 358 students.
- The district's Algodones ES Program Statement has space totaling 58,820 GSF
 - This is 26 SF less than what is allowed by the new GSF calculator.
 - The program generally contains eligible space as defined by the Adequacy Planning Guide. There is a Tribal Liaison Office comprised of 150 SF the district says it is required to provide under Yazzie Martinez.
 - There are no specific space requirements included in Yazzie Martinez.
- The district/ design professional proceeded with programming spaces to the square footage allowed by the new GSF calculator without prior PSFA/PSCOC approval.
- **Update from December 1st, Awards Subcommittee:**
 - District will submit a reorganization request to the Public Education Department prior to completion of the Design phase.

- For Phase 2 (Construction) funding the district will be requesting approval of a full or partial local match reduction.
- In May 2024, the PSCOC awarded Planning and Design phase funding for renovation/addition or replacement based on programming and building systems analysis of the existing facility for 358 students and 48,081 gross square feet.

Enrollment

- The 40-day enrollment for SY24-25 is 184 students PreK – 3rd for Algodones ES.
 - The school previously served 4th grade, but the district reassigned those students to Bernalillo ES in the 2023-24 school year due to capacity issues.
 - The enrollment drop for the 2022/23 and 2023/24 SY resulted from the district reassigning the 4th grade to Bernalillo ES since the school was at capacity.
 - The school experienced another increase in the 2024-25 SY of 20 students.
- Algodones ES has experienced enrollment growth over the past few years. Some of the increase resulted from transfers from San Felipe Pueblo ES a Bureau of Indian Education facility.
- The district is planning for an enrollment of 358 students at Algodones ES based on the FMP projection. Which considered several variables in its projection including:
 - Addition of 4th, 5th and 6th grade to the school in the coming years (the FMP projected this would occur in the 2024-25 school year).
 - The district will pull the majority of the students from Bernalillo ES.
 - A total of 315 students living in the areas assigned to Algodones ES.
 - The Keres language program at the school attracts students currently attending other district schools and alternative educational programs in the area.
 - The school's language program is a requirement of the Indian Education Act and Yazzie/Martinez/HB250, which also requires significant Tribal coordination.
 - The district is adding a Keres Language Pre-K classroom.
- Per the district, once Algodones opens, a grade re-organization will be initiated at WD Carroll and Bernalillo ES to make them K-6th facilities. This re-organization will ensure the district is meeting the intent of the Yazzie Martinez requirements.
 - The district will make Bernalillo ES a Dual Language Immersion school while WD Carroll's will follow a STEM education program
- Staff's enrollment projection for the school totals an enrollment of 346 students at the school, once the district relocates the Algodones area students back to the school.

Facilities

- Algodones' s main building was constructed in 1990 with an addition in 2011.
- The facility was last assessed by staff in August 2023.
- As of June 17, 2025, the FCI score for this facility is at 81.32%
 - PSFA recommends full replacement around 70%.
- The Building Systems Analysis Reports indicate that.
 - New septic system would be required.
 - The condition of the electrical distribution infrastructure is poor.

- The roof on the main building and addition are both leaking. The roofs are constructed of a asphalt built-up-roof.
- The building contains one set of multi-user restrooms centrally located to both wings of the building.
- There is smoke detection throughout the building and would need a fire suppression (sprinkler) system
 - With a possible water tank and pumphouse depending on domestically provided water pressure.
- Estimated costs for renovation/addition would be between \$36.4 and \$39.1 million (82-87% of the cost of new construction) and new construction would be between \$44.4 and \$45 million.

Additional GSF

- The difference between the district requested 58,820 GSF and the programmed 48,200 GSF is 10,620 SF.
- The program statement identifies the eligible square footage, which corresponds to the awarded GSF amount.
 - The eligible column total of 48,200 GSF is 119 SF over the awarded 48,081 GSF.
- The Over Minimum column represents the areas and SF that take the program over the awarded amount. This amount totals 10,620 but adding 119 SF from the point above takes this amount to 10,739 SF over the awarded amount.

Area	Eligible	Over Minimum	TOTAL
Early Childhood Classrooms	4,472	0	4,472
Elementary Classrooms	11,844	88	11,932
Special Education and Support	3,515	1,246	4,761
Special Use Classrooms	3,540	1,140	4,680
Physical Education	2,800	3,860	6,660
Media Arts	1,200	0	1,200
Food Service	3,835	0	3,835
Administration	1,636	1,100	2,736
Building Support and Bulk Storage	898	0	898
NSF	33,740	7,434	41,174
TARE	14,460	3,186	17,646
TOTAL	48,200	10,620	58,820

Exhibit(s):

A – PSFA Recommendation Report: P24-008 Algodones Elementary School

B – Bernalillo Public Schools letter dated August 6th, 2025

C – Program of Spaces

D – Statement of Financial Position



PSFA Recommendation Report

Out-of-Cycle

Bernalillo Public Schools
Algodones Elementary School
(P22-004)

Award Language Change

District Request & Information

Award language change to include:

- An increase in the maximum allowable gross footage (GSF) from 48,081 to 58,820 (a 10,739 GSF increase).
- New construction of 58,820 GSF replacement facility in lieu of renovation/addition of the existing facility
- Superintendent: Matthew Montano
- District Representative: Kevin Duran

PSFA Staff Recommendation

Award language change to include:

- An increase in the maximum allowable gross footage (GSF) from 48,081 to 58,820 (a 10,739 GSF increase).
- New construction of 58,820 GSF replacement facility in lieu of renovation/addition of the existing facility.

Award Language

- Approval to amend the current 2023-2024 Standards based award language to Bernalillo Public Schools (BPS) for Algodones Elementary School (P24-008) to include:
 - An increase in the maximum allowable gross footage (GSF) from 48,081 to 58,820 (a 10,739 GSF increase).
 - New construction of 58,820 GSF replacement facility in lieu of renovation/addition of the existing facility.

Potential Award Funding

- Estimated Total Project Potential Fiscal Impact for 58,820 GSF in new Construction.

Request Summary	State Match 37%	Local Match 63%	Total	Above Allowable
Estimated Total Project Cost for awarded 48,081 GSF	\$11,563,480	\$19,689,170	\$31,252,650	\$-
Estimated Total Project Cost for requested 10,739 GSF	\$2,384,058	\$4,059,342	\$6,443,400	\$-
Subtotal	\$13,947,538	\$23,748,512	\$37,696,050	\$-
Local Match Reduction	\$23,748,512	\$(23,748,512)	\$-	\$-
Advance	\$-	\$-	\$-	\$-
Estimated Total Project Potential Fiscal Impact	\$37,696,050	\$-	\$37,696,050	\$-

- Estimated Potential Fiscal Impact for 10,739 GSF in new Construction.

Request Summary	State Match 37%	Local Match 63%	Total	Above Allowable
Estimated Maximum Allowable Construction Cost	\$1,986,715	\$3,382,785	\$5,369,500	\$-
Soft Costs (20%)	\$397,343	\$676,557	\$1,073,900	\$-
Subtotal	\$2,384,058	\$4,059,342	\$6,443,400	\$-
Local Match Reduction	\$4,059,342	\$(4,059,342)	\$-	\$-
Advance	\$-	\$-	\$-	\$-
Estimated Potential Fiscal Impact	\$6,443,400	\$-	\$6,443,400	\$-

- Estimated Maximum Allowable Construction Cost (MACC):
 - \$500 / SF
 - \$5,369,500
- Estimated Potential Fiscal Impact:
 - \$600 / SF
 - \$6,422,400

Project Information

Project Information

- PSFA Regional Project Manager: Ricardo Munoz
- Design Professional: Dekker/Perich/Sabatini Architects
- General Contractor: N/A
 - Other Bids Received: N/A

Scope of Work

<ul style="list-style-type: none">• Renovation /addition• Design capacity: 358 students• Current enrollment: 184 students	<ul style="list-style-type: none">• Maximum allowable GSF: 48,081• Above allowable SF: TBD
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Phasing

- In Progress: Design
- Current Request: Award Language Change

Award History

Original Award

- May 2024
- Standards-based Award: Renovation/Addition
- Ranking: 7
- wNMCI: 67.78%
- Original Award Language:
 - Council approval for a Standards-based Capital Outlay Award to (Bernalillo) Algodones ES:
 - Phase 1: total amount of \$2,285,205, state match of \$845,525 (37%), and a district match of \$1,439,679 (63%).
 - Planning and design phase funding for renovation /addition, or replacement based on programming and building systems analysis, for 358 students, grades Pre-K-6, and 48,081 gross square feet (pursuant to the Adequacy Planning Guide).
 - Each allocation is intended to fully complete the project, phase or specified purpose. Upon completion of this awarded phase of work, including conformance with all contingencies, out-of-cycle funding for future phases of work may be considered at any upcoming regularly scheduled PSCOC meeting.
- Estimated MACC:
 - \$250 /SF for renovation
 - \$500/SF for new construction
- Estimated Total Project Cost: \$22,852,050

District Financial Information

State / Local Match

- Local match: 63%
- State match: 37%
- The district does have adequate funds to accommodate the local share of this project.
 - The district will request consideration for a local match reduction for phase 2 (Construction) funding.

Bond Information

<ul style="list-style-type: none">• GO Bond: November 2025• Bonding Capacity: \$19,315,595• Available Capacity: \$30,000,000• Bond Sale: February 2026• Mill Levy: 11.51<ul style="list-style-type: none">○ Source: RBC Capital Markets	<ul style="list-style-type: none">• SB-9: \$1,617,749• HB-33: N/A• Cash Balance: \$9,146,963• Operational: \$5,543,090
---	---

Project Funding

- Sources: GO Bond (Source 31100)

Local Match Reduction

- The district can support the local match for this phase of funding.
- **Bernalillo Public Schools does not meet statute requirements for a local match reduction.**

Per Section 22-24-5 (B)(9), the council may adjust the amount of local share otherwise required if it determines that a school district has made a good-faith effort to use all of its local resources. Before making any adjustment to the local share, the council shall consider whether:

Option	Requirement	District Data	Meets Eligibility
1	Insufficient Bonding Capacity	\$19,315,595	Meets Mill Levy requirement
	Mill Levy \geq 10	11.51	
2	MEM Count \leq 800	2,442	NO
	Mill Levy \geq 7.00	11.51	

* District must meet 1 of the 2 options.

Planning Summary

Facilities Master Plan is Current

A. FMP Dates: 2024-2029

B. FMP Priority for School:

The FMP identifies replacement of Algodones Elementary as the district's top priority.

C. Key Facts

- The district is planning a facility for grades PreK-6th grade consisting of 58,820 Gross Square Feet. The district is requesting a full replacement based on a recently completed Building Systems Analysis, which concluded:

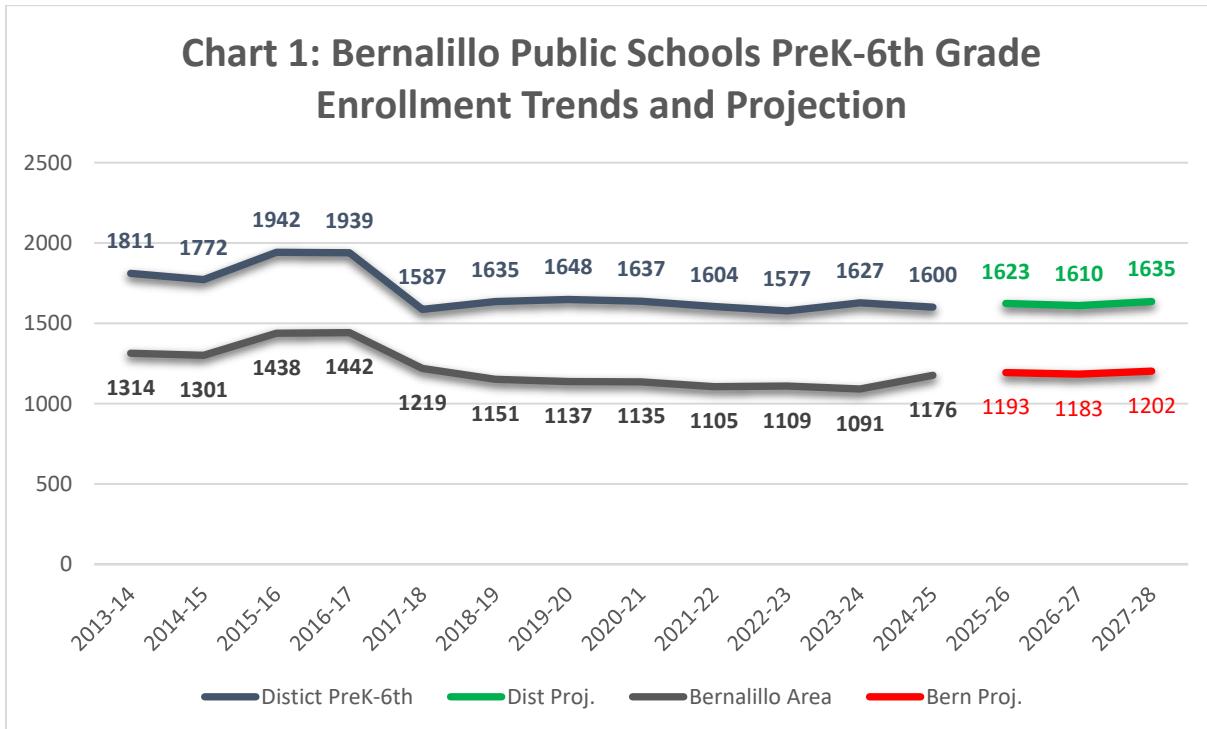
The estimated cost to renovate and expand the existing Algodones Elementary School facility is \$36,493,077, however, this option comes with substantial limitations. Structural constraints, site inefficiencies, and inadequate existing spaces hinder the school's ability to meet current educational needs and future growth. In contrast, a complete replacement with new facilities, at a cost of \$44,429,696, offers a more strategic investment. For an additional \$7.9 million, a new school would provide purpose-built learning environments, culturally appropriate spaces, and a site layout optimized for safety, traffic flow, and future expansion. Given the long-term benefits and reduced limitations, building a new school presents a more sustainable and functional solution for the Algodones community.

- As of the recently completed 2024-25 school year, Algodones Elementary served 184 students in grades PreK-3rd. The school previously served 4th grade, but the district reassigned those students to Bernalillo Elementary School in the 2023-24 school year due to capacity issues.
- The district is planning for an enrollment of 358 students at Algodones Elementary based on several variables in its projection including:
 - Addition of 4th, 5th and 6th grade to the school in the coming years.
 - The return of students assigned to Algodones but who attend other district schools. The district will pull the majority of the students from Bernalillo Elementary School.
 - The district reports a total of 315 students living in the areas assigned to Algodones Elementary School.
 - The Keres language program at the school attracts students currently attending other district schools and alternative educational programs in the area.
 - The school's language program is a requirement of the Indian Education Act and Yazzie/Martinez/HB250, which also requires significant Tribal coordination.
 - The district is adding a Keres Language Pre-K classroom.
- Algodones Elementary has experienced enrollment growth over the past few years. Some of the increase resulted from transfers from San Felipe Pueblo Elementary School, a Bureau of Indian Education facility.
- Per correspondence from the district, once Algodones opens, it will initiate grade re-organization at WD Carroll and Bernalillo Elementary Schools to make them K-6th facilities. This re-organization will ensure the district is meeting the intent of the Yazzie Martinez requirements.
 - The district will make Bernalillo Elementary a Dual Language Immersion school while WD Carroll's will follow a STEM education program
- PSFA Planning Staff's enrollment projection for the school totals an enrollment of 346 students at the school, once the district relocates the Algodones area students back to the school.

- The awarded GSF totals 48,081 based on the previous NM Adequacy Standards (NMAS) Gross Square Foot Calculator.
- The project program statement totals 58,820 GSF or 10,739 SF over the original awarded amount of 48,081.
- The program contains 58,820 GSF, which is under the GSF Calculator Value of 58,846 GSF by 26 SF.

D. Enrollment Update

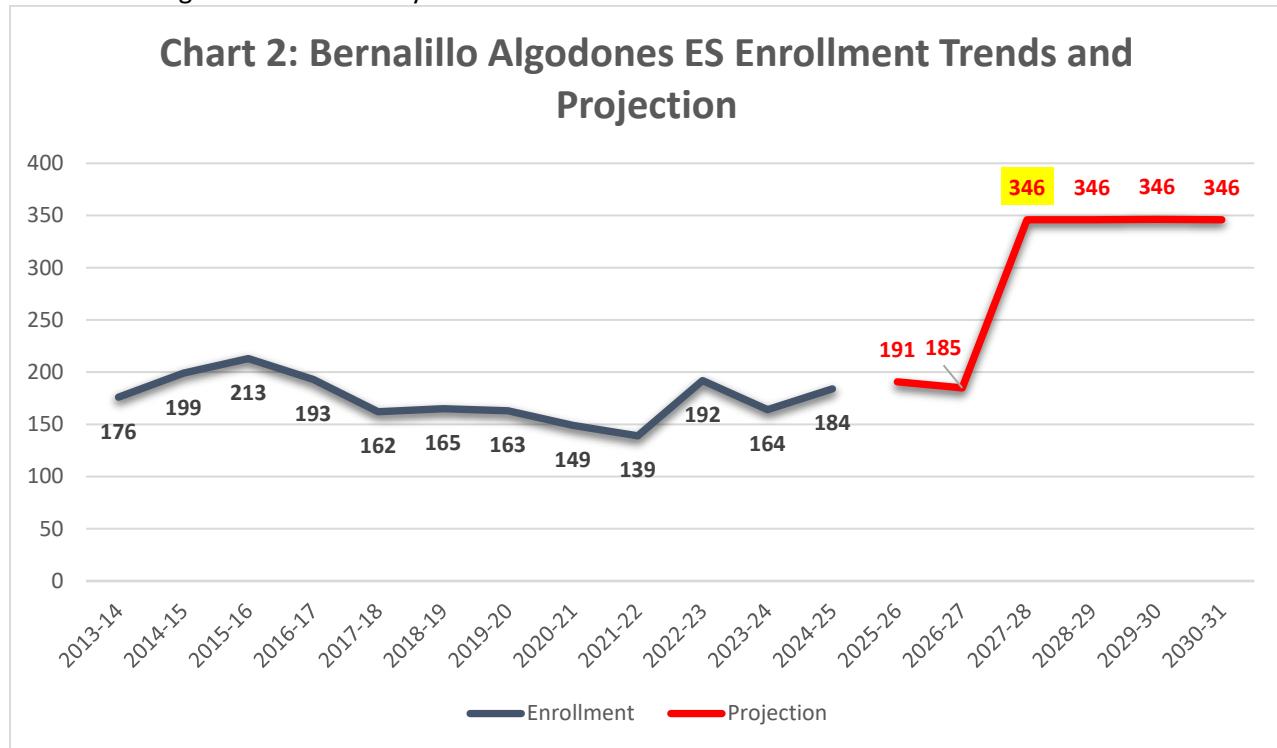
This section provides an overview of the district's PreK-6th grade enrollment followed by an overview for Algodones Elementary specifically. Chart 1 shows the overall enrollment for the district's PreK-6th grade with district wide breakdowns and Bernalillo area schools (excluding Cochiti and Santo Domingo area schools).



Source: NM Public Education Department Certified 40-day Counts; Projection – PSFA Cohort Survival Analysis

- Chart 1 shows the district's PreK-6th grade enrollment trends to be stable with years of incremental decline and incremental gain.
- The chart further breaks down the Bernalillo Area schools including Algodones, Placitas, WD Carroll, and Bernalillo Elementary School. The district also serves the Santo Domingo and Cochiti communities.
- The 2027-28 school year is the target opening for Algodones Elementary. The projection for the Bernalillo Area schools is 1,202 students. The increase is due to larger kindergarten classes, particularly in the 2021-22 school year and the district's expectation to serve larger PreK classes.
- The projected 1,202 students over the 2024-25 count of 1,176 represents a 26 student increase or a flat enrollment trend.

Chart 2 focuses on Algodones Elementary School's enrollment trend.



Source: Enrollment – PED 40-Day Enrollment Counts; Projection PSFA Cohort Survival Analysis

- As of the 2024-25 school year, the district's enrollment totaled 184 students.
- The enrollment drop between the 2022/23 and 2023/24 school years resulted from the district reassigning the 4th grade to Bernalillo Elementary School since the school was at capacity.
- The school experienced another increase in the 2024-25 school year of 20 students.
- The yellow highlighted box reflects the year the district expects to open Algodones Elementary School with the relocation of the 4th-6th grade class, introduction of the Keres PreK Classroom, and addition of anticipated students from the San Felipe area.

E. Capacity

The district intends to re-organize its grade levels to help populate the Algodones Elementary School. It has not initiated this re-organization yet partly due to lack of capacity in its existing in-town schools. This section examines the effect of the Algodones opening on the capacity and utilization of the Bernalillo Area schools. Table 1 shows the enrollment projection for each school against the capacity.

Table 1: 2027-28 Enrollment Projection and Bernalillo Area Elementary School Capacity				
School Name	Grade Level	2027-28 Enrollment	School Functional Capacity	Available Capacity
Algodones ES	PreK-6th	358	358	0
Bernalillo ES	K-6th	323	374	51
La Escuelita	Pre-K	90	108	18
Placitas ES	K-6th	106	154	48
WD Carroll ES	K-6th	325	392	67
TOTALS		1,202	1,386	184

- The 2027-28 enrollment numbers is based on the overall 1,202 enrolment projection for PreK-6th and the district's intent to re-organize the grade levels at Bernalillo Elementary and WD Carroll.
- With the increase of Algodones capacity to the programmed 358, the Bernalillo Area schools' functional capacity totals 1,386 seats. Loading the Algodones facility to the programmed 358 could mean the other schools could have some capacity of 184 total seats.
- The potential available seat count per the other schools will most likely not result in vacant rooms but mean some rooms might not be filled to room capacity. The students within the available capacity figure will be spread out across all grade levels and rooms within the building.

F. Project Overview

Table 2 provides a project overview.

Table 2: Project Summary	
Grade Level Served	Pre-K-6th
Design Capacity	358
Awarded GSF	48,081
GSF Per Program	58,820
Difference between Program and Awarded	10,739
Allowable GSF per New NMAS Calculator for 358	58,846
Difference between New Calc and Program	(26)

- The initial award allowed 48,081 GSF for an enrollment of 358 PreK-6th grade students.
- The project's program statement totals 58,820 GSF. The total amount allowed by the new GSF Calculator allows for 58,846 GSF, meaning the program is below the maximum allowed by 26 SF.
- The program generally contains eligible space as defined by the Adequacy Planning Guide. There is a Tribal Liaison Office comprised of 150 SF the district says it is required to provide under Yazzie Martinez.

Table 3 provides an overview of the project by specific school area.

Table 3: SF By Program Area	Program Statement			
	Area	Eligible	Over Min	TOTAL
Early Childhood Classrooms	4,472			4,472
Elementary Classrooms	11,844	88		11,932
Special Education and Support	3,515	1,246		4,761
Special Use Classrooms	3,540	1,140		4,680
Physical Education	2,800	3,860		6,660
Media Arts	1,200			1,200
Food Service	3,835			3,835
Administration	1,636	1,100		2,736
Building Support and Bulk Storage	898			898
NSF	33,740	7,434		41,174
TARE	14,460	2,217		16,677
TOTAL	48,200	10,620		58,820

- The Over Minimum column represents the areas and SF that take the program over the awarded amount.

Maintenance Summary

The Bernalillo Public School District does meet all statutory requirements (as of November 5, 2025)

- **Preventive Maintenance Plan is current**
 - Last updated May 7, 2025 (Annual update required; 6.27.3.11 NMAC)
 - Plan rated Outstanding, exceeding statute criteria.
- **Quarterly FIMS Proficiency Reports:** Satisfactory user of 2 out of 3 State provided FIMS maintenance resources.
 - **PM Completion Rate:** 100% performance rating, above the 90% recommendation
- **Facility Maintenance Assessment Report (FMAR):** district average is **78.32%**, Satisfactory.
 - The district is maintaining their assets and facility conditions to an overall 76% Satisfactory level (district average), currently above the recommended 70% (FMAR 4th cycle)

Staff Recommends:

- Continue their diligence towards improved core maintenance to 80% (Good) ratings;
- Continuing their use of the FIMS tools to drive district maintenance performance
- Respond to subsequent FMARs through the 60-day response process supporting quality facility conditions, addressing all deficiencies.

Historic and Current PSCOC Funded Projects

Current active projects: 1

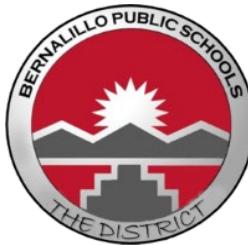
Historic projects: 46

Fiscal Year Funded	Facility Name	Project Type	PSCOC Funding
2023-2024	Algodones ES	Standards-based	\$ 845,525
Total Funding			\$ 845,525
Historic Total Project Funding (1997-2024)			\$ 58,898,797

Site Plan / Renderings



Superintendent
Matt Montaño



Board of Education
Paul Madrid
Cordy Chavez
Christine Suina
Mike Archibeque
John Gurule

August 26, 2025

Sean Murray
Deputy Director
Public Schools Facilities Authority

Re: P24-008 – Award Language Change

Dear Mr. Murray:

Bernalillo Public Schools is requesting an amendment to the current P24-008 award for Algodones Elementary School, to include an additional 10,739 gross square feet (GSF). This request represents an alignment of the original award scope with the District's specific instructional and safety needs, as was determined by our design committee and school board in collaboration with PSFA and our design professional.

Award History:

The 2024 standards-based project award totals were based on a facility assessment completed by PSFA. The award funds the renovation/addition or replacement of the existing Algodones Elementary School. The total award included the maximum allowable gross square footage (MAGSF) of 48,081 and was calculated for the projected enrollment of 358 students, grades pre-k through 6. The local match for phase 1 funding was for a 37% state match and a 63% district match.

Project Development Process:

The district assembled a design committee, including school district board members, school leadership, the PSFA regional manager, and staff. The collective design committee represents a group who not only has a thorough understanding of our school priorities, but also our district priorities in connection with the San Felipe Pueblo, Santo Domingo Pueblo, Cochiti Pueblo, and Santa Ana Pueblo; communities served by this school. We worked with this team to determine our needs during the programming phase.

Request:

The district is requesting 10,739 GSF above the identified maximum gross square footage for a project total of 58,820 GSF. The increase is primarily needed for additional education spaces to include classroom space, an appropriate physical education facility, culturally sensitive education spaces, and administrative support areas as described in the narrative below. Please reference our numeric program (*Attachment 1*) for detailed information.

The culturally sensitive spaces consist of Keres bilingual cultural classrooms, in addition to a bilingual Spanish language classroom. Currently the campus utilizes one full time bilingual classroom for grades pre-k through 3, and with our expansion to serve grades pre-k through 6 additional classroom space is needed to support this important program. This will support our memorandum of understanding with San Felipe Pueblo-Keres instruction program which requires two full time teachers for k-6 enrollment.

Superintendent
Matt Montaño



Board of Education
Paul Madrid
Cordy Chavez
Christine Suina
Mike Archibeque
John Gurule

MOU's with San Felipe Pueblo are now only partially implemented due to a lack of space with our San Felipe liaison housed in the teacher's lounge when she is at Algodones Elementary. With the lack of space to support this MOU, we are unable to implement our San Felipe Project Venture which provides significant support to Native students.

Our Keres teachers utilize one classroom to teach Keres classes and at times there are 44 students in one classroom receiving Keres Language instruction, an unacceptable pupil-teacher ratio to effectively teach students.

Special Education

The limited physical space significantly impacts the quality of student services. While academic support is provided, opportunities are constrained due to two special education teachers and two educational assistants sharing a single space to serve 26 students. IEP meetings frequently necessitate the cancellation of student services, as there is no dedicated conference room available for conducting these confidential meetings with larger groups. Additionally, our ancillary staff must share a single room—approximately half the size of a standard classroom—to deliver support services to the entire student population.

Additionally, the facility does not have the appropriate space or infrastructure to accommodate occupational and physical therapists and their specialized equipment.

English Learner (EL) Population

Our EL teacher currently works out of the library and pulls students for instruction when they don't have specialty classes. This arrangement allows our EL students to receive dedicated support during available time slots in their schedule. However, the quality and quantity of services are constrained and dictated by the lack of space.

Enrichment/Elective Courses

Specialty classes are limited to the space available. The availability of space or the lack thereof dictates the times students are able to have PE classes or utilize the gym/cafeteria for presenters. Compared to other BPS schools, Algodones Elementary is not able to provide a STEM lab for students due to a lack of space.

We are also asking for an additional 3,060 GSF, beyond the 2,400 minimum GSF, provided for in the PSFA Adequacy Standards, for our multi-purpose space. The current campus utilizes a cafeteria/gym combination room totaling 3,200 GSF, which functions as the cafeteria and PE space for our current student grade levels of Pre-K-3. With the planned growth in student population resulting from expanding to serve grades 4-6, additional dedicated physical education space will be required. It will be impossible to continue to use a shared cafeteria/physical education with the increase in students as instruction needs to continue for part of the student population while lunch is being served to others. When not in use for serving food, the cafeteria will provide additional flexible education space for use during school hours. Since our school serves San Felipe Pueblo as well as the communities of Santo Domingo Pueblo, Cochiti Pueblo, and Santa Ana Pueblo,

Superintendent
Matt Montaño



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the cafeteria space provides an appropriate area for cultural activities as well. This will support agreements the district has with the various Pueblos to work collaboratively to meet the needs of students at the school sites. This requirement supports directly the requirements of the Martinez-Yazzie lawsuit and HB250 in collaborating with Pueblos on meeting the needs of at-risk students.

Many of our administrative needs reach beyond PSFA Adequacy Standards minimums. These include a conference room, a school security office, and a larger counseling space to support student groups, a parent workroom, and a tribal liaison office. These spaces are critical in supporting our work with our tribal partners to assist the District with meeting the requirements of Martinez-Yazzie and HB250 in collaborating with Pueblos on meeting the needs of at-risk students.

As you can see, we have a number of specialized and specific requirements for Algodones Elementary School and the unique nature of our student population. It is also important to note that in addition to the provisions of the Martinez-Yazzie Lawsuit and HB-250, the state also requires that the district provide additional opportunities to our at-risk population. Algodones Elementary School is the only school in the district who received Family Income Index funding from the state because of the extreme poverty experienced by its families and the unique needs these students experience every day.

The current request for this project considers only spaces with high utilization, vetted through the rigorous programming process with our design professional.

BPS Algodones Elementary School Square Footage Breakdown:

- Original approved MOU =	48,081 GSF
- Current Maximum allowable GSF calculator for 358 students =	58,846 GSF
- Current Square Footage Revision Request =	58,820 GSF

Bernalillo Public Schools is requesting a GSF in line with the amount identified in the Max GSFcalculator. We are prepared to begin work on the schematic design for the new facility and ask for a positive response to our request. .

Financial Status

As we have examined our financial condition and more than \$61 million in immediate/urgent capital needs for all schools in our district, and a projected approximate \$18 million in needs for other facilities, it is apparent that we will not have the local resources to complete this important project without additional considerations from the PSCOC. As a result, Bernalillo Public Schools respectfully requests a waiver of the local match requirement for this project. This request aligns with the intent and obligations outlined in the *Martinez/Yazzie* lawsuit and decision. The ruling affirms the state's constitutional responsibility to ensure that all students—particularly Native American, English learners, students with disabilities, and those from low-income backgrounds—receive equitable access to a sufficient and culturally relevant education. BPS serves a high percentage of students from these historically underserved groups and continues to implement programs, services, and infrastructure improvements designed to address their unique needs. Requiring a local match would place an undue financial burden on a community with limited fiscal capacity, undermining efforts to provide an equitable educational environment. Waiving the match will help ensure that BPS students receive the resources and support necessary to meet state standards and thrive academically, in direct fulfillment of the *Martinez/Yazzie* mandates.

Superintendent
Matt Montaño



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Thank you in advance for your consideration of our request, we look forward to working with PSFA to complete the design of our project and to begin construction of our new facility.

Sincerely,

A handwritten signature in black ink that reads "Matthew Montaño".

Matthew Montaño, Superintendent
Bernalillo Public Schools

Bernaillo Algodones Elementary (K-6th for 358 students)

Early Childhood Classrooms	Room Description	Minimum Eligible	Number of Inst. Spaces	# of Students	NSF Per Space	Eligible SF	Over Min	TOTAL SF/space
	Pre-K Classroom 3 Yr	1,000	1	16	1,000	1,000		1,000
	Pre-K 3y Storage	40	1		32	32		32
	Pre-K Restroom		1		80	80		80
	Pre-K Classroom 4 Yr	1,000	1	20	1,000	1,000		1,000
	Pre-K Storage 4 Yr		1		40	40		40
	Pre-K Restroom		1		80	80		80
	Kinder Classroom	1,000	2	40	1,000	2,000		2,000
	Kinder Storage	80	2		40	80		80
	Kinder Restroom	-	2		80	160		160
	NSF		4			4,472	-	4,472

Elemen. Classrooms	Room Description	Minimum Eligible	Number of Inst. Spaces	# of Students	NSF Per Space	Eligible SF	Over Min	TOTAL SF/space
	ES Classrooms (1st)	800	3	66	800	2,400		2,400
	Classroom Storage	44	3		44	132		132
	Classroom Restroom		2		44		88	88
	ES Classrooms (2nd-3rd)	800	4	88	800	3,200		3,200
	Classroom Storage	44	4		44	176		176
	ES Classrooms (4th-6th)	800	7	168	800	5,600		5,600
	Classroom Storage	48	7		48	336		336
	NSF		17			11,844	88	11,932

Special Ed. and Support Spaces	Room Description	Minimum Eligible	Number of Inst. Spaces	# of Students	NSF Per Space	Eligible SF	Over Min	TOTAL SF/space
	Resource Room (pull out)	800	2	15	800	1,600		1,600
	De-escalation		2		100	100	100	200
	D-Level Classroom (Self Contained)	800	2	8	800	800	800	1,600
	Restroom (Lifeskills)		1				80	80
	Classroom Storage	-	2		15	15	66	81
	ES Virtual/Visiting Service Providers	-	1		150	150	50	200
	OT/Speech	650	1		200	200		200
	PT/Recreational Therapy Room	650	1		650	650		650
	Storage	-	1			-	150	150
	NSF		4		2,715	3,515	1,246	4,481

Special Use Classrooms	Room Description	Minimum Eligible	Number of Inst. Spaces	# of Students	NSF Per Space	Eligible SF	Over Min	TOTAL SF/space
	ES Art Classroom	800	1		800	800		800
	Art Material Storage	-	1		60	60	40	100
	Kiln		1		100	100		100
	Music Classroom	857	1		1,000	800	200	1,000
	Music Room Storage		1		100	60	40	
	Bilingual (Keres room)	800	2		800	800	800	1,600
	Classroom Storage		1		120	60	60	120
	Bilingual (Spanish)		1		800	800		800
	Classroom Storage		1		60	60		60
	NSF	14,336	5		3,840	3,540	1,140	4,580

Physical Education	Room Description	Minimum Eligible	Number of Inst. Spaces	# of Students	NSF Per Space	Eligible SF	Over Min	TOTAL SF/space
	ES gym/Multi-Purpose	2,400	1		3,200	2,400	3,060	5,460
	Stage		1		800		800	800
	Office		1		200	200		200
	Storage		1		200	200		200
	NSF		2		4,400	2,800	3,860	6,660

Media Arts	Room Description	Minimum Eligible	Number of Inst. Spaces	# of Students	NSF Per Space	Eligible SF	Over Min	TOTAL SF/space
	Media Center	1,000	1		1,000	1,000	-	1,000
	Office and Secured Storage	200	1		200	200		200
	NSF				1,200	1,200	-	1,200

Food Service	Room Description	Minimum Eligible	Number of Inst. Spaces	# of Students	NSF Per Space	Eligible SF	Over Min	TOTAL SF/space
	Kitchen/Prep	1,000	1		1,000	1,000		1,000
	Office	150	1		150	150		150
	Student Dining	2,685	1		2,685	2,685		2,685
	NSF				1,000	3,835	-	3,835

Administration	Room Description	Minimum Eligible	Number of Spaces	# of Students	NSF Per Space	Eligible SF	Over Min	TOTAL SF/space
	Reception Desk/Check-In		1		300	150	150	300
	Admin Storage		-		100	100	-	100
	Principal		1		150	150		150
	Assistant Principal		1		150	150		150
	Tribal Liaison Officer		1			-	150	150
	Parent Workroom/Conference Room		1		250		250	250
	School Security Office		1		150		150	150
	ES Academic Counselor		1		200	150	50	200
	Teacher Workroom	358	1		358	358		358
	Teacher Workroom		1				150	150
	Nurse Office	358	1		100	100	-	100
	Treatment Area		1		258	158	100	258
	Student Waiting Area		1					-
	Cot Area		1					-
	Restroom		1		100	100		100
	Nurse Storage and Laundry		1		100		100	100
	Exam Room/Isolation		1		100	100		100
	Network Distribution		1		120	120		120
	NSF	687				1,636	1,100	2,736

Bldg: Support/Serv	Room Description	Minimum Eligible	Number of Inst. Spaces	# of Students	NSF Per Space	Eligible SF	Over Min	TOTAL SF/space
	General Bulk Storage	537	1		540	540		540
	Custodial Closets	358	1		358	358		358
	NSF				#REF!	898		898

TOTAL Instructional Spaces **32**

	Eligible	Over Min	TOTAL
TOTAL NSF	33,740	7,434	41,174
TARE (30%)	14,460	3,186	17,646
TOTAL GSF	48,200	10,620	58,820

BERNALILLO PUBLIC SCHOOLS
STATEMENT OF FINANCIAL POSITION SUMMARY
for Algodones Elementary Project
(dollars in millions)

Current (FY25)		
Bonded Sources	\$	-
Non-Bonded Sources	\$	-
Uses	\$	-
Remaining / Current Cash Balance:	\$	-
District Contribution to Phase 1:	\$	-

Projected (FY26 - FY29)		
Bonded Sources	\$	-
Non-Bonded Sources	\$	30,000,000
Uses	\$	-
Available for Phase 2:	\$	30,000,000

Local Match Reduction Eligibility		
Option 1	Option 2	Option 3
Ineligible	Ineligible	Ineligible

District Summary of Financial Position	
The District is able to contribute \$10M to the construction phase of the Algodones school construction. There is	

Signatures

	6/4/2025
Matthew Montaño, Superintendent	Date
	6/4/2025
Eric W. James, District Representative	Date
	6/4/2025
Samantha Garcia, District Financial Officer	Date
Erik Harrigan	6/4/2025
Erik Harrigan, Bond Advisor (RBC)	Date

DISTRICT INFORMATION	
District Name	Bernalillo Public Schools
Superintendent	Matthew Montaño
District Representative	Eric W. James
District Financial Officer	Samantha Garcia
Bond Advisor Company	RBC
Bond Advisor	Erik Harrigan

School(s) in Project	Algodones Elementary
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POTENTIAL PROJECT COST	
TOTAL ESTIMATED PROJECT COST FOR DISTRICT	

LOCAL MATCH REDUCTION (WAIVER)			
Option 1	Requirement	District Eligibility	
Available Bonding Capacity (\$)		19,315,595	X
Mill Levy \geq 10	10.00	11.51	✓
Option 2			
MEM Count \leq 800	800	2,442	X
Free or Reduced Lunch \geq 70%	70%	82%	✓
State Share \leq 50%	50%	37%	✓
Mill Levy \geq 7.00	7.00	11.51	✓
Option 3			
Enrollment Growth Rate \geq 2.50%	2.50%	0.49%	X
New School Next 2 Years	<i>Detailed in District Facility Master Plan (FMP)</i>		
Mill Levy \geq 10	10.00	11.51	✓

Bernalillo Public Schools
FUNDING SOURCES & REVENUES DETAIL
(dollars in millions)

Bernalillo Public Schools
FUNDING USES DETAIL
(dollars in millions)

Bernalillo Public Schools
BONDING DETAIL
(*dollars in millions*)

Anticipated Funding from Bond Sales

Anticipated Banding Capacity in Out-Years

Previous, Current, and Future Bond Elections

I. Recertification of SSTBs**II. Presenter(s):** Matthew Schimmel, Chief Financial Officer**III. Potential Motion:**

Council approval to adopt the Resolution, Notification, Certification, and Reconciliation of unexpended bond proceeds as follows:

- **SSTB25SB 0001** – Decertifying the net amount of **(\$12,718,701.00)** to be used for other the PSCOC projects.

IV. Executive Summary:**Key Points:**

The following recertifications of SSTBs are based on adjustments and awards:

SSTB25SB 0001 – Decertifying the net amount of **(\$12,718,701.00)**

Row Labels	Sum of Certifying	Sum of Decertifying
P22-002 Mosquero Combined School	\$ 1,500,000.00	
FY26 Emergency Awards	\$ 1,000,000.00	
P19-017 Tularosa - Tularosa MS		(\$ 15,218,701.00)
Grand Total	\$ 2,500,000.00	(\$ 15,218,701.00)

Exhibit(s):

A – Resolution and Worksheet SSTB25SB 0001

STATE OF NEW MEXICO
Public School Capital Outlay Council

RESOLUTION, NOTIFICATION AND CERTIFICATION

WHEREAS, money from the proceeds of severance tax bonds and supplemental severance tax bonds (“Bonds”) authorized pursuant to Sections 7-27-12.2 NMSA 1978 (the “Act”), is needed for the purpose of carrying out the provisions of the Public School Capital Outlay Act;

WHEREAS, the State Secretary of Public Education has certified that proceeds from the sale of the Bonds is necessary to make the distributions in the current fiscal year pursuant to Section 22-25-9 NMSA 1978 for the purpose of carrying out the provisions of the Public School Capital Improvements Act;

WHEREAS, money from the proceeds of the sale of the Bonds authorized in the Act is needed to make awards and expenditures pursuant to Section 22-24-4 & 22-24-5 NMSA 1978 for capital project grant assistance, lease payment assistance and related uses pursuant to the Public School Capital Outlay Act and;

WHEREAS, at its meeting on **January 14, 2026**, the Council adopted the resolution and certification set forth below:

NOW, THEREFORE, BE IT RESOLVED AND CERTIFIED THAT:

1. The Council certifies that **fifteen million two hundred eighteen thousand seven hundred one dollars (\$15,218,701)** from the proceeds of Supplemental Severance Tax Note SSTB25SB 0001 are no longer needed for the projects for which they were issued.
2. Exhibit A to the Resolution, Notification and Certification dated June 12, 2025 is amended to reauthorize **two million five hundred thousand dollars** per the attached SSTB25SB 0001 Reconciliation worksheet for the following projects:

a) P22-002 Mosquero Combined School	\$	1,500,000
b) FY26 Emergency Awards	\$	1,000,000
3. **Sixteen million eight hundred sixteen thousand nine hundred ninety four dollars (\$17,816,944)** remains unexpended.

Dated: **January 14, 2026**

PUBLIC SCHOOL CAPITAL OUTLAY
COUNCIL

By: _____
Joe Guillen, Chair PSCOC

SSTB25SB-0001 Reconciliation Worksheet

A10 - SSTB25SB 0001

January 14, 2026

A-Code	Description	Previously Certified	Pending Certification	Certified	Actual Budget (SHARE)	Pending Budget (SHARE)	Budgeted
1 A10P24001	P24-001 Maxwell - District	\$ 50,882,869.00		\$ 50,882,869.00	\$ 50,882,869.00		\$ 50,882,869.00
2	P12-006 Espanola - Velarde ES	\$ -		\$ -			\$ -
3	P15-006 Gallup-McKinley - Thoreau Teacher Housing	\$ 364,500.00		\$ 364,500.00			\$ -
4	P16-002 Espanola - Abiquiu Elementary School	\$ -		\$ -			\$ -
5	P19-017 Tularosa - Tularosa MS	\$ 53,136,722.00	\$ (15,218,701.00)	\$ 37,918,021.00			\$ -
6	P20-005 Roswell - Washington Avenue ES	\$ 2,488,106.00		\$ 2,488,106.00			\$ -
7	P21-005 Gallup-McKinley - Crownpoint HS Teacher Housing	\$ 350,924.00		\$ 350,924.00			\$ -
8	P23-008 Pojoaque - Pojoaque MS	\$ 36,519,600.00		\$ 36,519,600.00			\$ -
9	P24-005 Springer - Combined	\$ 47,200,240.00		\$ 47,200,240.00			\$ -
10	P24-004 Dexter - ES/MS	\$ 72,913,460.00		\$ 72,913,460.00			\$ -
11	S24-016 Clovis - Marshall JHS	\$ 3,136,916.00		\$ 3,136,916.00			\$ -
12	S24-017 Clovis - Sandia ES	\$ -		\$ -			\$ -
13	S24-021 West Las Vegas - Luis Armijo ES	\$ 1,981,099.00		\$ 1,981,099.00			\$ -
14	S25-001 Grants - Grants High School	\$ -		\$ -			\$ -
15	(2025) HB-450, Sec. 49, HED STEM Institute Construction (Albuquerque, Bern. County)	\$ 20,000,000.00		\$ 20,000,000.00			\$ -
16	(2025) HB-450, Sec. 50, PED Statewide Alternatively Fueled Vehicle Stations Construct	\$ 1,500,000.00		\$ 1,500,000.00			\$ -
17	(2025) HB-450, Sec. 51-1, SFIS Paolo Soleri Amp Construct (Santa Fe, Santa Fe County)	\$ 3,000,000.00		\$ 3,000,000.00			\$ -
18	(2025) HB-450, Sec. 51-2, Navajo Prep Schl Infra & Drainage Improve (Farmington, San Juan County)	\$ 3,000,000.00		\$ 3,000,000.00			\$ -
19	A25J3416 (2025) HB-450, Sec. 52, Statewide School Dist. Distributions (Security, CTE, Maintenance/Repair)	\$ 50,000,000.00		\$ 50,000,000.00	\$ 50,000,000.00		\$ 50,000,000.00
20	(2025) HB-002, Broadband Access and Expansion Program Transfer	\$ 650,000.00		\$ 650,000.00			\$ -
21	Broadband Access and Expansion Program	\$ 10,000,000.00		\$ 10,000,000.00			\$ -
22	A10CID26 CID/SFMO Inspections	\$ 300,000.00		\$ 300,000.00	\$ 300,000.00		\$ 300,000.00
23	Facilities Master Plan Assistance Awards	\$ 2,200,000.00		\$ 2,200,000.00			\$ -
24	A10OPBUD26 FY26 PSFA Operating Budget	\$ 7,730,000.00		\$ 7,730,000.00	\$ 7,730,000.00		\$ 7,730,000.00
25	A10I26001 Lease Payment Assistance Awards	\$ 25,000,000.00		\$ 25,000,000.00	\$ 25,000,000.00		\$ 25,000,000.00
26	P22-002 Mosquero Combined School	\$ -	\$ 1,500,000.00	\$ 1,500,000.00			\$ -
27	FY26 Emergency Awards	\$ -	\$ 1,000,000.00	\$ 1,000,000.00			\$ -
	Subtotals	\$ 392,354,436.00	\$ (12,718,701.00)	\$ 379,635,735.00	\$ 133,912,869.00	\$ -	\$ 133,912,869.00
28	SSTB25SB Proceeds	\$ 396,452,729.00					\$ 29
29	SSTB25SB Proceeds Uncertified	\$ 16,816,994.00					30
30	SSTB2SSB Proceeds Unbudgeted	\$ 379,635,735.00					31

V. Awards Cycle

A. FY26 Lease Assistance Award Update*

* Denotes potential action by the PSCOC

I. FY26 Lease Assistance Awards Update

II. Presenter(s): Marcos Trujillo, Executive Director
Larry Tillotson, Deputy Director of Operations, Outreach and Quality Assurance

III. Potential Motion:

Council approval of the FY26 Lease Assistance Award to the following:

- New Mexico Military Institute (NMMI) – new award of \$92,318.

Total increase of \$92,318 to the Lease Assistance Funding Program.

Upon acceptance of the award by the applicant charter school or district, Council authorizes PSFA staff to distribute the award amounts quarterly, on a reimbursement basis, upon receiving proof of the actual lease payments. Council authorizes PSFA staff to make reductions to award amounts subject to Public Education Department and/or Public Education Commission written certification to PSFA that a condition exists that warrants an award adjustment or suspension due to a school closure, charter revocation, financial violation or irregularities, and/or adjustments to certified attendance numbers (MEM counts). Adjustments to lease amounts may also be made due to a lease termination or amendment. Reimbursements are contingent on the submittal of an E-Occupancy certificate, current facility master plan, audit report, invoices and other statutory requirements, as set forth in the application.

IV. Executive Summary:**Staff Recommendation:**

Approve the motion to make a new FY26 Lease Assistance Award to NMMI.

Key Points:

- NMMI submitted an application for FY26 lease assistance for their middle school, Intermediate Preparatory Academy.
- SB280 amended the definition of “constitutional special schools” in Section 22-24-3(C) of the Public School Capital Outlay Act to include NMMI.
 - By designating NMMI as a *constitutional special school*, the Act enables it to seek funding from the Public School Capital Outlay Fund like other New Mexico school districts. To be eligible for grants, NMMI must follow the same procedures, mechanisms, and requirements that apply to all school districts and

constitutional schools when applying for and receiving capital outlay funding from the PSCOC.

- NMMI leases the middle school facility from the New Mexico Military Institute Foundation, Inc. (Foundation), a New Mexico nonprofit corporation.
 - Per Section 3.02 of the lease agreement, the minimum annual rent is adjusted annually by the Consumer Price Index for all urban consumers.
 - Per the NMMI Foundation President/CEO, the lease amount is calculated at 8% of the cost basis (funds invested in the purchase of the building and grounds), which is a discounted rate from what other tenants pay. The Foundation also pays property taxes, insurance, and \$200,000 toward operational costs for the school.
 - Typical monthly commercial rental rates in Roswell are \$16.87 per square foot. Based on this, the monthly rate for the middle school at 23,900 square feet should be around \$403,193 per month. However, as of June 30, 2024, the Foundation expended \$1,064,954 toward building renovations, which has driven up the monthly rent to the current rate of \$464,000.

Background:

The PSCOC made the FY26 Lease Assistance Awards at its December 2025 meeting.

- The lease assistance application was open from July 1 to August 15, 2025.
- PSFA received 111 lease assistance applications (including NMMI's).
- Per Award Subcommittee's request, NMMI's lease assistance award was delayed pending the submittal of additional information about NMMI's lease with the Foundation.

Exhibit(s):

- A – Updated FY26 Lease Assistance Award for NMMI
- B – Updated FY26 Lease Assistance Program Detail Summary – January 2026
- C – NMMI Lease Agreement Documents
- D – 2024 New Mexico Military Institute Foundation, Inc. Audit Excerpt
- E – NMMI Email Correspondence

Original Lease Assistance Award						Updated Lease Assistance Award											
LEASE			MEM			FY26 LEASE ASSISTANCE AWARD AMOUNT			LEASE			MEM			UPDATED FY26 LEASE ASSISTANCE AWARD AMOUNT		
A	B	C	D	E	F	G	H	I	J	K	L	M	N				
Location	State / District	School	Annual Lease Amount	2024-25 MEM	Lease Assistance Calculation Based on MEM (\$839.25 per MEM)	Lease Assistance Amount (Lesser of Calc. Based on MEM or Lease)	Basis of Lease Assistance (MEM or Lease)	Annual Lease Amount	2024-25 MEM	Lease Assistance Calculation Based on MEM (\$839.25 per MEM)	UPDATED FY26 Lease Assistance Amount	FY26 Basis of Lease Assistance	Difference				
Roswell	N/A	New Mexico Military Institute	\$ 464,400.00	110.00	\$ 92,318	NO AWARD		\$ 464,400	110.00	\$ 92,318	\$ 92,318	MEM	\$ 92,318				

Total Increase to Lease Assistance Program \$ 92,318

District	State / District	School	LEASE		MEM		FY26 LEASE ASSISTANCE AWARD AMOUNT	
			Annual Lease Amount	2024-25 MEM	Lease Assistance Calculation Based on MEM	(\$839.25 per MEM)	G	H
A	B	C	D	E	F	Lease Assistance Amount (Lesser of Calc. Based on MEM or Lease)	Basis of Lease Assistance (MEM or Lease)	
1	Alamogordo	S Sacramento School of Engineering and Science (NEW CHARTER)	\$ 180,000.00	65.00	\$ 54,551		\$ 54,551	MEM
2	ABQ	D ABQ Charter Academy	\$ 387,060.24	373.50	\$ 313,460		\$ 313,460	MEM
3	ABQ	D ACE Leadership High School	\$ 404,033.76	295.50	\$ 247,998		\$ 247,998	MEM
4	ABQ	S ACES Technical Charter School - Montgomery*	\$ 217,164.96	163.50	\$ 137,217		\$ 137,217	MEM
5	ABQ	S ACES Technical Charter School - Lomas (NEW FACILITY)*	\$ 163,080.00	90.00	\$ 75,533		\$ 75,533	MEM
6	ABQ	S Albuquerque Aviation Academy	\$ 739,270.56	308.00	\$ 258,489		\$ 258,489	MEM
7	ABQ	S Albuquerque Bilingual Academy	\$ 585,928.56	310.50	\$ 260,587		\$ 260,587	MEM
8	ABQ	S Albuquerque Collegiate Charter School	\$ 363,913.00	219.50	\$ 184,215		\$ 184,215	MEM
9	ABQ	D Albuquerque Institute for Math & Science	\$ 538,585.39	303.50	\$ 254,712		\$ 254,712	MEM
10	ABQ	S Albuquerque School of Excellence - Main*	\$ 686,121.00	524.50	\$ 440,187		\$ 440,187	MEM
11	ABQ	S Albuquerque School of Excellence - ES*	\$1,029,516.00	453.00	\$ 380,180		\$ 380,180	MEM
12	ABQ	D Albuquerque Talent Development Academy (NEW FACILITY)	\$ 152,093.92	124.00	\$ 104,067		\$ 104,067	MEM
13	ABQ	D Alice King Community School	\$ 506,677.12	376.50	\$ 315,978		\$ 315,978	MEM
14	ABQ	S Altura Preparatory School	\$ 428,906.52	261.50	\$ 219,464		\$ 219,464	MEM
15	ABQ	S Amy Biehl High School	\$ 220,841.16	192.00	\$ 161,136		\$ 161,136	MEM
16	ABQ	S Cesar Chavez Community School	\$ 228,927.96	193.50	\$ 162,395		\$ 162,395	MEM
17	ABQ	D Christine Duncan's Heritage Academy	\$ 575,568.48	487.00	\$ 408,715		\$ 408,715	MEM
18	ABQ	D Cien Aguas International School	\$ 490,279.56	417.50	\$ 350,387		\$ 350,387	MEM
19	ABQ	D Coral Community Charter School	\$ 137,386.80	209.25	\$ 137,387		\$ 137,387	LEASE
20	ABQ	D Corrales International School	\$ 408,000.00	234.50	\$ 196,804		\$ 196,804	MEM
21	ABQ	S Cottonwood Classical Preparatory School	\$1,550,000.04	850.50	\$ 713,782		\$ 713,782	MEM
22	ABQ	D Digital Arts and Technology Academy	PSCOC	320.50	\$ 268,980		\$ 268,980	MEM
23	ABQ	D East Mountain High School	\$ 392,200.08	416.00	\$ 349,128		\$ 349,128	MEM
24	ABQ	D El Camino Real Academy	\$ 702,649.08	340.00	\$ 285,345		\$ 285,345	MEM
25	ABQ	S Explore Academy - Gulton*	\$2,275,043.00	959.00	\$ 804,841		\$ 804,841	MEM
26	ABQ	S Explore Academy - Masthead*	\$1,038,725.00	404.00	\$ 339,057		\$ 339,057	MEM
27	ABQ	D Gilbert L. Sena Charter HS	\$ 178,500.00	175.00	\$ 146,869		\$ 146,869	MEM
28	ABQ	D Gordon Bernell Charter School	\$ 201,063.60	188.00	\$ 157,779		\$ 157,779	MEM
29	ABQ	D Health Leadership High School	\$ 458,659.80	229.50	\$ 192,608		\$ 192,608	MEM
30	ABQ	S Horizon Academy West	\$ 478,533.34	493.00	\$ 413,750		\$ 413,750	MEM
31	ABQ	D Los Puentes Charter School (Archer Academy of Accelerated Learning)	\$ 156,387.60	159.50	\$ 133,860		\$ 133,860	MEM
32	ABQ	D Mark Armijo Academy	\$ 114,142.81	236.00	\$ 198,063		\$ 114,143	LEASE
33	ABQ	S Mission Achievement and Success 1.0 - Yale*	\$1,109,244.01	1085.00	\$ 910,586		\$ 910,586	MEM
34	ABQ	S Mission Achievement and Success 2.0 - Old Coors Road*	\$1,793,070.10	957.00	\$ 803,162		\$ 803,162	MEM
35	ABQ	D Montessori of the Rio Grande	PSCOC	216.00	\$ 181,278		\$ 181,278	MEM
36	ABQ	D Mountain Mahogany Community School	\$ 105,996.00	227.00	\$ 190,510		\$ 105,996	LEASE
37	ABQ	D Native American Community Academy 1000 Indian School*	\$ 419,192.52	258.50	\$ 216,946		\$ 216,946	MEM
38	ABQ	D Native American Community Academy 1100 Indian School*	\$ 69,788.40					
39	ABQ	D Native American Community Academy CNM*	\$ 171,561.00	163.50	\$ 137,217		\$ 137,217	MEM
40	ABQ	S New Mexico Academy for the Media Arts - CTE Bldg	\$ 101,232.60	118.00	\$ 99,032		\$ 99,032	MEM
41	ABQ	D New Mexico International School	\$ 494,058.84	429.50	\$ 360,458		\$ 360,458	MEM
42	ABQ	S Northpoint Charter School	\$ 431,676.36	144.00	\$ 120,852		\$ 120,852	MEM
43	ABQ	S North Valley Academy	\$ 413,689.92	254.25	\$ 213,379		\$ 213,379	MEM
44	ABQ	D Public Academy for Performing Arts	PSCOC	442.00	\$ 370,949		\$ 370,949	MEM
45	ABQ	S Renaissance Academy Charter School	\$ 138,000.00	128.00	\$ 107,424		\$ 107,424	MEM
46	ABQ	S Rio Grande Academy of Fine Arts	\$ 260,620.20	200.00	\$ 167,850		\$ 167,850	MEM
47	ABQ	D Robert F. Kennedy Charter HS*	PSCOC	239.50	\$ 201,000		\$ 201,000	MEM
48	ABQ	D Robert F. Kennedy Charter MS*	PSCOC	71.00	\$ 59,587		\$ 59,587	MEM
49	ABQ	D Siembra Leadership HS - 524 Central*	\$ 147,633.48	480.50	\$ 403,260		\$ 403,260	MEM
50	ABQ	D Siembra Leadership HS - 606 and 610 Central*	\$ 353,918.64					
51	ABQ	S Solare Collegiate Charter School	\$1,020,000.00	302.00	\$ 253,454		\$ 253,454	MEM
52	ABQ	D South Valley Academy	PSCOC	600.50	\$ 503,970		\$ 503,970	MEM
53	ABQ	D Technology Leadership High School	\$ 846,600.00	337.50	\$ 283,247		\$ 283,247	MEM
54	ABQ	S The Albuquerque Sign Language Academy	PSCOC	163.50	\$ 137,217		\$ 137,217	MEM
55	ABQ	S The GREAT Academy	\$ 138,309.84	66.50	\$ 55,810		\$ 55,810	MEM
56	ABQ	D The International School at Mesa del Sol	\$ 583,379.04	257.75	\$ 216,317		\$ 216,317	MEM
57	ABQ	S The Montessori Academy - Montano*	\$ 741,036.00					
58	ABQ	S The Montessori Academy - El Pueblo (NEW FACILITY)*	\$ 477,030.84	445.00	\$ 373,466		\$ 373,466	MEM
59	ABQ	D The New America School - NM	\$ 107,999.04	129.50	\$ 108,683		\$ 107,999	LEASE
60	ABQ	S Tierra Adentro of New Mexico	\$ 593,590.80	243.00	\$ 203,938		\$ 203,938	MEM
61	ABQ	S 21 st Century Public Academy	\$ 776,489.64	362.00	\$ 303,809		\$ 303,809	MEM
62	ABQ	D Voz Collegiate Preparatory Charter School	\$ 374,004.00	122.50	\$ 102,808		\$ 102,808	MEM

Exhibit B - UPDATED FY26 Lease Assistance Program Detail Summary - January 2026

MEM Rate: \$839.25 per MEM

District	State / District	School	LEASE		MEM		FY26 LEASE ASSISTANCE AWARD AMOUNT	
			Annual Lease Amount	2024-25 MEM	Lease Assistance Calculation Based on MEM	(\$839.25 per MEM)	G	H
A	B	C	D	E	F	Lease Assistance Amount (Lesser of Calc. Based on MEM or Lease)	Basis of Lease Assistance (MEM or Lease)	
63	Aztec	Mosaic Academy Charter School	\$ 212,400.00	178.50	\$ 149,806	\$ 149,806	MEM	
64	Carlsbad	Jefferson Montessori Academy	PSCOC	232.00	\$ 194,706	\$ 194,706	MEM	
65	Central	Dream Dine Charter School	\$ 25,023.66	16.50	\$ 13,848	\$ 13,848	MEM	
66	Cimarron	Moreno Valley Preparatory	\$ 57,000.00	45.00	\$ 37,766	\$ 37,766	MEM	
67	Deming	Deming Cesar Chavez Charter High School	PSCOC	178.00	\$ 149,387	\$ 149,387	MEM	
68	Espanola	McCurdy Charter School	\$ 699,600.00	553.00	\$ 464,105	\$ 464,105	MEM	
69	Gallup	Dzil Dít'ooi School of Empowerment, Action, and Perseverance	\$ 56,243.52	58.00	\$ 48,677	\$ 48,677	MEM	
70	Gallup	Hozho Academy - NM 564*	\$ 168,000.00	206.00	\$ 172,886	\$ 168,000	LEASE	
71	Gallup	Hozho Academy - Park*	\$ 300,000.00	539.50	\$ 452,775	\$ 300,000	LEASE	
72	Gallup	Middle College High School (NEW FACILITY)	\$ 396,297.60	153.00	\$ 128,405	\$ 128,405	MEM	
73	Gallup	Six Directions Indigenous School	\$ 120,000.00	65.00	\$ 54,551	\$ 54,551	MEM	
74	Jemez V.	San Diego Riverside Charter School	\$ 45,482.00	53.00	\$ 44,480	\$ 44,480	MEM	
75	Jemez V.	Walatowa High Charter School	PSCOC	35.50	\$ 29,793	\$ 29,793	MEM	
76	Las Cruces	Alma d'arte Charter HS	PSCOC	65.00	\$ 54,551	\$ 54,551	MEM	
77	Las Cruces	Explore Academy - Las Cruces	\$1,140,100.26	550.50	\$ 462,007	\$ 462,007	MEM	
78	Las Cruces	J. Paul Taylor Academy	PSCOC	200.00	\$ 167,850	\$ 167,850	MEM	
79	Las Cruces	La Academia Dolores Huerta	PSCOC	93.50	\$ 78,470	\$ 78,470	MEM	
80	Las Cruces	Raices del Saber Xinachtli Community School	\$ 145,372.62	119.50	\$ 100,290	\$ 100,290	MEM	
81	Las Cruces	Sendero School of Academics and Career Preparation	\$ 307,836.00	213.00	\$ 178,760	\$ 178,760	MEM	
82	Las Cruces	The New America School - Las Cruces	\$ 297,074.52	212.00	\$ 177,921	\$ 177,921	MEM	
83	Los Lunas	School of Dreams Academy	\$ 687,773.76	429.25	\$ 360,248	\$ 360,248	MEM	
84	Moriarty	Estancia Valley Classical Academy	\$ 918,762.60	558.00	\$ 468,302	\$ 468,302	MEM	
85	Questa	Red River Valley Charter School	PSCOC	78.00	\$ 65,462	\$ 65,462	MEM	
86	Rio Rancho	Explore Academy - Rio Rancho	\$ 1,171,379.21	405.50	\$ 340,316	\$ 340,316	MEM	
87	Rio Rancho	Sandoval Academy of Bilingual Education (NEW FACILITY)	\$ 668,631.43	217.50	\$ 182,537	\$ 182,537	MEM	
88	Rio Rancho	The ASK Academy - Main*	\$ 551,351.52	450.00	\$ 377,663	\$ 377,663	MEM	
89	Rio Rancho	The ASK Academy - 6th Grade Academy*	\$ 109,958.64	100.50	\$ 84,345	\$ 84,345	MEM	
90	Roswell	Early College High School	PSCOC	151.00	\$ 126,727	\$ 126,727	MEM	
91	Roswell	New Mexico Military Institute (NEW APPLICANT)	\$ 464,400.00	110.00	\$ 92,318	\$ 92,318	MEM	
92	Roswell	Sidney Gutierrez Middle School*	\$ 46,206.48	65.00	\$ 54,551	\$ 46,206	LEASE	
93	Roswell	Sidney Gutierrez - Elementary Component*	\$ 123,000.00	131.00	\$ 109,942	\$ 109,942	MEM	
94	Santa Fe	Monte del Sol Charter School	\$ 253,752.00	356.00	\$ 298,773	\$ 253,752	LEASE	
95	Santa Fe	New Mexico School for the Arts	\$ 554,905.24	331.50	\$ 278,211	\$ 278,211	MEM	
96	Santa Fe	Sun Mountain Community School (NEW CHARTER)	\$ 192,000.00	117.00	\$ 98,192	\$ 98,192	MEM	
97	Santa Fe	The Academy for Technology & the Classics	\$ 253,841.04	396.00	\$ 332,343	\$ 253,841	LEASE	
98	Santa Fe	The MASTERS Program	\$ 164,423.00	257.50	\$ 216,107	\$ 164,423	LEASE	
99	Santa Fe	THRIVE Community School	\$ 490,000.00	299.00	\$ 250,936	\$ 250,936	MEM	
100	Santa Fe	Tierra Encantada Charter School	\$ 357,997.56	256.50	\$ 215,268	\$ 215,268	MEM	
101	Santa Fe	Turquoise Trail Charter School	PSCOC	585.00	\$ 490,961	\$ 490,961	MEM	
102	Silver	Aldo Leopold Charter School	\$ 150,000.00	195.00	\$ 163,654	\$ 150,000	LEASE	
103	Socorro	Cottonwood Valley Charter School	\$ 121,275.12	170.00	\$ 142,673	\$ 121,275	LEASE	
104	Taos	Anansi Charter School	\$ 192,291.00	196.50	\$ 164,913	\$ 164,913	MEM	
105	Taos	Taos Academy Charter School	\$ 180,535.92	242.00	\$ 203,099	\$ 180,536	LEASE	
106	Taos	Taos Integrated School of the Arts*	\$ 16,610.00	215.00	\$ 180,439	\$ 180,439	MEM	
107	Taos	Taos Integrated School of the Arts (NEW LEASE)*	\$ 203,539.56			\$ 142,253	MEM	
108	Taos	Taos International School	\$ 363,564.00	169.50	\$ 142,253	\$ 160,000	LEASE	
109	Taos	Taos Municipal Charter School	\$ 160,000.00	215.50	\$ 180,858	\$ 56,649	MEM	
110	Taos	Vista Grande High School	PSCOC	67.50	\$ 56,649	\$ 56,000	LEASE	
111	W. Las Vegas	Rio Gallinas School of Ecology and the Arts	\$ 56,000.00	79.00	\$ 66,301	\$ 56,000	LEASE	

UPDATED: Total FY26 Lease Assistance Award Amount

\$24,059,700

ORIGINAL: Total FY26 Lease Assistance Award Amount

\$23,967,383

Difference

\$92,318

Notes:

* If a charter has two sites used by all students, then the charter may use the entire 80/120 MEM count for both sites, but in no case shall the lease assistance to any school exceed the calculated per MEM amount for the school. If a charter has two sites that are utilized by separate groups of students, the 80/120 MEM count will be divided, according to usage, between the two sites.

Exhibit C – NMMI Lease Agreement Documents

LEASE AGREEMENT

This Lease Agreement (“Lease”) is entered into as of the 8th day of May, 2023, by and between **NEW MEXICO MILITARY INSTITUTE FOUNDATION, INC.**, a New Mexico nonprofit corporation, whose address is 101 West College Boulevard, Roswell, New Mexico 88201 (“Landlord”), and **NEW MEXICO MILITARY INSTITUTE**, a New Mexico State Educational Institution, whose address is 101 West College Boulevard, Roswell, New Mexico 88201 (“Tenant”).

In consideration of the mutual covenants contained in this Lease, Landlord hereby leases to Tenant and, Tenant hereby rents from Landlord, the premises hereinafter described, and Landlord and Tenant agree as follows:

I.

PREMISES

1.01 Definition. The “Premises” consists of land containing approximately 3.572 acres and a building of approximately 23,900 square feet located at 402 W. Country Club Road, in Roswell, Chaves County, New Mexico. The Premises specifically includes all fixtures and permanent improvements, currently existing and those added hereafter, including all mechanical systems, electrical systems, plumbing systems, heating, ventilating and air conditioning systems and equipment, sprinkler systems, security systems, fire detection systems, telephone distribution systems, floor coverings, window coverings, paving and landscaping.

II.

TERM

2.01 Initial Lease Term. This Lease shall commence on August 1, 2023 and continue thereafter for five (5) years, and shall end at midnight on August 1, 2028, unless sooner terminated as provided for in this Lease (“Initial Lease Term”).

2.02 Option to Extend. Tenant may, at Tenant’s option, extend the term of this Lease following expiration of the Initial Lease Term for five (5) additional periods of five (5) years each, upon the same terms and conditions herein contained, except for the amount of the rental payments as are further set out in this Lease. At least sixty (60) days before the last day of the Initial Lease Term, Tenant shall give Landlord irrevocable notice in writing, exercising such option. If Tenant fails to give notice of the exercise of such option within the time provided herein, the option shall expire. At least sixty (60) days before the last day of future option periods, Tenant shall give Landlord irrevocable notice in writing, exercising all future option periods. If Tenant fails to give notice for any future option period within the time provided herein, the option shall expire.

III.

RENT AND OTHER PAYMENTS

3.01 Minimum Annual Rent. Beginning on the effective date of this agreement, and continuing throughout the Initial Lease Term, and any future option periods that are exercised by the Tenant, Tenant shall pay monthly rent to Landlord without abatement, deduction or offset. The minimum annual rent shall be \$312,000.00 (\$26,000.00 monthly) during the Initial Lease Term, payable monthly, in advance by the first day of each month, commencing on August 1, 2023, and continuing during and throughout the Initial Lease Term.

3.02 Adjustment to Minimum Annual Rent during Option Periods. The

minimum annual rent shall be subject to adjustment at the commencement of the first year of each option period exercised in Section 2.02 according to the following computation:

(a) The base figure for computing the adjustment is the index figure for the month of August, 2023 (the index date), as shown in the Consumer Price Index (CPI) for all urban consumers for the United States based on the year 1982-1984 = 100 as published by the U. S. Department of Labor's Bureau of Labor Statistics ("Bureau").

(b) The index figure for the adjustment date, June 2028, shall be computed as a percentage of the base figure on the index date. For example, assuming the base figure on the index date is 110 and the index figure on the adjustment date is 121, the percentage to be applied is $121/110 = 1.10 = 110$ percent. That percentage shall be applied to the then existing annual rent, and the resulting amount shall become the new annual rent, subject to the minimum and cap described in the following paragraph. In no event shall the adjusted minimum annual rent be less than the minimum annual rent paid during that portion of the lease term preceding the adjustment date.

If the percentage to be applied to any adjustment date will cause the minimum annual rent to be increased by more than 10%, the increase of the minimum annual rent for the ensuing five years shall be limited to 10%. However, the minimum percentage increase to the minimum annual rent to be applied to any adjustment date and for the ensuing five years shall be 7%. It being the intent of the Landlord and Tenant that during the remaining duration of the Lease Term, the amount of any increase in the minimum annual rent will be capped at 10%, with a minimum floor of 7%. Any adjustments to Minimum Annual Rent shall be made every five (5) years, not annually.

(c) The index figure for the adjustment date shall be the one reported in the U.S. Department of Labor's newest comprehensive official index then in use and most nearly answering the foregoing description of the index to be used. If it is calculated from a base different from the base year 1982-1984 = 100 used for the base figure above, the base figure used for calculating the adjustment percentage shall first be converted under a formula supplied by the Bureau.

(d) If the described index shall no longer be published, another index generally recognized as authoritative shall be substituted by agreement of the parties.

3.03 Taxes and Assessments. Throughout the Lease Term, Landlord shall pay all

real and personal property taxes, general and special assessments, and other charges of every description levied on or assessed against the Premises and the building located on the Premises.

3.04 Utilities, Maintenance and Operating Costs. All utility charges, maintenance costs and expenses relating to operation of the building on the Premises and maintaining of the Premises shall be paid by Tenant before becoming delinquent and before any lien is imposed by reason thereof.

IV.

USE AND COMPLIANCE

4.01 Use of Premises. Tenant shall use and permit the use of the Premises for the purposes of operating a middle school. Tenant shall not use or permit the use of the Premises for any other purposes without first obtaining the written consent of Landlord. Tenant agrees to conduct its business on the Premises in accordance with all applicable ordinances, laws, rules and regulations; and Tenant further agrees that it will not erect or install any exterior signs or billboards on the Premises, nor advertise with or otherwise utilize loudspeakers, phonographs or other means of amplified sound in a manner to be heard outside the Premises, or otherwise utilize the Premises or any portion thereof in a manner which results in offensive appearance or noises, without first obtaining the written consent of Landlord.

4.02 Compliance. In connection with Tenant's use of the Premises, Tenant shall at all times throughout the Lease Term comply with all applicable federal, state and local laws, ordinances and regulations. Without limiting the duties of Tenant as set forth in the preceding sentence, throughout the Lease Term Tenant shall comply with the following provisions relating to environmental laws and hazardous materials:

(a) Compliance with Environmental Laws. Tenant shall at all times and in all respects comply with all federal, state and local laws, ordinances and regulations ("Hazardous Materials Laws") relating to industrial hygiene, environmental protection of the use, analysis, generation, manufacture, storage, presence, disposal or transportation of any petroleum products, flammable explosives, PCBs, asbestos, formaldehyde, radioactive materials or waste, medical or pharmaceutical related substances or equipment, or other hazardous toxics, contaminated or polluting materials, substances or wastes, including, without limitations, any "hazardous

substances", "hazardous wastes", "hazardous materials", "toxic substances" or "regulated substance" under any such laws, ordinances or regulations (collectively, "Hazardous Materials").

(b) Hazardous Materials Handling. Tenant shall at its own expense procure, maintain in effect and comply with all conditions of any and all permits, licenses and other governmental and regulatory approvals required for Tenant's use of the Premises and the improvements thereon, including without limitation, discharge of (appropriately treated) materials or wastes into or through any sanitary sewer serving the Premises and the improvements thereon. Except as discharged into the sanitary sewer in strict accordance and conformity with all Hazardous Materials Laws, Tenant shall cause any and all Hazardous Materials removed from the Premises or the improvements thereon to be removed and transported solely by duly licensed haulers to duly licensed facilities for final disposal of such materials and wastes. Tenant shall in all respects handle, treat, deal with and manage any and all Hazardous Materials in, on, under or about the Premises or the improvements thereon in total conformity with all applicable Hazardous Materials Laws and prudent industry practices regarding management of such Hazardous Materials. All reporting obligations imposed by Hazardous Materials Laws are strictly the responsibility of Tenant. Upon the expiration or earlier termination of this Lease, Tenant shall cause all Hazardous Materials to be removed from the Premises and the improvements thereon and transported for use, storage, or disposal in accordance and compliance with all applicable Hazardous Materials Laws. Tenant shall not take any remedial action in response to the presence of any Hazardous Materials in or about the Premises or any improvements thereon, nor enter into any settlement agreement, consent decree or other compromise in respect to any claims relating to any Hazardous Materials in any way connected with Landlord or the Premises without giving notice to Landlord of Tenant's intention to do so and affording Landlord sufficient time to appear, intervene or otherwise appropriately assert and protect Landlord's interest with respect thereto.

(c) Notices. Tenant shall immediately notify Landlord in writing of (i) any enforcement, cleanup, removal or other governmental or regulatory action instituted, completed or threatened pursuant to any Hazardous Materials Laws; (ii) any claim made or threatened by any person against Tenant, or the Premises or any improvements thereon relating to damage, contribution, cost, recovery compensation, loss or injury resulting from or claimed to result from any Hazardous Materials; and (iii) any reports made to any environmental agency arising out of or in connection with any Hazardous Materials in, on or removed from the Premises or any improvements thereon, including any complaints, notices, warnings, reports or asserted violations in connection therewith.

(d) Indemnification of Landlord. Tenant shall indemnify, defend (by counsel acceptable to Landlord), protect and hold Landlord and each of Landlord's trustees, officers, employees, agents, successors and assigns, free and harmless from and against any and all claims, liabilities, damages, costs, penalties, forfeitures, losses or expenses (including attorney's fees) for death or injury to any person or damage to any property whatsoever (including water tables and atmosphere), arising or resulting in whole or in part, directly or indirectly, from the presence or suspected presence or discharge of Hazardous Materials, in, on, under, upon or from, the premises or any improvements thereon, or the transportation or disposal of Hazardous Materials to or from the Premises or any improvements thereon, caused by Tenant, whether knowingly or unknowingly, the standard herein being one of strict liability. Tenant's obligations hereunder shall include, without

limitations, and whether foreseeable or unforeseeable, all costs of any required or legally necessary investigation of site conditions, repair, cleanup or detoxification or decontamination of the Premises or any improvements thereon, and the preparation and implementation of any closure, remedial action or other required plans in connection therewith, and shall survive the expiration of the Lease Term or earlier termination of this Lease. Provided, however, this indemnity shall extend only to conditions and events which come into existence or occur during Tenant's occupancy of the Premises. For purposes of this indemnity, any acts or omissions of Tenant, or of its agents, employees, invitees, sublessees, contractors or subcontractors (whether or not they are negligent, intentional, willful or unlawful) shall be strictly attributable to Tenant.

V.

IMPROVEMENTS

5.01 Maintenance and Compliance. Throughout the Lease Term, Tenant, at Tenant's expense, shall maintain the Premises and all improvements located thereon in a clean and good state of condition and repair, and in compliance with all applicable ordinances, laws, rules, and regulations of all governmental agencies having or claiming jurisdiction and all insurance companies insuring all or any part of the premises and the improvements located thereon, and without implying any limitation on the foregoing obligations, Tenant specifically shall maintain and keep the parking areas of the premises clean and free from trash, weeds and rubbish at all times.

During the Lease Term, Tenant shall promptly and diligently repair, restore and replace all improvements located upon the Premises as may be required to fulfill Tenant's obligations of maintenance and compliance as provided herein and to remedy all damage to or destruction of all or any part of such improvements.

All completed work of maintenance, compliance, repair, restoration or replacement shall be equal in value, quality, use and appearance to the condition of the improvements before the event giving rise to the work.

Landlord shall not be required to furnish any services or facilities or to make any repairs or alterations of any kind in or on the Premises; however, Landlord shall have access to the Premises and

all improvements located thereon during Tenant's normal business hours for the purpose of making periodic inspections to insure Tenant's fulfillment of its obligations of maintenance and compliance as provided herein, and if Landlord determines that Tenant has defaulted in the performance of any such obligations and such default continues for thirty (30) days after written notice from Landlord to Tenant specifying such default, Landlord may, at its election, cause such obligations to be performed, in which event Tenant shall promptly reimburse, defend and indemnify Landlord against all liability, loss, cost and expense arising from performing such obligations.

No deprivation, impairment or limitation of use resulting from any event or work contemplated by this Section 5.01 shall entitle Tenant to any offset, abatement or reduction in rent, nor to any extension of the Lease Term.

5.02 Improvements. Tenant shall not make any improvements or material alterations to the Premises without the express written consent of Landlord, except for the purpose of renovations for the middle school. Tenant shall be allowed to install a security system to adequately protect the Tenant's property. This security system will remain with the building when the Tenant vacates the premises. All permitted improvements constructed on the premises by Tenant shall be owned by Tenant until the expiration of the Lease Term or earlier termination of this Lease; however, Tenant shall not remove any improvements from the premises nor waste, destroy, or modify any improvements on the premises, except as permitted by this Lease. Except as hereinafter provided in this Section 5.02 all improvements on the Premises at the expiration of the Lease Term shall, without compensation to Tenant, then become Landlord's property free and clear of all claims to or against them by Tenant or any third person, and Tenant shall defend and indemnify Landlord against all liability and loss arising from such claims. Tenant agrees to execute and deliver to Landlord such documents or instruments as Landlord may reasonably request from Tenant in order to evidence the transfer of such improvements to

Landlord and the relinquishment of any claim thereto by Tenant, or in the alternative, Landlord is hereby authorized to cause such transfer and relinquishment to be evidenced by an affidavit executed by Landlord and recorded in the records of Chaves County, New Mexico. The parties covenant for themselves and all persons claiming under them that the improvements are affixed to the real property and are not personal property. The reversion provided for in this Section 5.02 does not extend to and include items of personal property, including trade fixtures, which are not affixed to the Premises or to the improvements.

During the lease period, the Landlord commits to pay capital costs of renovation, up to \$500,000.00, included in Phase One of the construction project as detailed in the *Architectural Building Assessment and Feasibility Study for New NMMI Junior High School Facility* prepared by Studio 27, Inc. dated February 3, 2023.

VI.

ASSIGNMENT AND SUBLetting

6.01 Assignment and Subletting. Tenant shall not assign this Lease or Tenant's interest herein nor sublet any portion of the Premises or any building thereon.

VII.

TENANT'S RIGHT TO MORTGAGE

7.01 Leasehold Mortgage. Tenant may not place or impose any mortgage, deed of trust or other lien or encumbrance on the Premises in order to assist Tenant in obtaining financing for the purpose of equipping its operation.

VIII.

INSURANCE AND INDEMNITY

8.01 Fire and Extended Coverage Insurance. Throughout the Lease Term, Landlord, at its expense, will keep the building and improvements located upon the Premises insured against loss or damage by fire and such other risks. The Tenant will be responsible for insuring contents it brings in to the building. Any loss or damage sustained on contents brought in by the Tenant will be the sole responsibility of the Tenant.

8.02 Public Liability Insurance. Throughout the Lease Term, Tenant, at its expense, will maintain in full force and effect, for the mutual benefit of Landlord and Tenant, comprehensive broad form general public liability insurance against claims and liability for personal and bodily injury, death or property damage arising from the use, occupancy, disuse or condition of the Premises, improvements or adjoining areas or ways, or otherwise arising under this Lease with coverage amounts established by the State of New Mexico insurance authorities.

The policy shall contain provisions to the effect that (i) the insurer waives any right of subrogation against Landlord, its agents or employees, (ii) the policies are primary and noncontributing with any insurance that may be carried by Landlord, and (iii) the policies cannot be canceled or materially changed except after thirty (30) days' notice by the insurer to Landlord. Tenant shall furnish Landlord with a certificate evidencing the insurance before commencement of the Lease Term. The certificate shall contain a statement that the Landlord, its trustees and employees are listed as additional insureds.

8.03 Indemnity. Landlord shall not at any time or to any extent whatsoever be liable, responsible or in any way accountable for any loss, injury, death or damage to persons or property, from any cause or causes whatsoever, except that caused by the negligence or willful conduct of Landlord, which at any time may be suffered or sustained by Tenant, or by any person whosoever at any time may

be using, occupying or visiting the Premises, or any part or parts of the improvements thereon, and Tenant agrees to indemnify and save Landlord harmless from any and all claims, liabilities, losses, damages, costs and expenses (including reasonable attorney's fees) whatsoever arising out of any such loss, injury, death or damage, except that caused by the negligence or willful conduct of Landlord, however occurring.

IX.

CONDEMNATION

9.01 Eminent Domain. If the Premises or any portion thereof is taken for public or quasi-public purposes by condemnation as a result of any action or proceeding in eminent domain, or is transferred in lieu of condemnation to any authority entitled to exercise the power of eminent domain, the parties agree as follows:

(a) If the entire Premises is taken or so transferred as described above, this Lease and all of the right, title, interest and obligations under this Lease shall cease on the date title to the premises vests in the condemning authority.

(b) If only part of the Premises is taken or transferred as described above, and if, in Tenant's opinion, the remainder of the premises is in such location, or in such form, shape or reduced size, that Tenant's business will be substantially impaired and cannot be effectively and practicably operated on the remaining portion of the premises, Tenant shall give Landlord notice that Tenant intends to terminate this Lease. In such event, Landlord shall act upon such notice within 30 days after receiving the same, and Landlord's failure to object to the proposed termination of the Lease within such 30 days' period shall constitute a waiver of objection thereto. If Landlord, acting in good faith, disagrees with Tenant's opinion and objects to the proposed termination of the Lease, Landlord shall so notify Tenant within such 30 days' period, and if Tenant does not yield to Landlord's objection, the issue of whether Tenant's business will be substantially impaired and cannot be effectively and practicably operated on the remaining part of the Premises shall be submitted to binding arbitration. If the arbitration award is in favor of Tenant, this Lease and all of the right, title, interest and obligations under this Lease shall cease on the date title to the portion of the Premises taken vests in the condemning authority. If the arbitration award is in favor of Landlord, the provisions of subparagraph (c) of this Section 9.01 shall be applicable. Any such arbitration shall be in conformity with such rules as Landlord and Tenant may establish by agreement between themselves, failing in which such arbitration shall be in conformity with and subject to the applicable rules and procedures of the American Arbitration Association or any successor or similar organization or association acceptable to both Landlord and Tenant.

(c) If only part of the Premises is taken or transferred as described above, and the remainder of the premises is in such location and in such form, shape or size that Tenant's business on the premises could be expected to be effectively and practicably operated on the remaining portion of the premises, this lease and the obligations thereunder shall terminate as to that portion of the premises taken or transferred as of the date title to such portion vests in the condemning authority, but shall continue in full force and effect as to the portion of the premises not taken or transferred. From and after that date, the rental required to be paid by Tenant to Landlord shall be reduced during the unexpired portion of this Lease to that proportion of the annual rent which the square footage of the part of the Premises not so taken bears to the square footage of the original total square footage of the Premises.

Nothing in this Section 9.01 prohibits Landlord from voluntarily conveying all or part of the premises to a public utility, agency or authority under threat of a taking under the power of eminent domain; provided, however, that any such voluntary conveyance shall be treated as a taking within the meaning of this Section 9.01.

X.

DEFAULT AND REMEDIES

10.01 Events of Default. Each of the following events or occurrences shall constitute a default of Tenant hereunder.

(a) Tenant shall fail to pay when due any installment of rent and such failure shall continue for five (5) days after written notice thereof by Landlord to Tenant.

(b) Tenant shall neglect or fail to perform or observe any of the other covenants herein contained on Tenant's part to be performed or observed and Tenant shall fail to remedy the same within thirty (30) days after Landlord shall have given to Tenant written notice specifying such neglect or failure (or within such period, if any, as may be reasonable required to cure such default if it is of such nature that it cannot be cured within such thirty-day period, provided that Tenant commences to remedy such default with such thirty-day period and proceeds within reasonable diligence thereafter to cure such default).

(c) Tenant's interest in this Lease or all or any part of the improvements on the Premises shall be taken upon execution or by other process of law directed against Tenant, or shall be taken upon or subject to any attachment at the instance of any creditor of or claimant against Tenant, and such attachment shall not be discharged or disposed of within thirty (30) days after the levy thereof.

(d) Tenant shall (i) admit in writing its inability to pay its debts generally as they become due, (ii) apply for or consent to or acquiesce in the appointment of a receiver, trustee, or liquidator of Tenant or of all or a substantial part of Tenant's property or of Tenant's interest in this Lease or all or any part of the improvements on the Premises or (iii) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization under any bankruptcy or insolvency law or an arrangement with creditors, or take advantage of any insolvency law or file an answer admitting the material allegations of a petition filed against Tenant in any bankruptcy, reorganization, or insolvency proceedings.

(e) The entry of a court order, judgment, or decree without the application, approval, or consent of Tenant, approving a petition seeking reorganization of Tenant under any bankruptcy or insolvency law or appointing a receiver, trustee, or liquidator of Tenant or of all or a substantial part of Tenant's property or of Tenant's interest in this Lease or all or any part of the improvements on the premises, or adjudicating Tenant a bankrupt or insolvent, and such order, judgment, or decree shall not be vacated, set aside, or stayed within sixty (60) days from the date of entry.

Provided, however, the appointment of a receiver to take possession of Tenant's interest in this lease, or of Tenant's interest in the improvements on the Premises or of Tenant's operations on the Premises, for any reason including but not limited to, assignment for benefit of creditors or voluntary or involuntary bankruptcy proceedings, shall not include a receivership instituted by Landlord, the event of default being not the appointment of a receiver at Landlord's instance but the event justifying the receivership, if any.

10.02 Remedies. If Tenant shall default under this lease as set forth in Section 10.01, Landlord shall have the following rights and remedies, which shall not be exclusive of any other remedies at law or equity to which Landlord may be entitled.

(a) Landlord shall have the right to terminate this lease by giving Tenant notice in writing at any time. No act by or on behalf of Landlord, such as entry of the Premises by Landlord to perform maintenance and repairs and efforts to relet the Premises, other than giving Tenant written notice of such termination, shall terminate this Lease. If Landlord gives such notice, this Lease and the Lease Term and the right, title and interest of Tenant under this Lease shall wholly cease and expire in the same manner and with the same force and effect (except as to Tenant's liability) on the date specified in such notice as if such date were the expiration date of the Lease Term, without the necessity of re-entry or any other act on Landlord's part. Upon any termination of this Lease (whether by Landlord giving notice as provided above or by legal proceedings or notice provided for by law), Tenant shall quit and surrender to Landlord the Premises as set forth in Section 12.01. If this Lease is terminated, Tenant shall be and remain liable to Landlord for damages as hereinafter provided. Landlord shall be entitled to recover forthwith from Tenant as damages an amount equal to the total of (i) the cost, including reasonable attorney fees, of recovering the Premises; (ii) all rent accrued and unpaid at the time of termination of the Lease; and (iii) any other money and damages owed by Tenant to Landlord. In addition, Landlord, at Landlord's election, shall also be entitled to recover from Tenant as damages the amount of rent that would have been

payable hereunder if the Lease had not been terminated, less the net proceeds, if any, received by Landlord from any reletting of the Premises, after deducting all costs incurred by Landlord in finding a new Tenant and reletting the Premises.

(b) If Tenant shall default in making any payment required to be made by Tenant or shall default in performing any other obligations of Tenant under this Lease, Landlord may, but shall not be obligated to, make such payment or, on behalf of Tenant, expend such sum as may be necessary to perform such obligation. All sums so expended by Landlord shall be repaid by Tenant to Landlord within twenty (20) days after written demand therefore. No such payment or expenditure by Landlord shall be deemed a waiver of Tenant's default nor shall it affect any other remedy of Landlord by reason of such default.

XI.

DISCLAIMER BY LANDLORD

11.01 Disclaimer. Except as otherwise specifically provided in this Lease, Landlord disclaims any and all warranties with respect to the condition of the soil or subsoil or any other condition of the Premises, or respecting zoning requirements or any other matters relating to the suitability of the Premises for its intended use by Tenant. Landlord is leasing the Premises to Tenant "AS IS", and Tenant shall be responsible for conducting such inspections and for otherwise satisfying itself as to all aspects of the suitability of the Premises for its intended use by Tenant, and for obtaining all licenses, permits and other forms of authorization which may be required in order for Tenant to utilize the Premises for the purposes expressed herein.

XII.

EXPIRATION AND TERMINATION

12.01 Tenant's Duty to Surrender. Upon the expiration or earlier termination of this Lease, Tenant shall surrender to Landlord the possession of the Premises. Tenant shall leave the surrendered Premises and all improvements thereon in good and broom-clean condition. All property that Tenant is required to surrender shall become Landlord's property at termination of the Lease; and

any property that Tenant is not required to surrender but that Tenant abandons shall, at Landlord's election, become Landlord's property at termination. If Tenant fails to surrender the premises at the expiration or sooner termination of this Lease, Tenant shall defend and indemnify Landlord from all liability and expense resulting from the delay or failure to surrender, including, and without limitation, claims made by any succeeding lessee founded on or resulting from Tenant's failure to surrender.

12.02 Personal Property. Upon the expiration or earlier termination of this Lease, if Tenant is not then in default, Tenant shall cause all furniture, furnishings, equipment and similar items of tangible personal property which are owned by Tenant to be removed from the Premises in compliance with Landlord's reasonable requirements regarding the time and manner for such removal, and without any resulting injuries to the improvements, Tenant agrees to remedy the same to the satisfaction of the Landlord.

12.03 Holding Over. This Lease shall terminate without further notice at expiration of the Lease Term. Any holding over by Tenant after expiration shall not constitute a renewal or extension or give Tenant any rights in or to the premises except as may be otherwise agreed to in writing by the parties.

12.04 Termination for Non-Appropriation. Notwithstanding anything in this Lease Agreement to the contrary, in the event no funds or insufficient funds are appropriated and budgeted by Tenant's governing body or are otherwise unavailable in any Fiscal Year for the payment of Rent and other amounts due under any Lease, the Lease shall terminate on the last day of the Fiscal Period for which appropriations were not received or other amounts are available to pay amounts due under the Lease without penalty or expense to Tenant. It is up to the Tenant to determine the sufficiency of funds, which determination shall be accepted by the Landlord and is final. Tenant shall give Landlord written notice at least forty-five (45) days in advance of such occurrence.

XIII.

GENERAL AND MISCELLANEOUS

13.01 Attorney's Fees. If any action shall be brought to recover any rental under this Lease, or for or on account of any breach of or to enforce or interpret any of the terms, covenants or conditions of this lease, or for the recovery of possession of the Premises, the prevailing party shall be entitled to recover from the other party, as part of the prevailing party's costs, a reasonable attorneys' fee.

13.02 Notices. Any notice or other communication to be given under this Lease by either party to the other shall be deemed to have been properly given only when made in writing and personally delivered to an officer of the respective parties, or when sent by certified mail or nationally prominent air courier, postage or fees prepaid, and addressed to the respective parties at their addresses shown in the opening paragraph of this Lease. Either party may, by written notice given at any time or from time to time, require subsequent notices and other communications to be given to a particular person on behalf of such party, or delivered to a different address, or both. Any such notice or other communication shall be deemed to be served or given for all purposes hereunder at the time such notice or communication is delivered.

13.03 Construction of Lease. The language in all parts of this Lease shall in all cases be construed as a whole according to its fair meaning and not strictly for nor against either Landlord or Tenant. Section headings in this Lease are for convenience only and are not to be construed as part of the lease or in any way defining, limiting or amplifying the provisions hereof. Where required by the context thereof, singular nouns and pronouns shall be construed as plural, plural nouns and pronouns shall be construed as singular, and the gender of personal pronouns shall be construed as masculine, feminine or neuter. Time is of the essence of this Lease and of every term, covenant and condition

hereof. In the event any term, covenant or condition herein contained is held to be invalid or void by any court of competent jurisdiction, the invalidity of any such term, covenant or condition shall in no way affect any other term, covenant or condition herein contained.

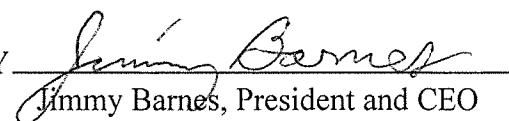
13.04 Mutual Representations and Warranties. Landlord and Tenant represent and warrant to the other: (i) that all recitals and representations made by it or in respect of it in this Lease are true and correct; (ii) that it is duly formed, validly existing and in good standing under applicable law, and is authorized to do business in the State of New Mexico; (iii) that all requisite corporate action has been taken to permit it to enter into this Lease and carry out the terms hereof; and (iv) that the officer signing this Lease for it is authorized to do so.

13.05 Relationship of Parties. Nothing contained in this Lease shall be construed as creating, between Landlord and Tenant or with any third party, a partnership, joint venture or any relationship other than that of lessor and lessee.

13.06 Entire Agreement. Any and all prior oral or written agreements between Landlord and Tenant shall be deemed merged herein, and this Lease and any documents constituting or listed or referred to in an Exhibit attached hereto shall constitute the entire agreement between Landlord and Tenant. None of the terms, covenants or conditions of this Lease can be waived by either Landlord or Tenant except by appropriate written agreement duly executed by all of the parties hereto.

LANDLORD:

**NEW MEXICO MILITARY INSTITUTE
FOUNDATION, INC.**

BY 
Jimmy Barnes, President and CEO

TENANT:

NEW MEXICO MILITARY INSTITUTE

BY 

COL Deana Curnutt, Chief Financial
Officer

THIRD AMENDMENT TO LEASE AGREEMENT

THIS THIRD AMENDMENT TO THE LEASE AGREEMENT (the "Amendment") is entered into effective as of this 16th day of June, 2025 ("Effective Date"), by and between **NEW MEXICO MILITARY INSTITUTE FOUNDATION, INC.**, a New Mexico Non-Profit Corporation ("Landlord"), whose address is 101 W. College Blvd., Roswell, NM 88201, and **NEW MEXICO MILITARY INSTITUTE**, a New Mexico State Educational Institution, whose address is 101 W. College Blvd., Roswell, NM 88201 ("Tenant").

RECITALS:

WHEREAS, Landlord and Tenant have previously entered into a Lease Agreement dated May 8, 2023, whereby Landlord agreed to lease to Tenant that certain real property located at 402 W. Country Club Road, in the City of Roswell, Chaves County, New Mexico (the "Premises"), and

WHEREAS, Landlord and Tenant entered into the First Amendment to Lease Agreement dated July 25, 2024, modifying certain provisions of the Lease Agreement dated May 8, 2023, as of the date of the amendment,

WHEREAS, Landlord and Tenant entered into the Second Amendment to Lease Agreement dated January 24, 2025, modifying certain provisions of the Lease Agreement dated May 8, 2023, as of the date of the amendment;

WHEREAS, Landlord and Tenant wish to enter into a Third Amendment to Lease Agreement for the purpose of making an adjustment to the minimum annual rent,

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree that the Lease is hereby amended as follows:

1. SECTION 3.01 Adjustments to Minimum Rent. Minimum annual rent shall be increased from time to time when construction and renovation costs are paid by the Landlord to the contractor and other related vendors approved by the Tenant. The adjusted minimum rent amount as of the Effective Date of this Amendment shall be \$464,400.00 (\$38,700.00 monthly), payable monthly, in advance by the first day of each month, commencing on the Effective Date of this Amendment, and continuing during and throughout the Initial Lease Term.

2. **AMENDMENT CONTROLS.** Except as modified herein, all other terms and conditions of the Ground Lease are hereby ratified and confirmed to be in full force and effect. In the event of any inconsistency between the terms and conditions set forth in this Amendment and those set forth in the Lease, First and Second Amendments to the Lease Agreement, the terms and conditions of this Amendment shall be deemed controlling.

IN WITNESS WHEREOF, the said parties have executed this Amendment to be effective as of the Effective Date.

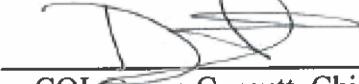
LANDLORD:

**NEW MEXICO MILITARY INSTITUTE
FOUNDATION, INC.**

By: 
Jimmy Barnes, President & CEO

TENANT:

NEW MEXICO MILITARY INSTITUTE

By: 
COL Deana Curnutt, Chief Financial
Officer

**Exhibit D – 2024 New Mexico Military Institute Foundation, Inc. Audit
Excerpt**

NOTE 9. LEASE AGREEMENTS

During fiscal year 2022, GASB Statement No. 87, *Leases*, became effective. The underlying leased assets (Note 6) meet the requirements in GASB Statement No. 72 to be reported as investment measured at fair value, hence the recognition and measurement guidance under GASB Statement No. 87 does not apply. The lease agreements did not contain existence, terms, and conditions of options by the lessees to terminate the lease or abate payments if the Foundation has issued debt for which the principal and interest payments are secured by the lease payments.

Lease agreements between the Foundation and tenants of its property are for terms up to 6 years and generally included provisions for escalation based upon the Consumer Price Index, as well as renewal options at the end of the primary term.

Minimum future rental income on leases as of year end:

2025	\$ 600,191
2026	565,751
2027	565,751
2028	565,751
2029	127,876
Thereafter	-
Total	<u>\$ 2,425,320</u>

NOTE 10. RELATED PARTY TRANSACTIONS

The New Mexico Military Institute provides office space (including building maintenance, utilities, and janitorial services) to the Foundation at no charge. For the years ended June 30, 2024 and 2023, \$4,000 was recorded each year as a contribution for the use of office space with a corresponding amount recorded as rent expense.

For the years ended June 30, 2024 and 2023, various expenses were paid by the New Mexico Military Institute on behalf of the Foundation, which have been reimbursed. At June 30, 2024 and 2023, \$406,574 and \$516,826, respectively, were due to the NMMI for operating expenses and support. For the years ended June 30, 2024 and 2023, the Foundation provided \$2,317,868 and \$2,194,271 respectively, in scholarships and awards for the benefit of Institute cadets and faculty and Alumni relations support.

The investment markets experienced fluctuations as changes in the global economy affect the U.S. market. It is expected that this volatility will continue to impact the value of investments reported in the statement of net position in the subsequent fiscal year.

NOTE 11. ADOPTION OF NEW ACCOUNTING STANDARD

Effective July 1, 2023, the Foundation adopted GASB 100, *Accounting Changes and Error Corrections—an Amendment of GASB Statement No. 62*.

GASB 100 defines accounting changes (including changes in accounting principles, changes in accounting estimate and changes to or within the financial reporting entity) and error corrections. GASB 100 paragraph 31, requires the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable to be displayed in the financial statements for each reporting unit. Note disclosure is also required, if the government has separately displayed in the financial statements the effects of each accounting change or error correction by reporting unit those effects need not be repeated in the notes to the financial statements. The adoption of this new standard had no impact on the June 30, 2024 financial statements.

NOTE 12. RISK MANAGEMENT

The Foundation maintains insurance coverage consisting of Directors & Officers, Commercial Umbrella and Commercial Package policies as part of its risk management activities. An independent agent performs an assessment to identify risks in order to advise and recommend to the Foundation the types and amounts of coverage needed. The independent agent also seeks insurance carriers that can provide the recommended coverage that meets the needs of the Foundation. Premiums paid during the year ended June 30, 2024 was \$38,656.

NOTE 13. SUBSEQUENT EVENT

In August 2024, NMMI began enrollment for 7th grade classes in the New Mexico Military Institute Intermediate Preparatory Academy (IPA). The IPA middle school will serve as a feeder school to the NMMI high school when fully operational through the 8th grade. During the fiscal year ended June 30, 2023, the Foundation purchased property at a cost of \$3.35 million, located at 402 W. Country Club Road, for the IPA. The Foundation also committed up to \$2.5 million for renovation of the building. Through June 30, 2024, the Foundation had expended \$1,064,954 towards its commitment.

Exhibit E – NMMI Email Correspondence



RE: FY26 Lease Assistance Application for New Mexico Military Institute

From West, David <West@NMMI.edu>

Date Wed 12/17/2025 2:06 PM

To PSFA Charters <charters@nmpsfa.org>

Cc Curnutt, Deana <Curnutt@NMMI.edu>; McBurnette, Voris <mcburnette@nmmi.edu>; Heacox, Ma Eva <Ma_Eva@NMMI.edu>; Leacock, Nina <leacock@nmmi.edu>

Amy,

Thank you again for the quick meeting this week with the Director. I understood the primary question to be about the basis for which the original lease amount was established by the NMMI Foundation. I reached out to the NMMI Foundation President/CEO and have the following response:

“Dave,

The lease amount is calculated at 8% of our cost basis (*cost basis = the funds invested in the purchase of the building and grounds*). It is increased accordingly by 8% when we make payments for renovations. The 8% is a discounted rate from what the Foundation receives from its other tenants. Plus, the Foundation pays the property taxes and insurance on the IPA property, which is the responsibility of our other tenants. Lastly, the Foundation gives NMMI \$200,000 annually for IPA operations.

Please let me know if you have any other questions.

Thanks,
Jimmy

Jimmy Barnes, President & CEO
NMMI Foundation, Inc.
101 W. College Blvd.
Roswell, NM 88201
Phone: 575-624-8021
Email: jimmyb@nmmi.edu”

Please let me know if you have further questions. Thank you.

R/David
COL David West
Chief of Staff
New Mexico Military Institute
Roswell, NM 88201
575.624.8014
west@nmmi.edu

From: PSFA Charters <charters@nmpsfa.org>

Sent: Friday, November 14, 2025 3:44 PM

To: West, David <West@NMMI.edu>

VI. Out-of-Cycle Awards

- A. P19-017 Tularosa Middle School (Tularosa) - Construction Funding Request*
- B. P22-002 Combined School (Mosquero) – Additional Construction Funding Request*

* Denotes potential action by the PSCOC

I. P19-017 Tularosa Middle School (Tularosa) – Construction Funding Request

II. Presenter(s): Sean Murray, Deputy Director of Capital Operations
Mathew Gerken, Senior Project Manager

III. Potential Motion:

Council approval to amend the current 2018-2019 Standards-based award language to Tularosa Municipal Schools (MMS) for Tularosa Middle School (P19-017) to include:

- Construction phase funding for the replacement facility for 240 students grades 6th through 8th in 61,455 gross square foot (GSF), totaling \$42,387,507 with a state match of \$30,095,130 (71%) and a local match of \$12,292,377 (29%)
- A partial local match reduction totaling \$7,822,891 for a revised state match of \$37,918,021 (89.46%) and a revised local match of \$4,469,486 (10.54%), for the construction of the combined replacement facility.

IV. Executive Summary:**Request:**

- Approval of the requested construction funding and partial local match reduction for the construction of a replacement Tularosa MS.

Staff Recommendation:

- Approval of the requested construction funding and partial local match reduction for the construction of a replacement Tularosa MS.

Key Points:

- There were three General Contractors that submitted bids: Bradbury Stamm Construction(selected), HB Construction, and Jaynes Corporation.
- The scope of work includes constructing a replacing the existing Middle School facility and new construction of a Career Technical Education (CTE) building.
- As of December 15, 2025, the district's Preventative Maintenance (PM) plan is not current and was last updated in October 2024.
 - As of January 5, 2026 the district's PM plan has been updated and is current.
- The district's average FMAR score is 61.95% below the recommended 70%.
- The district is requesting approval of a partial local match reduction for the district's share of the construction costs.
- The soft costs included in this request have been reduced from 20 to 10%.
- The Construction funding request (this request) included 9 bid lots in addition to the base bid for the replacement Middle School.

- Three bid lots are included in the recommended funding for this request. They include demolition of the existing Middle School, repaving an existing parking lot, new accessible parking lot and accessible route to the Football field.
- Six of the nine bid lots were determined to be above allowable and the district's responsibility to fund.
 - They include bid lots for landscaping/irrigation, additional card readers, CCTV system, site furnishings, lighting for an outdoor learning area and shade structures.
- In September 2018, the PSCOC awarded a Systems-based award that included a Planning study.
 - The planning study recommended relocating the Middle School to the High School campus and sharing of CTE and student dining spaces.
 - In August 2021, the PSCOC approved a conversion from a Systems-based award to a Standards-based award.

Exhibit(s):

A – PSFA Recommendation Report: P19-017 Tularosa Middle School
B – Tularosa Municipal Schools Letter, dated November 10th, 2025
C – General Contractor Price Proposal Form
D – Statement of Financial Position



PSFA Recommendation Report

Out-of-Cycle

Tularosa Municipal Schools
Tularosa Middle School
(P19-017)

Construction Phase Funding

District Request & Information

Approval of the requested construction funding and full local match reduction (waiver) for the construction of the replacement Middle School facility.

- Superintendent & District Representative: Todd Lindsay

PSFA Staff Recommendation

Approval of the requested construction funding and full local match reduction (waiver) for the construction of the combined replacement facility.

Award Language

- Approval to amend the current 2018-2019 Standards based award language to Tularosa Municipal Schools (TMS) for Tularosa Middle School (P19-017) to include:
 - Construction phase funding for the combined replacement facility for 240 students grades 6th through 8th in 61,455 gross square foot (GSF), totaling \$42,387,507 with a state match of \$30,095,130 (71%) and a local match of \$12,292,377 (29%)
 - A partial local match reduction totaling \$7,822,891 for a revised state match of \$37,918,021 (89.46%) and a revised local match of \$4,469,486 (10.54%), for the construction of the combined replacement facility.

Potential Award Funding

Request Summary	State Match 71%	Local Match 29%	Total	Above Allowable
Bid Amount	\$25,572,070	\$10,444,930	\$36,017,000	\$704,000
NMGRT (7.6875%)	\$1,965,853	\$802,954	\$2,768,807	\$-
Subtotal Bid	\$27,537,923	\$11,247,884	\$38,785,807	\$-
Contingency (10%)	\$2,557,207	\$1,044,493	\$3,601,700	\$-
Total Cost	\$30,095,130	\$12,292,377	\$42,387,507	\$-
Local Match Reduction	\$7,822,891	(\$7,822,891)	\$-	\$-
Advance	\$-	\$-	\$-	\$-
Recommended Funding	\$37,918,021	\$4,469,486	\$42,387,507	\$-

- Bid Amount:
 - \$586 / SF
 - \$36,017,000

- Total Project Cost (TPC):
 - \$690 / SF
 - \$42,387,507

Project Information

Project Information

- PSFA Regional Project Manager: Fernando Baeza & Francisco De La Rosa
- Design Professional: Dekker
- General Contractor: Bradbury Stamm Construction
 - Other Bids Received: (3 total) Bradbury Stamm Construction, Jaynes Corporation, HB Construction

Scope of Work

- Full replacement of facility
- Design capacity: 240 students
- Current enrollment: 210 students

- Maximum allowable GSF: 61,461
- Above allowable SF: None

Phasing

- Complete: Design
- Current Request: Construction Phase Funding

Award History

Original Award

- September 2018
- Systems-based Award: Planning study
- Ranking: 23
- wNMCI: 50.44%
- Original Award Language:
 - Funding to complete district-wide feasibility/utilization study to determine options to maximize utilization of the current school facilities. Upon completion, district may return to the PSCOC for out-of-cycle funding, including approval of options under the systems-based program, or potential conversion to a standards-based grant and update to the total project cost estimate.
- Estimated MACC: N/A
- Estimated Total Project Cost: \$75,000

Out-of-Cycle Award

- August 2021
- Conversion from a Systems-based project to Standards-based project
- Award Language:
 - Amend the current systems-based award for Tularosa MS to convert to a standards-based award and move the project into the final planning phase of work, to include a campus master plan and educational specifications to relocate the MS to the HS campus.

Out-of-Cycle Award

- August 2021
- Design phase funding
- Award Language:
 - Council approval to amend the current Standards-based award to Tularosa Municipal Schools for Tularosa Middle School (TMS) to include Design Phase funding for the replacement of the existing facility in order to construct a new school for a design enrollment of 240 students grades 6-8 that includes a shared Career Technical Education (CTE) and student dining with Tularosa High School, up to the maximum allowable gross square footage of 61,461 GSF, with an increase in the state match of \$2,792,788 (71%), and a local match of \$1,140,716 (29%) for the design phase up to a total of \$3,933,504. Upon completion of the design phase work, the district may return to the PSCOC for out-of-cycle construction phase funding.
- Estimated MACC: \$448 / SF
- Estimated Total Project Cost: \$39,335,040

District Financial Information

State / Local Match

- Local match: 29%
- State match: 71%
- The district does have adequate funds to accommodate the local share of this project.
 - The district requests consideration of a partial local match reduction.

Bond Information

<ul style="list-style-type: none">• GO Bond:<ul style="list-style-type: none">• Current: November 2023 for \$4 million• Future: To Be Determined• Bonding Capacity: \$7,714,594• Available Capacity: \$2,623,594• Bond Sale:<ul style="list-style-type: none">• Current: September 2025 for \$1.5 million• Future: 2026 for \$1.25 million• Mill Levy: 10.905<ul style="list-style-type: none">○ Source: Stifel Public Finance	<ul style="list-style-type: none">• SB-9: \$723,900• HB-33: N/A• Cash Balance: \$755,180• Operational: \$6,067,000
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Project Funding

- Sources: GO Bond (Source 31100)

Local Match Reduction

- The district can partially support the local match for this phase of funding.
- Tularosa Municipal Schools does meet statute requirements for a local match reduction.

Per Section 22-24-5 (B)(9), the council may adjust the amount of local share otherwise required if it determines that a school district has made a good-faith effort to use all of its local resources. Before making any adjustment to the local share, the council shall consider whether:

Option	Requirement	District Data	Meets Eligibility
1	Insufficient Bonding Capacity	\$7,714,594	Meets Mill Levy requirement
	Mill Levy \geq 10	10.905	
2	MEM Count \leq 800	955	Meets Mill Levy requirement
	Mill Levy \geq 7.00	10.905	

* District must meet 1 of the 2 options.

Maintenance Summary

The Tularosa School District does not meet all statutory requirements (as of December 15, 2025)

- **Preventive Maintenance Plan is Not current**
 - Last updated October 1, 2024 (Annual update required; 6.27.3.11 NMAC)
 - Plan rated Outstanding, exceeding statute criteria.
- **Quarterly FIMS Proficiency Reports:** Satisfactory user of 3 out of 3 State provided FIMS maintenance resources.
 - **PM Completion Rate:** 100% performance rating, above the 90% recommendation
- **Facility Maintenance Assessment Report (FMAR):** district average is 61.95%,
 - The district is maintaining their assets and facility conditions to an overall 62% level (district average), currently below the recommended 70% (FMAR 4th cycle)

Staff Recommends:

- Continue their diligence towards improved core maintenance to 80% (Good) ratings.
- Continuing their use of the FIMS tools to drive district maintenance performance
- Respond to subsequent FMARs through the 60-day response process supporting quality facility conditions, addressing all deficiencies.

Historic and Current PSCOC Funded Projects

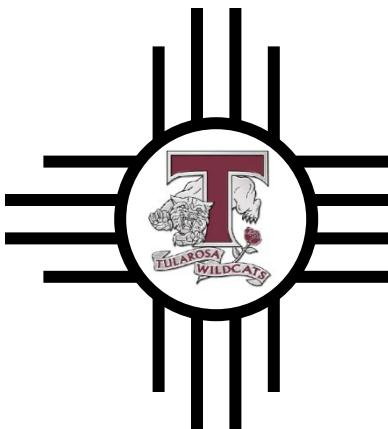
Current active projects: 1

Historic projects: 33

Fiscal Year Funded	Facility Name	Project Type	PSCOC Funding
Current Project			
2018-2019	Tularosa MS	Standards-Based	\$ 2,846,038
Total Funding			\$ 2,846,038
Historic Total Project Funding (2002-2024)			\$ 20,965,100

Site Plan / Renderings





TULAROSA MUNICIPAL SCHOOLS

504 First Street

Tularosa, New Mexico 88352

Phone (575) 585-8800

Fax (575) 585-4439

W. Todd Lindsay, Superintendent

November 10, 2025

New Mexico Public School Facilities Authority
1312 Basehart SE, Suite #200
Albuquerque, NM 87106

RE: Tularosa Municipal Schools PSFA Project P19-017

To: PSCOC or Larry Tillotson, Interim Executive Director

Tularosa Municipal Schools would like to thank the members of the PSCOC and PSFA for your continued support and encouragement as we have worked through the PSFA Project P19-017 design process for the construction of our new **Tularosa Middle School**. Our district has worked diligently over the past several years to plan and design this project, which now stands ready for construction funding approval.

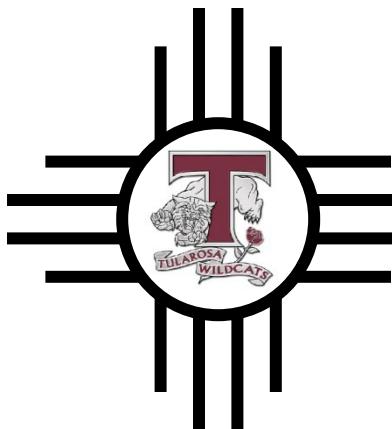
The **Tularosa Middle School Project (P19-017)** includes the construction of a **new middle school facility** and a **Career and Technical Education (CTE) building** to be shared between the middle and high schools. The new campus will be located adjacent to **Tularosa High School**, which will allow our district to **share CTE teachers and resources efficiently** between both schools—maximizing instructional opportunities for students while maintaining operational cost-effectiveness.

Our current middle school facility is **outdated, deteriorating, and no longer able to adequately support the educational or safety needs** of our students and staff. The infrastructure, HVAC systems, and overall structural condition have reached a point where replacement is the only viable long-term solution.

Throughout this process, Tularosa Municipal Schools has worked closely with **PSFA** and our architectural design team, **Dekker Design**, to create a campus that is **budget-conscious, flexible, and student-centered**. The new design emphasizes **safety, accessibility, and multi-use learning spaces** that promote collaboration and 21st-century learning. Our focus has been to “right-size” the project for our current and projected student population, ensuring that every square foot serves a meaningful purpose.

Tularosa Municipal Schools budget for the new Middle School is \$4,469,486. Tularosa Municipal Schools has chosen Bradbury Stamm as their contractor for this project. Their project bid amount is \$36,721,000.00. The design professionals, Dekker Design, estimate of probable construction cost for this project is \$42,030,618.00.

This project represents a significant step forward for our community and our students. Once complete, the new **Tularosa Middle School** and **CTE facility** will provide a safe, modern, and sustainable learning environment designed to meet the academic and career-readiness needs of our students for decades to come.



TULAROSA MUNICIPAL SCHOOLS

504 First Street

Tularosa, New Mexico 88352

Phone (575) 585-8800

Fax (575) 585-4439

W. Todd Lindsay, Superintendent

Tularosa Municipal Schools greatly appreciates the **guidance, partnership, and support** of PSFA and PSCOC throughout this process. We respectfully request your **full consideration and approval** for **construction funding** for Project P19-017.

Your continued collaboration is vital to ensuring that our district can provide facilities that reflect the high quality of education our students deserve.

Sincerely,

W. Todd Lindsay

W. Todd Lindsay
Superintendent

WTL/ad

BID FORM (Bid Lots)

BIDDER'S Name and Address:
 Bradbury Stamm Construction Inc.
 7110 2nd Street NW,
 Albuquerque NM 87107

Telephone: 505.765.1200
 Fax: 505.842.5419
 Federal Tax ID #: 85-0133987
 New Mexico Tax ID #: 01-107415-009
 CID License # 2313

RFP NO.: TMS 2324-01

PROJECT NAME:
 Tularosa Middle School Replacement
 PROJECT NO.: P19-017
 LOCATION:
 1305 8th Street
 Tularosa, New Mexico 88352

This Bid is submitted to Owner:

**TULAROSA MUNICIPAL
 SCHOOL DISTRICT**
TODD LINDSAY, SUPERINTENDENT
 504 1st Street
 TULAROSA, NM 88352
 Phone (575) 585-8800

In collaboration with Co-Owner:

Public School Capital Outlay
Public School Facilities Authority
 1312 Basehart Road, SE
 Suite 200
 Albuquerque, NM 87106
 Phone (505) 843-6272

1. The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an agreement with the Owner in the form included in the Bidding Documents to perform and furnish all Work as specified or indicated in the Bidding Documents for the Contract Price and within the Contract Time indicated in this Bid and in accordance with the other terms and conditions of the Contract Documents.
2. The Bidder accepts all of the terms and conditions of the Invitation for Bid and Instructions to Bidders, including without limitation those dealing with the disposition of bid security and other Bidding Documents. This Bid will remain subject to acceptance for forty-five (45) days after the day of Bid opening. The Bidder shall sign and submit the Agreement between Owner and Contractor (hereinafter called Agreement) with the Bonds and other documents required by the Bidding Requirements within fifteen (15) days after the date of the Owner's Notice to Award.
3. ~~The Contractor shall include the following cash allowances in his Bid:~~

~~A. For Concrete Repair of column bases in Gym (Section 01 2100 of Specs) \$ _____~~

4. In submitting this Bid, the Bidder represents, as more fully set forth in the Agreement, that:
 - A. the Bidder has examined copies of all the Bidding Documents and of the following Addenda (receipt of all of which is hereby acknowledged):

No. <u>001</u>	Title: _____	Addendum No.: <u>001</u>	Date: <u>10/24/25</u>
No. <u>002</u>	Title: _____	Addendum No.: <u>002</u>	Date: <u>10/31/25</u>
No. <u>003</u>	Title: _____	Addendum No.: <u>003</u>	Date: <u>11/03/25</u>
No. <u>004</u>	Title: _____	Addendum No.: <u>004</u>	Date: <u>11/04/25</u>
No. <u>005</u>	Title: _____	Addendum No.: <u>005</u>	Date: <u>11/05/25</u>
No. _____	Title: _____		Date: _____

BID FORM - BID LOTS

- B. the Bidder has familiarized himself with the nature and extent of the Bidding Documents, Work, site, locality, and all local conditions, laws, and regulations that in any manner may affect cost, progress, performance, or furnishing of the Work;
- C. the Bidder has carefully studied all reports and drawings of subsurface conditions which are identified in the Information Available to Bidders and accepts the determination set forth in the Information Available to Bidders of the extent of the technical data contained in such reports and drawings upon which the Bidder is entitled to rely;
- D. the Bidder has correlated the results of all such observations, examinations, investigations, explorations, tests, reports, and studies with the terms and conditions of the Bidding Documents;
- E. the Bidder has given the Architect/Engineer written notice of all conflicts, errors, and discrepancies that he has discovered in the Bidding Documents, and the written resolution thereof by the Architect/Engineer is acceptable to the Bidder;
- F. this Bid is genuine and not made in the interest of or on behalf of any undisclosed person, firm, or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization, or corporation; the Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid; the Bidder has not solicited or induced any person, firm, or corporation to refrain from bidding; and the Bidder has not sought by collusion to obtain for himself any advantage over any other Bidder or over the Owner;
- G. the Bidder acknowledges that he has attended any mandatory pre-bid conference scheduled by the Owner and/or the Architect/Engineer pertaining to this project;
- H. the Bidder agrees to show clearly on the envelope in which the Bid is submitted the Project Name and Number and Invitation to Bid Number; and,
- I. the Bidder will complete the Work for the following price(s) (**do not include any gross receipts tax in the price(s)**).

5. Bids shall be presented in the form of a total Base Bid proposal under a Lump Sum Contract plus additive alternates that are selected by the Owner. A bid must be submitted on all bid items and alternates; segregated bids will not be selected by the Owner.

BASE BID (please use typewriter or print legibly in ink)

Base Bid: Tularosa Middle School Replacement.

THIRTY-FOUR MILLION TWO HUNDRED THOUSAND DOLLARS *SKS*

THIRTY-FOUR MILLION FIVE HUNDRED FIFTY FIVE THOUSAND
DOLLARS

(\$ 34,200,000 *SKS*)
\$ 34,555,000

BID LOT 1 (please use typewriter or print legibly in ink)**Base Bid:** Re-Pave Existing Parking Area. [Select One: (add) (deduct)]FOUR HUNDRED THOUSAND DOLLARS(\$ 400,000)**BID LOT 2** (please use typewriter or print legibly in ink)**Base Bid:** New Accessible Parking and Accessible Route to the Existing Football Field.[Select One: (add) (deduct)]SEVENTY-SEVEN THOUSAND DOLLARS(\$ 77,000)**BID LOT 3** (please use typewriter or print legibly in ink)**Base Bid:** Landscape and Irrigation Systems. [Select One: (add) (deduct)]FOUR HUNDRED THIRTY THOUSAND DOLLARS(\$ 430,000)**BID LOT 4** (please use typewriter or print legibly in ink)**Base Bid:** Card Readers at Exterior Doors of the Main Academic Building and CTE Building.[Select One: (add) (deduct)]FORTY THOUSAND DOLLARS(\$ 40,000)**BID LOT 5** (please use typewriter or print legibly in ink)**Base Bid:** CCTV Surveillance Equipment. [Select One: (add) (deduct)]FIFTY THOUSAND DOLLARS(\$ 50,000)

BID LOT 6 (please use typewriter or print legibly in ink)

Base Bid: Site Furnishings. [Select One: (add) (deduct)]

FIFTY-FIVE THOUSAND DOLALRS

(\$ 55,000)

BID LOT 7 (please use typewriter or print legibly in ink)

Base Bid: Lighting at the Outdoor Learning Area. [Select One: (add) (deduct)]

SIXTY-NINE THOUSAND DOLLARS

(\$ 69,000)

BID LOT 8 (please use typewriter or print legibly in ink)

Base Bid: Shade Structures. [Select One: (add) (deduct)]

SIXTY THOUSAND DOLLARS

(\$ 60,000)

BID LOT 9 (please use typewriter or print legibly in ink)

Base Bid: Demolish the Existing Middle School Facility. [Select One: (add) (deduct)]

NINE HUNDRED EIGHTY-FIVE THOUSAND DOLLARS

(\$ 985,000)

All specific cash allowances are included in the price(s) set forth above.

B. UNIT PRICE

(\$ NA)

If the required quantities of the items listed below are increased or decreased by Change Order, the adjustment unit prices set forth below shall apply to such increased or decreased quantities:

ITEM

UNIT PRICE (in words)

(\$ NA)

6. The Bidder agrees that:

A. The Work to be performed under this Contract shall be commenced not later than ten (10) consecutive days after the date of written Notice to Proceed, and that Substantial Completion shall be achieved not later than 487 days after the date of written Notice to Proceed, except as hereafter extended by valid written Change Order by the Owner.

B. Should the Contractor neglect, refuse, or otherwise fail to complete the Work within the time specified, the Contractor agrees to pay to the Owner in partial consideration for the award of this Contract the amount of One Thousand Five Hundred Dollars (\$1,500) per consecutive day, not as a penalty, but as liquidated damages for such breach of the Contract.

C. The above prices shall include all labor, materials, removal, overhead, profit, insurance, taxes (not including gross receipts tax), etc., to cover the finished work of the several kinds called for. Changes shall be processed in accordance with the Contract Documents.

D. It is understood that the Owner reserves the right to reject any or all Bids and to waive any technical irregularities in the bidding.

7. The following documents are attached to and made a condition of this Bid:

- A.** Bid Security with Agent's Affidavit;
- B.** Subcontractors Listing; and,
- C.** Other (list): N/A

8. The terms used in this Bid and the Bidding and Contract Documents which are defined in the Conditions of the Construction Contract (General, Supplementary, and Other Conditions), included as part of the Bidding Documents, have the meanings assigned to them in those Conditions.

DISTRICT INFORMATION	
District Name	TULAROSA MUNICIPAL SCHOOLS
Superintendent	Todd Lindsay
District Representative	Amanda Daugherty
District Financial Officer	Tom Bregler
Bond Advisor Company	Stifel Public Finance
Bond Advisor	Brad Angst
School(s) in Project	Tularosa Middle School

POTENTIAL PROJECT COST

TOTAL ESTIMATED PROJECT COST FOR DISTRICT

LOCAL MATCH REDUCTION (WAIVER)			
Option 1	Requirement	District Eligibility	
Available Bonding Capacity (\$)		2,580,184	X
Mill Levy \geq 10	10.00	10.87	✓
Option 2			
Requirement		District Eligibility	
MEM Count \leq 1,500	1,500	946	✓
Mill Levy \geq 7.00	7.00	10.87	✓

I. P22-002 Combined School (Mosquero) - Additional Construction Funding

II. Presenter(s): Sean Murray, Deputy Director of Capital Operations
Mathew Gerken, Senior Project Manager

III. Potential Motion:

Council approval to amend the current 2021-2022 Standards-based award language to Mosquero Municipal Schools (MMS) for the Combined School (P22-022) to include

- Additional construction funding totaling \$1,500,000 with a partial local match reduction (waiver) totaling \$750,000 for a revised state match of \$840,000 (56%) and a local match of \$660,000 (44%).
- An advance of the revised local match totaling \$660,000 with a repayment plan of 6 annual payments of \$100,000 and a final payment of \$60,000 with an option to convert the advance to a waiver based on PSCOC approval for a revised state match of \$1,500,000 and a local match of \$0 (0%).

IV. Executive Summary:**District Request/Staff Recommendation:**

- Approval of the requested additional construction funding and full local match reduction (waiver) and an advance of the local match for the completion of the construction phase.

Key Points:

- Between July 2021 and March 2024, the PSCOC awarded \$56,887,288 for Planning, Design and Construction for a replacement school facility and teacher housing.
- The district's state-local match is 6/94%, the district has received local match reductions (waivers) for the planning, design and construction phases for both the replacement school facility and teacher housing totaling \$53,422,422.
- The issues concerning the Electrical Service, Work outside of the scope of the award, Unforeseen conditions and Design Professional errors and omissions were funded through the use of the awarded Soft costs (contingency).

Update from December 1st, Awards Subcommittee (Tabled):

- Reduced the request from \$2.5 to \$1.5million
- The design professional has agreed to absorb \$80,000 for errors and omissions.
- The district has indicated that.
 - Is not interested in an Advance of the local match, because the district is planning to build athletic facilities that the other schools are getting in their project.
 - All the proceeds from November 2025 Bond election are earmarked for construction of a track and football field.

Electrical Service

- In July 2023, the PSCOC awarded \$2.8 million for an Early work package that was intended to install a transformer for the combined school.
 - Former PSFA Management Staff approved the use of \$1,344,250 of the awarded funding was utilized for a 10.8-mile extension of 3 phase power to the school site.
 - Section 1.5 of the Memorandum of Understanding prohibits the use of awarded funding for utilities and infrastructure expenses outside the surveyed property boundary.
 - “All awarded funds are exclusive of land acquisition costs and any utilities and infrastructure expenses outside the surveyed property boundary, which are the sole responsibility of the district and community and will not apply to the district’s matching fund requirement.”

Work outside of the scope of the award

- In May 2023, former PSFA Management staff approved two modifications to the Design Professional’s contract to include (1) renovation of 3,043 SF within the district’s existing Arena (Rodeo) building to create new spaces. (2) An additional five-teacher housing units for a total of 10.
- **Arena (Rodeo) building**
 - The work included the creation of a concession (with kitchen equipment specification), career technical education space (with meat processing equipment specification), associated storage, electrical room to enclose existing electrical distribution system within building, new water heater mechanical room, mezzanine area for rodeo arena technical support.
 - The cost of the design work totaled \$107,792.
 - The cost of renovating the existing spaces within the Arena (Rodeo) building totaled \$1,946,293.
- **Five Additional Teacher Housing Units**
 - In May 2022, the PSCOC awarded Design phase funding for totaling \$393,200 for the design of five teacher housing units.
 - The estimated maximum allowable construction cost for five teacher housing units was set at \$3,538,800.
 - An additional five teacher housing units were added to the scope of the project via a verbal agreement between Mosquero Schools and former PSFA Management staff.
 - The cost of the design work totaled \$389,987.
 - The cost of constructing 10 site/stick-built teacher housing units totaled \$11,923,807, which was presented to the Awards Subcommittee in October 2023. The Awards Subcommittee tabled the request and directed the project team to look at alternative options.
 - The alternative option that the project team developed was to use pre-manufactured housing units. The cost of the 10 pre-manufactured housing units totaled \$5,433,189 with sitework included. Excluding the site work the cost of the 10 teacher housing units totaled \$3,133,189.
 - In March 2024, the PSCOC approved construction funding for the 10 pre-manufactured teacher housing units.

Unforeseen conditions

- An additional \$119,232 to add concrete and sump pumps in the crawl spaces for each of the 10 teacher housing units.
 - The concrete was added to protect against infestation by Prairie Dogs and other rodents.
 - Sump pumps were added to the crawl spaces in order to direct water to the existing storm drainage system.
- An additional \$158,917 to include the abatement of hazardous materials, installation of additional outlets and emergency exit signage, install new ceiling and floor finishes within the Arena (Rodeo) building (Work outside of the scope of the award).
- An additional \$168,833 to revise the slope of the sewer line and installation of secondary electrical service to each teacher housing unit, demolition of concrete paving, installation of new curb and gutter and add water meters to each teacher housing unit.
- An additional \$129,486 for additional owner's representation and project management services.
- An additional \$145,230 to include additional hazardous material abatement (asbestos and mold).

Design Professional Errors and Omissions

- An additional \$1,423,246 for changes to the construction documents as the result of lack of oversight by the design professional.

Exhibit(s):

A – PSFA Recommendation Report: P22-002 Mosquero Combined School

B – Mosquero Municipal Schools Letter, dated October 30th, 2025

C – Project Cost Worksheet



PSFA Recommendation Report

Out-of-Cycle

Mosquero Municipal Schools
Combined School
(P22-002)

Additional Funding

District Request & Information

Additional construction funding and full local match reduction (waiver) for the completion of the construction phase.

- Superintendent and District Representative: Johnna Bruhn

PSFA Staff Recommendation

Additional construction funding and full local match reduction (waiver) for the completion of the construction phase.

Award Language

- Approval to amend the current 2021-2022 Standards-based award language to Mosquero Municipal Schools (MMS) for the Combined School (P22-022) to include:
 - Additional construction funding totaling \$1,500,000 with a partial local match reduction (waiver) totaling \$750,000 for a revised state match of \$840,000 (56%) and a local match of \$660,000 (44%).
 - An advance of the revised local match totaling \$660,000 with a repayment plan of 6 annual payments of \$100,000 and a final payment of \$60,000 with an option to convert the advance to a waiver based on PSCOC approval for a revised state match of \$1,500,000 and a local match of \$0 (0%).

Potential Award Funding

Request Summary	State Match 6%	Local Match 94%	Total	Above Allowable
Additional Funding	\$90,000	\$1,410,000	\$1,500,000	\$-
Local Match Reduction	\$750,000	\$(750,000)	\$-	\$-
Subtotal	\$840,000	\$660,000	\$1,500,000	\$-
Advance	\$660,000	\$(660,000)	\$-	\$-
Recommended Funding	\$1,500,000	\$-	\$1,500,000	\$-

Project Information

Project Information

- PSFA Regional Project Manager: Gabe Saavedra
- Design Professional: Dekker
- General Contractor: Bradbury Stamm Construction

Scope of Work

<ul style="list-style-type: none">• Consolidation and full replacement of district facilities• Design capacity: 110 students• Current enrollment: 89 students	<ul style="list-style-type: none">• Maximum allowable GSF: 44,945• Above allowable SF:N/A
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Phasing

- In progress: Construction
- Current Request: Additional Funding

Award History

Original Award

- July 2021
- Standards-based Award: Full replacement
- Ranking: 39
- wNMCI: 43.07%
- Original Award Language:
 - Design phase funding deferred, pending completion of planning phase work funded by the district, including a feasibility study with cost/benefit and building systems analysis to determine options to renovate or replace the 1935 original building. Upon completion of the final planning phase work, the district may return to the PSCOC for design phase funding to include approval of the design enrollment, maximum gross square footage pursuant to the Adequacy Planning Guide, and an update to the total estimated project cost. PSCOC may make an award to fund a functional phase of a project without committing to funding future phases of proposed projects. The Council shall reevaluate each phase of a project and the capacity of the Public School Capital Outlay Fund before making an award for a subsequent phase of a project.
- Estimated MACC:
 - New Construction: \$411/SF
 - Renovation: \$275/SF
 - Teacher Housing \$300/SF
- Estimated Total Project Cost: \$20,570,514 (\$18,684,800 school only)

Out-of-Cycle Award

- December 2021
- Design phase funding
- Award Language:
 - Council approval to amend the current standards-based award for Mosquero Municipal Schools for the Combined Campus to include design phase funding for partial replacement, demolition and renovation of the existing facilities to construct a new campus with a design enrollment of 110 students of which, 54 students are projected to be in person grades PreK-12 up to 48,792 GSF, with an increase in the state match (100%) of \$2,252,708 for the design phase and a corresponding decrease in the local match. Review of design enrollment shall occur during the design phase with approval of the design enrollment prior to the out-of-cycle construction phase funding request.

Out-of-Cycle Award

- March 2022
- Teacher Housing Design phase funding
- Award Language:
 - Council approval to amend the current 2021-2022 Standards-based award to Mosquero Municipal Schools for the Combined School (P22-002) to include five teacher housing units, beginning with design phase funding with an increase in the state match (100%) of \$393,200 for the design phase and a corresponding decrease in the local match. Upon completion of the design phase, the district may return to the PSCOC for out-of-cycle construction phase funding.
- Estimated MACC: \$375/SF
- Estimated Total Project Cost: \$3,932,000

Out-of-Cycle Award

- July 2023
- Early Work Package funding
- Award Language:
 - Council approval to amend the current 2021-2022 Standards-based award to Mosquero Municipal Schools for the Combined School to include additional funding of \$2,800,000 for an early work package (construction phase) and required infrastructure (transformer), with an increase in the state match (100%) of \$2,800,000. Upon completion of the design phase, the district may return to the PSCOC for out-of-cycle construction phase funding.

Out-of-Cycle Award

- October 2023
- Construction phase funding
- Award Language:
 - Council approval to amend the current Standards-based award to Mosquero Municipal Schools (MMS) to include a waiver of the local match totaling \$43,196,072 for a revised state match of \$45,953,268 (100%) and a revised local match of \$0 (0%), for the construction of a replacement facility for a design enrollment of 110 students grades Pre-K through 12 in 44,945 GSF.

Out-of-Cycle Award

- October 2023
- Teacher Housing Construction phase funding
- Award Language:
 - Council approval to amend the current Standards-based award to Mosquero Municipal Schools (MMS) to include a waiver of the local match totaling \$5,107,197 for a revised state match of \$5,433,189 (100%) and a revised local match of \$0 (0%), for the construction of 10 teacher housing units and associated site work.

District Financial Information

State / Local Match

- Local match: 94%
- State match: 6%
- The district does not have adequate funds to accommodate the local share of this project.
 - The district requests consideration for a local match reduction.

Bond Information

<ul style="list-style-type: none">• GO Bond:<ul style="list-style-type: none">• Current: November 2025 for \$3 million• Future: N/A• Bonding Capacity: \$3,670,234• Available Capacity: \$2,230,523• Bond Sale:<ul style="list-style-type: none">• Current: February 2026 for \$750,000• Future: January 2027 for \$1,250,000• Future: January 2028 for \$1,000,000• Mill Levy: 11.93• Source: Bosque Advisors	<ul style="list-style-type: none">• SB-9: \$628,315• HB-33: N/A• Cash Balance: \$27,066• Operational: \$1,014,038
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Project Funding

- Sources: GO Bond (Source 41000)

Local Match Reduction

- The district can not support the local match for this phase of funding.
- Mosquero Municipal Schools does meet statute requirements for a local match reduction.

Per Section 22-24-5 (B)(9), the council may adjust the amount of local share otherwise required if it determines that a school district has made a good-faith effort to use all of its local resources. Before making any adjustment to the local share, the council shall consider whether:

Option	Requirement	District Data	Meets Eligibility
1	Insufficient Bonding Capacity	\$3,670,234	Meets Mill Levy requirement
	Mill Levy \geq 10	11.93	
2	MEM Count \leq 800	89	YES
	Mill Levy \geq 7.00	11.93	

* District must meet 1 of the 2 options.

Maintenance Summary

The Mosquero Municipal School District does meet all statutory requirements (as of November 5, 2025)

- **Preventive Maintenance Plan is current**
 - Last updated November 3, 2025 (Annual update required; 6.27.3.11 NMAC)
 - Plan rated Outstanding, exceeding statute criteria.
- **Quarterly FIMS Proficiency Reports:** Satisfactory user of 3 out of 3 State provided FIMS maintenance resources.
 - **PM Completion Rate:** 100% performance rating, above the 90% recommendation
- **Facility Maintenance Assessment Report (FMAR):** district average is 66.77%, **Satisfactory**.
 - The district is maintaining their assets and facility conditions to an overall 66% Satisfactory level (district average), currently below the recommended 70% (FMAR 3rd cycle)

Staff Recommends:

- Continue their diligence towards improved core maintenance to 80% (Good) ratings;
- Continuing their use of the FIMS tools to drive district maintenance performance
- Respond to subsequent FMARs through the 60-day response process supporting quality facility conditions, addressing all deficiencies.

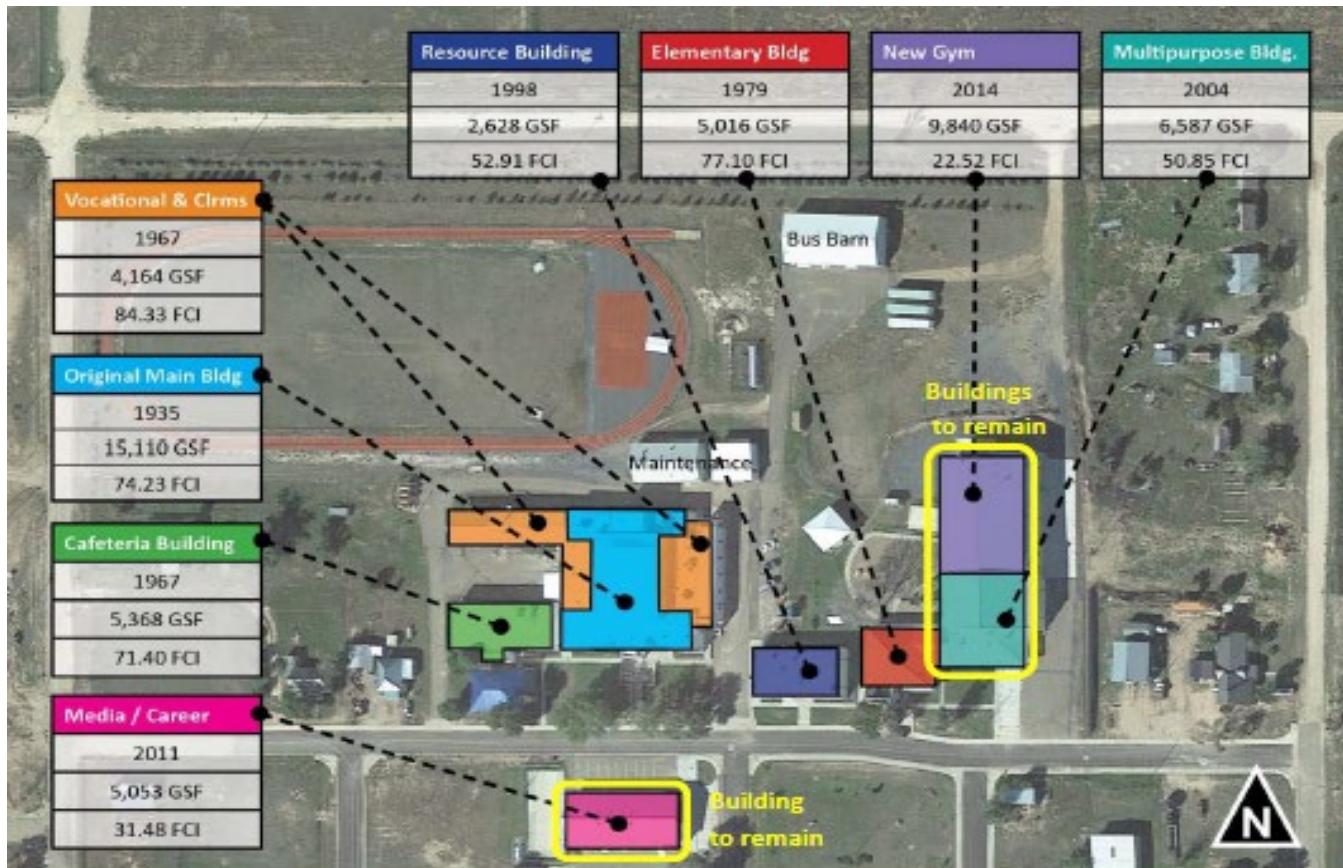
Historic and Current PSCOC Funded Projects

Current active projects: 1

Historic projects: 8

Fiscal Year Funded	Facility Name	Project Type	PSCOC Funding
Current Projects			
2021-2022	Combined School	Standards-based	\$ 56,887,288
Historic Projects			
2023-2024	District Wide	HB45.1	\$ 100,000
		HB45.2	\$ 50,000
2022-2023	District Wide	SB212	\$ 100,000
2019-2020	District Wide	Facilities Master Plan	\$ 2,400
2013-2014	District Wide	Facilities Master Plan	\$ 16,096
2004-2005	Combined School	Standards-based	\$ 30,000
2003-2004	Mosquero ES	Deficiencies Correction Program	\$ 70,000
2002-2003	Mosquero ES & HS	Deficiencies Correction Program	\$ 22,400
Total Funding			\$ 57,278,184

Site Plan / Renderings



MOSQUERO MUNICIPAL SCHOOLS

“Students are our Number 1 Priority!”

P.O. Box 258 • 43 McNeil Ave.
Mosquero, New Mexico 87733
Telephone: (575) 338-4653 Fax: (575) 673-2305

Dr. Johnna Bruhn, Superintendent
Lisa Davis, Business Manager
Margaret Green, Secretary

October 30, 2025

New Mexico Public School Facilities Authority
1312 Basehart SE, Suite #200
Albuquerque, NM 87106

RE: Mosquero Municipal Schools P22-002

Members of PSCOC

Mosquero Municipal Schools would like to thank the members of the PSCOC for their encouragement and support as we have continued to navigate the pathway toward our new school and new teacher housing over the last 6 years for project P22-002.

As we enter the final phases of the Mosquero replacement campus project that includes renovation and demolition of existing buildings. We have become aware of several design and existing conditions related to the site, utilities and multiple unforeseen conditions. Which have caused a budget shortfall that will prevent us from completing the project.

The challenges of construction on an existing site consisting of new construction, renovation and demolition has required significant modifications to the plans and engineering on several different accounts. Additionally, an inadequate power infrastructure required attention to serve a modernized school.

Due to these circumstances, the calculated additional funding to properly finish the school and teacher housing is 2.5 million dollars. We have had extensive meetings and conversations, finding ways to mitigate costs to the best of our ability and 2.5 million is the value engineered cost for completion.

The PSFA staff has been provided the support documentation for this request and we are grateful for your assistance.

Respectfully,



Johnna Bruhn,
Superintendent
Mosquero Municipal Schools

BOARD OF EDUCATION

Victor R. Vigil
President

Amanda Culbertson
Vice- President

Jacob Green
Secretary

William Lewis
Member

James Ray
Member

Original Contract	Springer Electric	\$ 4,292.74	
Commitment Changes	Contractor	Amount Increase	Description of Change
COMC-3	Springer Electric	\$ 2,867.26	Load Test Study
COMC-6	Springer Electric	\$ 75,886.38	3 Phase Transformer
COMC-16	Springer Electric	\$ 738,817.98	Install Transformer and electrical service
COMC-19	Springer Electric	Void	Proposal is for Springer Electric Coop to perform a load study of existing Un Interrupted Power Supply (UPS)
COMC-20	Springer Electric	\$ 75,588.95	Add funds to COM7 to provide and install transformer for Mosquero Teacher Housing
COMC-22	Springer Electric	\$ 575,588.95	Due to added material and installation costs required to complete electrical service to Mosquero Combined School by Springer Co-Op, add \$575,588.95 to COM7
COMC-24	Springer Electric	\$ 29,843.35	To provide permanent power underground installation costs to complete service to Mosquero Combined School adding \$29,843.35 to COM-7
Total Contract Adjustments		\$ 1,498,592.87	
Total Contract Sum		\$ 1,502,885.61	
Offsite extension of 3-phase power		\$ 1,344,250.28	

Original Contract	CES/Bradbury	\$ 1,946,292.59	
Commitment Changes	Contractor	Amount Increase	Description of Change
COMC-5	CES/Bradbury	\$ 65,535.61	Early Work Package
COMC-8	CES/Bradbury	\$ 32,270.92	Due to the combo A/C unit that was specified by DPS in RFI 007 there is a requirement for 2 220V outlets to power the units. Emergency exit signage is also required per the fire marshal upon final inspection for building 6 by the restrooms.
COMC-13	CES/Bradbury	Void	VOID PER RM
COMC-14	CES/Bradbury	\$ 61,110.54	Electrical Panel to small for load requirement
Total Contract Adjustments		\$ 158,917.07	
Total Contract Sum		\$ 2,105,209.66	

Original Contract	Nick Griego & Sons	\$ 2,354,090.82	
Commitment Changes	Contractor	Amount Increase	Description of Change
COMC-23	Nick Griego & Sons	\$ 148,241.35	MCR-3 Revision slope of gravity sewer line to lift station and revise location of transition from pressure sewer (force main) to gravity sewer to connect to previously unidentified sewer line \$9,084.37 MCR-4 Install secondary service aluminum wire from transformer to meter base at each home \$113,223.99 MCR-5 Demo concrete paving, curb & gutter to transition into new road \$25,025.93
COMC-25	Nick Griego & Sons	\$ 20,591.68	C201-Remove master water meter, add water meters at individual houses, revise location of gate valve on hydrant and 2" curb valve/curb box to north side of roadway/C202 Remove master water meter and add water meters at individual homes
Total Contract Adjustments		\$ 168,833.03	
Total Contract Sum		\$ 2,522,923.85	

Original Contract	Northstar NM	\$ 154,535.31	
Commitment Changes	Contractor	Amount Increase	Description of Change
COMC-27	Northstar NM	\$ 129,486.15	Contract extension through September 2026 for Owner's Representation and project management services
Total Contract Adjustments		\$ 129,486.15	
Total Contract Sum		\$ 284,021.46	

Original Contract	Grancor	\$ 49,755.88	
Commitment Changes	Contractor	Amount Increase	Description of Change
COMC-17	Grancor	\$ 23,368.50	Grancor Environmental will mobilize to Mosquero, NM with fully certified asbestos technicians to perform the asbestos abatement of the floor tiles and black mastic, Ceiling tile, transite panels and Interior Stucco w/Compound. Grancor is following the scope of work provided on Havona's Environmental asbestos report dated May 3, 2024. All RACM materials will be removed in full containment(s) with the use of hand tool methodologies in full containment negative enclosures. The asbestos containing materials removed from this project will be properly packaged, labeled, transported, and disposed of in an EPA approved landfill.
COMC-18	Grancor	\$ 12,128.90	Havona testing will only cover a part of the wall that mold has been discovered. The remainder of the wall will need to be opened in order to test. Grancor has provided a quote.
COMC-28	Grancor	\$ 109,732.20	HS Admin Pre-K Cafeteria Bldg Asbestos Abatement
Total Contract Adjustments		\$ 145,229.60	
Total Contract Sum		\$ 194,985.48	

Original Contract	\$ 40,855,327.33			
MCR/ADSR	State	District	AA	Error & Omission
MCR-3 Temporary Power Relocation	\$ 117,443.73			Error & Omission
MCR-6 Beam size change	\$ 2,012.01			Error & Omission
MCR-7 Beam height change and additional concrete	\$ 3,374.14			Error & Omission
MCR-8 Utilities	\$ 140,877.64			Error & Omission
MCR-11 Fire alarm system interconnection	\$ 11,544.60			Error & Omission - MJG 02/04
MCR-17 Site fencing & storm ponds	\$ 44,322.03			Error & Omission
MCR-18 Casework modification	\$ (767.38)			Error & Omission - MJG 02/04
MCR-20 Bldg 3 Electrical Room layout mods	\$ 3,607.75			Suspect E&O - MJG 02/04
MCR-21 Fire alarm system networking	\$ 87,925.89			Error Ommision - MJG 02/04
MCR-22 Utility Line Re-Routes	\$ 38,939.85			Error & Omission
MCR-24 Power for Room 105	\$ 2,270.15			Error & Omission
MCR-26 AV Changes/Additions	\$ 67,254.96			Suspect E&O - MJG 02/04
MCR-27 Add lower casework in kitchenette	\$ 5,401.83			Error & Omission
MCR-28 Signage Change	\$ 6,506.39			Error & Omission
MCR-29 Roofing Modifications	\$ 120,832.69			Error & Omission
MCR-30 Security Mods Bldg 1,2,3	\$ 25,080.73	\$ 13,544.86		Error & Omission
MCR-31 Bldg 4 Security Mods	\$ 33,117.31	\$ 24,003.93		Error & Omission
MCR-32 Casework deletion credit	\$ (9,411.30)			Suspect E&O - MJG 02/04
MCR-33 Roofing delay in time GC	\$ 111,141.70	Pending will revisit at project end to verify total days		Error & Omission
MCR-36 Roof drainage and site revision	\$ 61,915.88			Error & Omission
MCR-37 AV Clarifications	\$ 31,833.96			Error & Omission
MCR-38 Site Grading changes	\$ 113,051.43			Error & Omission
MCR-42 Electrical Power for backflow & added hotbox	\$ 9,791.70			Suspect E&O - MJG 02/04
MCR-45 Science Lab Redesign	\$ 150,578.00			Suspect E&O - MJG 02/04
MCR-47 SPED Casework	\$ 62,860.98			Suspect E&O - MJG 02/04
MCR-48 Relocate TV (Bradburry Covering Cost)	\$ -			Suspect E&O - MJG 02/04
MCR-49 CTE	\$ 181,739.44			Suspect E&O - MJG 02/04
Total Contract Adjustments	\$ 1,423,246.11			
Total Contract Sum	\$ 42,278,573.44			

VII. Other Business

A. FY26 Capital Outlay Awards Cycle Adjustment/Update*

* Denotes potential action by the PSCOC

I. FY26 Capital Outlay Awards Cycle Adjustment/Update**II. Presenter(s): Marcos B. Trujillo, Executive Director****III. Potential Motion:**

Council approval of an Amendment to the FY26 Capital Outlay Awards Cycle schedule, postponing district presentations and approval of awards until May and June and approval of awards contingent on budget availability to hire contract support.

IV. Executive Summary:**Staff Recommendation:**

Amend the FY26 Capital Outlay Funding Cycle timeline to postpone district presentations/ approvals until May and June. Staff recommend limiting approvals of awards based on securing additional budget to hire support for addressing capacity concerns.

Key Points:

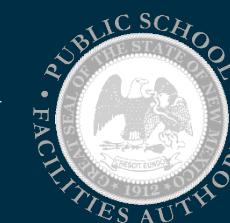
- In June 2025, the PSCOC approved a schedule for the FY26 Capital Outlay Funding Cycle, establishing a July application opening, a September submission deadline, and an anticipated award date in March 2025.
- Current PSFA staffing levels are severely inadequate to manage existing and anticipated project workloads, jeopardizing timely delivery, effective oversight, stakeholder engagement, and accurate financial closeout.
- PSFA received an unpresented amount of awards this year due to lack of preliminary outreach with school districts prior to “Letters of Intent” being submitted.
- Based on the number of requests received, the size of the potential awards, and the complexity of requests for local match reductions. Staff recommend the following:
 - **Step 1:** Postponing awards for three months to allow for level setting workload through hiring contract support while adding additional FTE.
 - May: Presentations by school district standard projects
 - June: PSCOC potentially considering holding two meetings in the month to address approval of school district standards or system projects.
 - **Step 2:** PSCOC limiting awards based on capacity availability.

Capacity Concerns and Proposed FY26 Award Cycle Adjustments

January 14, 2026

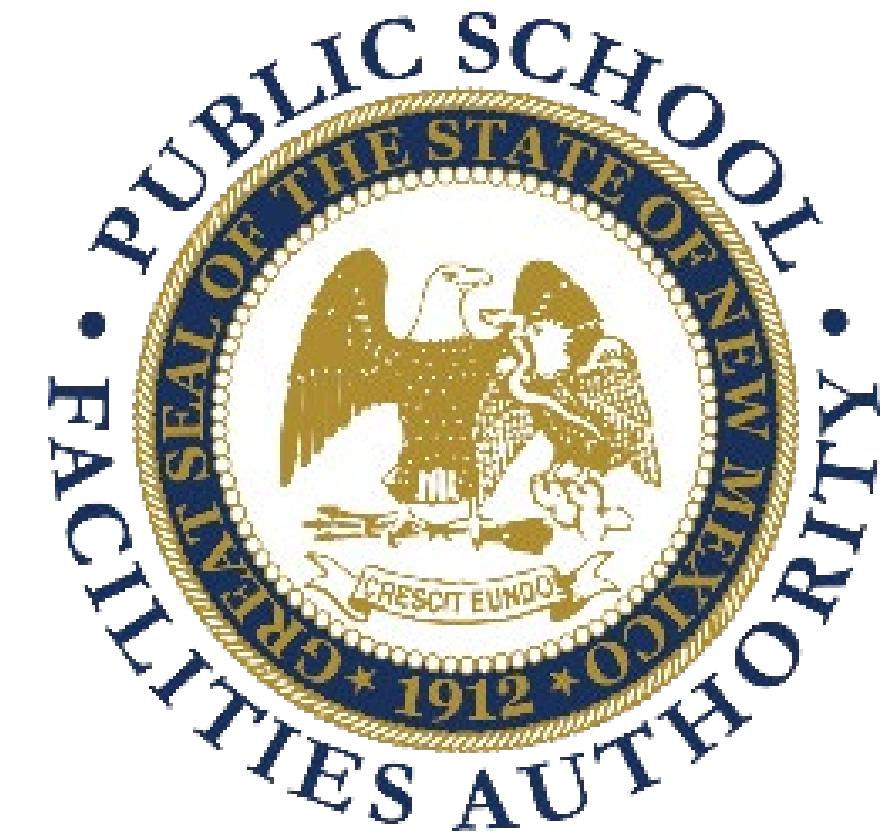
STATE OF NEW MEXICO  PUBLIC SCHOOL FACILITIES AUTHORITY

Partnering with New Mexico's communities to provide quality, sustainable school facilities for our students and educators.



Agenda

- Project Activity
- Current FY26 Capital Outlay Awards Cycle timeline
- FY26 Award Cycle Requests
- Problem Statement
- Staffing Levels vs Workload
- Four-Step Approach to the Solution
- Application & Award Cycle Proposed Scenario
- Addressing Capacity and Considerations
- Advantages/ Disadvantages and Outreach



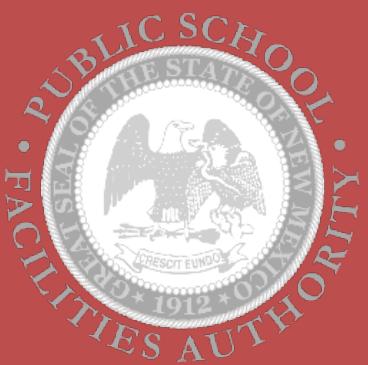


PSFA Active Projects

- TOTAL ACTIVE PROJECTS: 153
 - 66 Standards Based Projects
 - 73 Systems Based Projects
 - 10 Pre-Kindergarten Projects
 - 4 Teacher Housing Projects (Standards)
 - 38 Facility Master Plans
 - 5 Teacher Housing Pilot Projects



FY26 Capital Outlay Awards Cycle



Current FY26 Capital Outlay Awards Cycle:

- **July 1, 2025** – Capital funding application cycle opened for Standards-based, Systems-based, Pre-kindergarten and Pilot Teacher Housing funding programs.
- **September 30, 2025** – Application Cycle closed.
- **October – Current**: Application vetting and school site visits are underway.
- **Tentative: March 2026** – Awards will be made to Districts.

FY26 Award Cycle Requests



PSFA received 83 “Letters of Intent” for the FY26 Award Cycle:

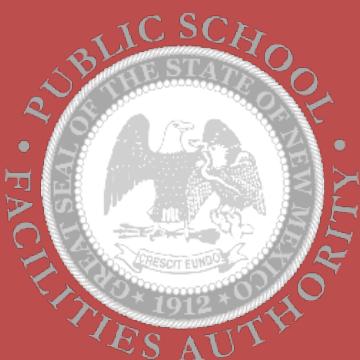
- Standards-based: 26 requests totaling \$952.5 million in state match.
- Systems-based: 41 requests totaling \$41.4 million in state match.
- Pre-K: One request totaling \$296,000 in state match.
- Teacher Housing: Six requests totaling \$8.9 million in state match.
- Demolition: Nine requests totaling \$5.3 million in state match.

PSFA received an unpresented amount of awards this year due to lack of preliminary outreach with school districts prior to “Letters of Intent” being submitted.

- Immediate steps taken to ensure this does not occur again—Current staff have been working on creating an internal committee which includes members of several departments to formalize a process. This will ensure adequate outreach and collaboration occurs prior to the FY27 Award Cycle.
 - I will note, this process is not new but being revamped to include representatives from other departments to ensure transparency and cross collaboration.
- Along with the internal committee being formalized staff has been creating working documents, procedures and hosting internal working group session to discuss best practice methods for process efficiency.

Problem Statement:

PSFA Staffing Levels are Inadequate



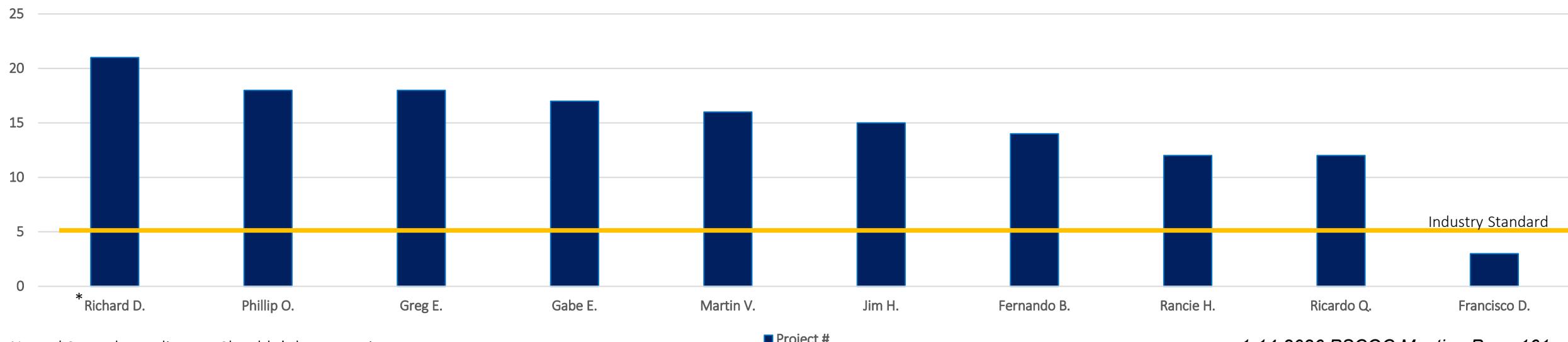
Current RPM staffing levels are severely inadequate to manage existing and anticipated project workloads. This is directly impacting timely delivery, effective oversight, stakeholder engagement, and accurate financial closeout.

- **Staffing Review:** A comprehensive evaluation of current FTE levels across all departments is underway.
- **Immediate Operational Need:** Near-term relief to address the field staff shortage is necessary to sustain adequate operational capacity.
- **FY26 Demand:** The call for projects for the FY26 funding cycle generated an unprecedented 83 applications from school districts. These are currently under evaluation for readiness, scope, and feasibility.

PSFA Staffing Levels vs Workload

PSFA was created in 2004 and originally had 55 full time employees (FTEs) -- the same number as today. Over time, project volume and financial responsibility have increased, significantly outpacing the capacity of the work force to oversee and manage the project load.

- FY15: PSCOC approved 10 awards totaling \$187.4 million, with 96 active projects opened between 2010 and 2015.
- FY26: PSFA manages 153 active projects while facing 83 potential new awards, increasing staff oversight to 200+ projects with the same or fewer staff than in 2015.
- Current staffing: PSFA has 10 field staff overseeing more than \$1.5 billion dollars in active projects, with potential to add \$1.2 billion in new FY26 awards.
- Industry Standard: *National standards recommend that a capital project manager oversee no more than 5 or 6 active projects at a time* to ensure effective oversight and successful project delivery.



PSFA Approach to Address Issue

Sustaining effective project support will require a multi-step approach to rebuilding field infrastructure and expanding staffing capacity to manage additional awards.

Step 1

- Work with Council and Legislative partners to identify additional budget resources for contract support as an interim solution to sustain field operations and maintain current workloads at acceptable levels.

Step 2

- Propose an adjusted timeline to AMS and Council: Given the number and complexity of potential awards and requests for local match reductions, staff recommends delaying PSCOC awards until June.

Step 3

- Issue an RFP to hire contract support to assist project managers with active workloads, evaluate field processes, and provide training and outreach support.

Step 4

- Work with Council and Legislative partners to consider additional FTEs to replace contract support, ultimately phasing this out once staffing levels are sufficient to sustain operations.

Application and Award Cycle – Proposed Scenario

Staff recommends delaying the FY26 Award Cycle for three months. Due to the increased volume and complexity of potential awards and local match reductions, staff proposes delaying current awards while continuing site visits and project evaluations.

Step 1

Propose changing the FY26 Capital Outlay Award Cycle timeline.

- Current:
 - **March** — awards will be made to districts.
- Proposed:
 - **May** — district presentations.
 - **June** — PSCOC holding two meetings during the month to award district projects.

Step 2

PSCOC limiting awards based on capacity availability.

- PSFA currently does not have adequate capacity to take on new awards.
- Interim solution— awards would be made contingent on securing additional budget to hire contract support.
- Based on industry standards PSFA is recommending 1 contract support staff for every 5 awards to ensure effective oversight and management of projects.
- Long term plan for the organization— replacing contract support with FTEs over several fiscal years to ensure adequate recurring budget is in place.



Addressing Capacity and Considerations

Strategy for addressing capacity concerns due to inadequate staffing levels.

- PSFA Executive Team has been working on a formalized plan to address capacity issues in the short term while filling vacant positions and adding additional. This includes working with PSCOC, DFA, and the LFC to increase re-occurring operating budget for additional FTE and contractual needs.
 - Plan includes continuing to work with LFC and DFA on securing additional budget for FY26 and FY27. To hire immediate contract support for project management, training, and evaluation of capacity needs.

How we got to this point?

- As noted, staff levels have not kept up with the unanticipated increase in volume of projects and capital revenue over the last several years.

Considerations:

- If PSFA is not successful in securing additional budget, staff would recommend PSCOC not consider any FY26 awards due to capacity concerns.
- If PSFA is successful in securing additional budget to hire contract support, staff would recommend PSCOC consider limiting awards based on budget availability.



Advantages/ Disadvantages and Outreach

Advantages

- Provides time to revamp operation, fill vacant positions, add additional FTE and provide training.
- Allows staff to focus on current projects, reducing workload while implementing new measures.

Disadvantages

- May cause a temporary FCI decline, with expected recovery in a year.
- Draws increased scrutiny of PSFA operations.

Outreach

- PSFA staff will be surveying districts to see what immediate impacts will result from adjusting the award cycle timeline.
- Continue site visits, evaluating project readiness and working closely with school district representatives.
- PSFA Leadership will continue working with PSCOC, Governor's staff, Legislators and School District partners to ensure full transparency on the approach and adjustments to the FY26 award cycle.



Thank you!



VIII. Informational

- A. PSFA HR Staffing Report
- B. Zuni Lawsuit Update
- C. NMII SB280 Update
- D. Adequacy Planning Guide Update
- E. Executive Director Evaluation Process

I. PSFA HR Staffing Update**II. Presenter(s): Nick Lourenço, HR Manager****III. Executive Summary (Informational):****Key Points:**

PSFA is budgeted for 56 FTE's for FY26. As of December 31, 2025, the agency is staffed to 47 or 83.9%.

In the last six months PSFA has hired

- a) Executive Director
- b) Two Regional Project Managers
- c) Staff attorney
- d) Design and Planning Manager

- Recruitment has been improved with additional expenditure on LinkedIn.com and ZipRecruiter.com.

Year-Over-Year Performance Trends

- **FY 2025 (Volatility):** The agency experienced a sharp increase in vacancies, peaking at **24.4%** between September and November. The average vacancy rate for the year nearly tripled to **12.5%**.
- **FY 2026 (Recovery):** The first six months of FY26 show a trending improvement, with the vacancy rate stabilizing at **10.62%**.

Turnover Drivers

- There have been **7 total staff separations** during this period. Notably, all 7 separations were resignations; there were no retirements or terminations.

Exhibit(s):

A- 94000 Annualized Vacancy Rates by Fiscal Year

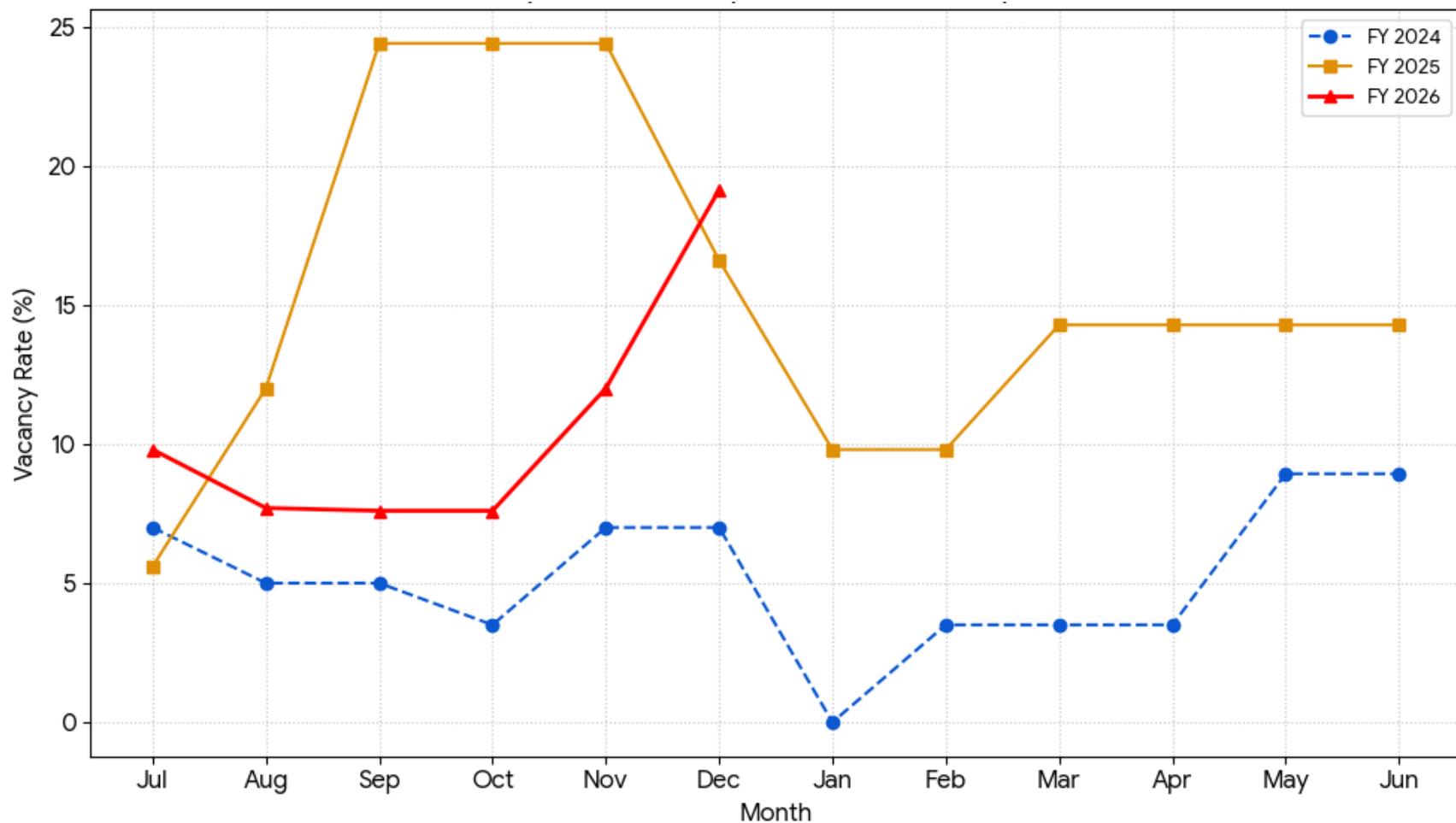
B- Vacancy Trends by Fiscal Year

C- Workforce Capacity

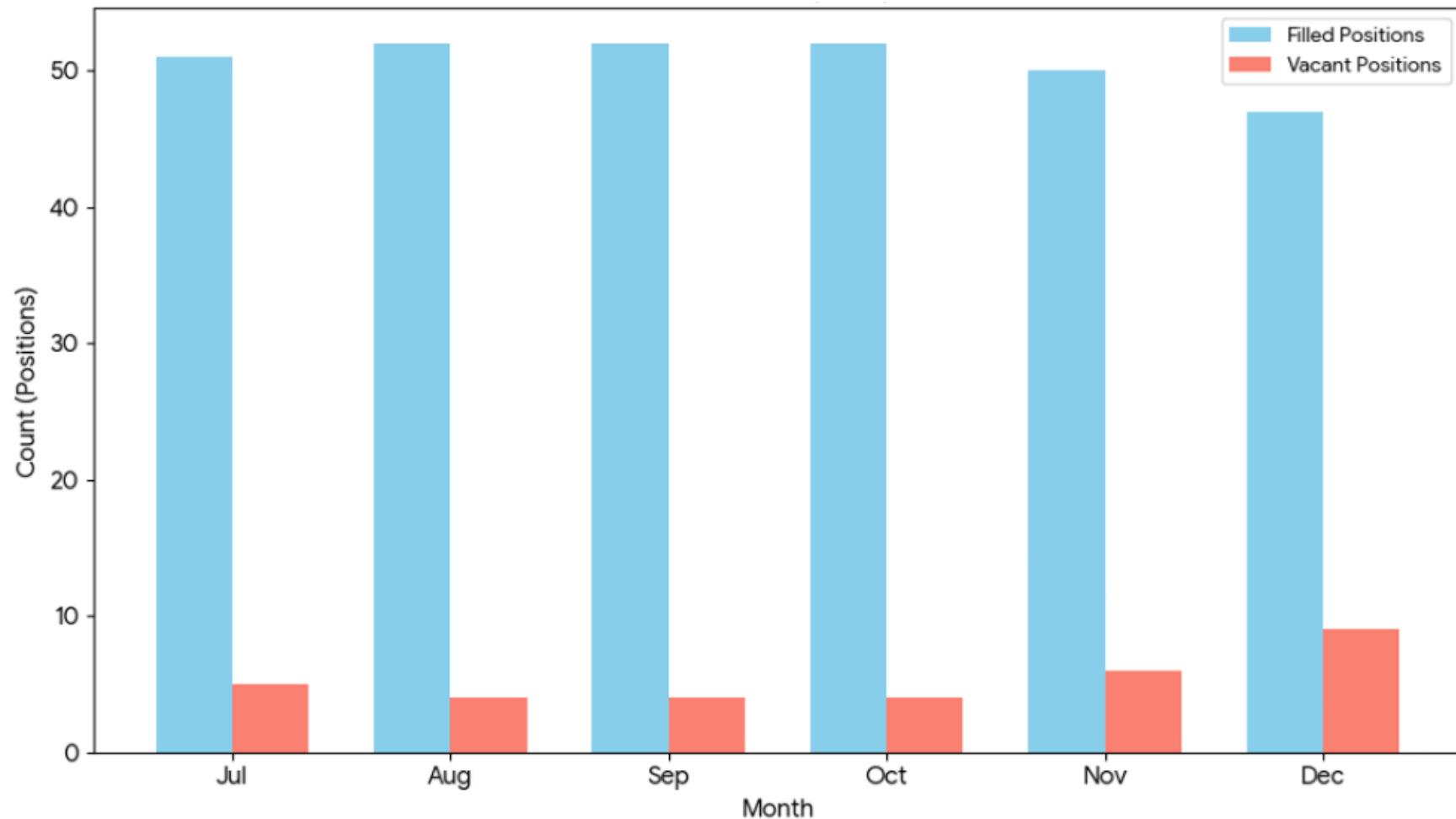
94000 Annualized Vacancy Rates by Fiscal Year															
Fiscal Year	# of FTE Approved	Description	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Average
2024	56	Filled Positions	52	53	53	54	52	52	56	54	54	54	51	51	53
		Vacant Positions	4	3	3	2	4	4	0	2	2	2	5	5	2.6
		Vacancy Rate %	7%	5%	5%	3.5%	7%	7%		3.5%	3.5%	3.5%	8.93%	8.93%	4.5%
2025	56	Filled Positions	53	50	45	45	45	48	51	51	49	49	49	49	49
		Vacant Positions	3	6	11	11	11	8	5	5	7	7	7	7	7
		Vacancy Rate %	5.6%	12%	24.4%	24.4%	24.4%	16.6%	9.8%	9.8%	14.28%	14.28%	14.28%	14.28%	12.5%
2026	56	Filled Positions	51	52	52	52	50	47							50.6
		Vacant Positions	5	4	4	4	6	9							5.3
		Vacancy Rate %	9.8%	7.6%	7.6%	7.6%	12%	19.14%							10.62%

Total # of Data Collection Months in FY26	6
Total # of staff separations during the past 6 months	0 retirement 7 = 7 resignations 0 termination
Average FTE during the past 6 months	50.6
Average Vacancy Rate for the last 6 months	10.62%

Vacancy Trends by Fiscal Year



FY 2026 Workforce Capacity (Jul-Dec)



I. Zuni Lawsuit Update

II. Presenter(s): Tyra Rankin, Staff Attorney

III. Executive Summary (Informational):

Key Points:

Parties

- Plaintiffs: Board of Education of the Zuni Public School District & Board of Education of the Gallup-McKinley School District
- Defendants: State of New Mexico & Public School Capital Outlay Council

This case concerns whether New Mexico's scheme for public school capital outlay funding violates the New Mexico Constitution's Education Clause

- “A uniform system of free public schools sufficient for the education of, and open to, all the children of school age in the state shall be established and maintained.” N.M. Const. art. XII, § 1.

New Mexico Supreme Court dismissed the motion for rehearing December 31, 2024.

Exhibit(s):

A- Zuni Litigation Update PSCOC Jan 2026 (PP)

B- Zuni Dispositional Order NM Supreme Court 12/2/24

C- Zuni Order Denying Rehearing NM Supreme Court 12/31/24

Litigation Update

Board of Education of the Zuni Public School District, et al. v. State of New Mexico, et al.

Ellen Venegas
Senior Solicitor General, Civil Appeals Bureau
New Mexico Department of Justice

Presentation to the Public School Capital Outlay Council
January 2026



Overview

Parties

- Plaintiffs: Board of Education of the Zuni Public School District & Board of Education of the Gallup-McKinley School District
- Defendants: State of New Mexico & Public School Capital Outlay Council

This case concerns whether New Mexico's scheme for public school capital outlay funding violates the New Mexico Constitution's Education Clause

- “A uniform system of free public schools sufficient for the education of, and open to, all the children of school age in the state shall be established and maintained.” N.M. Const. art. XII, § 1.

District court ruled that the State's public school capital outlay funding system is neither uniform nor sufficient and thus unconstitutional

- Public School Capital Outlay Act (PSCOA), NMSA 1978, §§ 22-24-1 to -12
- Public School Capital Improvements Act (PSCIA), NMSA 1978, §§ 22-25-1 to -11

State appealed

Case History

- **1998** – Initial complaint filed
- **1999** – District court ruled public school capital outlay funding unconstitutional
- **2002** – Special master report: State following court's directives to develop and implement uniform system
- **2013** – Plaintiffs filed an unopposed motion to reinstate the case
- **2015** – Plaintiffs filed amended complaints
- **2016 & 2019** – Bench trial
- **2020** – District court ruled that the PSCOA and PSCIA are unconstitutional
- **2021** – District court denied State's motion for post-judgment relief
- **2021** – State appealed to the New Mexico Court of Appeals
- **2023** – New Mexico Supreme Court accepts certification of the case
- **December 2024** – NMSC dismisses appeal as moot & remands back to district court

New Mexico Supreme Court

Case No. S-1-SC-40050

December 2, 2024, Dispositional Order of Remand:

- “[T]his case is moot because the version of the statutory scheme declared to be unconstitutional no longer exists and, in light of subsequent and significant statutory amendments, there is no existing controversy as to the constitutionality of the current statutory scheme”
- Case is remanded to the district court “to consider the constitutionality of the current statutory scheme, should the School Boards decide to pursue such litigation”

Plaintiffs sought rehearing, which NMSC denied

District Court

Case No. D-1113-CV-98-00014

- January 17, 2025 – NMSC mandate
- Judge reassignment: Honorable Jarod K. Hofacket
- Court not precluded from considering new evidence if necessary
- No action by Plaintiffs to reopen or move forward

Questions?

Ellen Venegas
Senior Solicitor General
New Mexico Department of Justice
Evenegas@nmdoj.gov





1 **IN THE SUPREME COURT OF THE STATE OF NEW MEXICO**

2 Filing Date: December 2, 2024

3 **BOARD OF EDUCATION OF THE ZUNI**
4 **PUBLIC SCHOOL DISTRICT and BOARD OF**
5 **EDUCATION OF THE GALLUP-MCKINLEY**
6 **SCHOOL DISTRICT,**

7 Plaintiffs-Appellees,

8 and

9 **SKYLAR MARTINEZ, by and through his next**
10 **friends and parents, MALCOLM BOWEKATY**
11 **and BURLENE BOWEKATY, JEFFREY M.**
12 **JOHNSON, by and through his next friends**
13 **and parents, MADRELL JOHNSON and WILBUR**
14 **JOHNSON, ERIQ HASKIE SANCHEZ, by and**
15 **through his next friend and parent, MARISA**
16 **SANCHEZ, AMBER DEYSEE, by and through**
17 **her next friends and parents, CAROLINE DEYSEE**
18 **and DEWEY DEYSEE, CHARLES BOOQUA, JR.,**
19 **by and through his friends and parents, MARLENE**
20 **BOOQUA and CHARLES BOOQUA, SR., JIRAIYA**
21 **WOODY and TATUM PETERSON, by and through**
22 **their next friend and parent, MARTINA PETERSON,**
23 **and FARRAH BARNEY and ISABELLA BARNEY,**
24 **by and through their next friend and parent, TAMMY**
25 **BARNEY,**

26 Plaintiffs,

27 and

28 **ZUNI PUBLIC SCHOOL DISTRICT and**
29 **GALLUP-MCKINLEY SCHOOL DISTRICT**

I CERTIFY AND ATTEST:

A true copy was served on all parties
or their counsel of record on date filed.



Clerk of the Supreme Court
of the State of New Mexico

1 **NO. 1,**

2 Plaintiffs Dismissed by Substitution,

3 v.

NO. S-1-SC-40050

4 **STATE OF NEW MEXICO and PUBLIC**
5 **SCHOOL CAPITAL OUTLAY COUNCIL,**

6 Defendants-Appellants.

7 **CERTIFICATION FROM THE NEW MEXICO COURT OF APPEALS**
8 **Louis E. DePauli, Jr., District Judge**

9 Raúl Torrez, Attorney General
10 Aletheia V.P. Allen, Solicitor General
11 Ellen Venegas, Assistant Solicitor General
12 Santa Fe, NM

13 for Appellants

14 Ferrance Law, P.C.
15 David A. Ferrance
16 Albuquerque, NM

17 Rosebrough, Fowles & Foutz, P.C.
18 Robert F. Rosebrough
19 Gallup, NM

20 VanAmberg, Rogers, Yepa, Abeita, Gomez & Wilkinson, LLP
21 Ronald J. VanAmberg
22 Santa Fe, NM

23 for Appellees

1 Chappelle Law, LLC
2 Germaine Chappelle
3 Farmington, NM

4 for Amicus Curiae Central Consolidated School District

5 **DISPOSITIONAL ORDER OF REMAND**

6 **PER CURIAM.**

7 {1} WHEREAS, the history of this case is long and complex, originating in 1998,
8 when the Zuni Public School District sued the State, claiming that the existing capital
9 outlay system violated Article XII, Section 1 of the New Mexico Constitution, which
10 guarantees “[a] uniform system of free public schools sufficient for the education of
11 . . . all the children of school age in the state”;

12 {2} WHEREAS, initial district court proceedings resulted in an order granting
13 summary judgment against the State, which led to numerous legislative reforms in
14 2002 and 2003;

15 {3} WHEREAS, the district court’s decision and order (Order)—the final
16 judgment at issue in this appeal—was filed in 2020 after the lawsuit was reinstated
17 in 2013 to consider Zuni and Gallup-McKinley School Boards’ (School Boards)
18 claims that the legislative reforms were inadequate;

19 {4} WHEREAS, the Order declared that the State’s then-existing statutory capital
20 outlay scheme for funding public school facilities was unconstitutional;

1 {5} WHEREAS, the State appealed to the Court of Appeals, and this Court
2 subsequently accepted certification;

3 {6} WHEREAS, after the district court entered its Order, the legislature
4 substantially amended the capital outlay scheme that funds public school facilities;

5 {7} WHEREAS, the State contends in relevant part that the Legislature's post-
6 trial statutory amendments render the case moot;

7 {8} WHEREAS, “[a] case is moot when no actual controversy exists, and the court
8 cannot grant actual relief.” *Gunaji v. Macias*, 2001-NMSC-028, ¶ 9, 130 N.M. 734,
9 31 P.3d 1008 (internal quotation marks and citation omitted). The general rule is that
10 “a court will not consider the constitutionality of a statute, rule, or state constitutional
11 provision that has been repealed, amended, or superseded, or has expired,” 16 C.J.S.
12 *Constitutional Law* § 222 (2015);

13 {9} WHEREAS, this case is moot because the version of the statutory scheme
14 declared to be unconstitutional no longer exists and, in light of subsequent and
15 significant statutory amendments, there is no existing controversy as to the
16 constitutionality of the current statutory scheme;

17 {10} WHEREAS, we have carefully considered and reject the School Boards'
18 arguments that this case is not moot;

1 {11} WHEREAS, we have also considered and decline to accept the School
2 Boards' request to recognize an exception to the mootness doctrine under the
3 procedural circumstances of this case;

4 {12} WHEREAS, the Court has considered the briefs and is otherwise fully
5 informed on the issues and applicable law; and

6 {13} WHEREAS, the Court exercises its discretion under Rule 12-405(B) NMRA
7 to dispose of this case by non-precedential order rather than by formal opinion;

8 {14} NOW, THEREFORE, IT IS ORDERED that this matter is hereby
9 REMANDED to the district court for further proceedings with instructions to
10 consider the constitutionality of the current statutory scheme, should the School
11 Boards decide to pursue such litigation;

12 {15} IT IS FURTHER ORDERED that on remand, Chief Judge Jarod K. Hofacket
13 is designated to serve as pro tempore judge by the Chief Justice to preside over the
14 proceedings in the district court; and

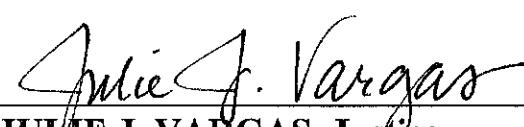
15 {16} IT IS FURTHER ORDERED that our holding shall not be construed as a
16 limitation upon the district court's authority to receive or consider new evidence it
17 deems necessary to the resolution of the underlying case.

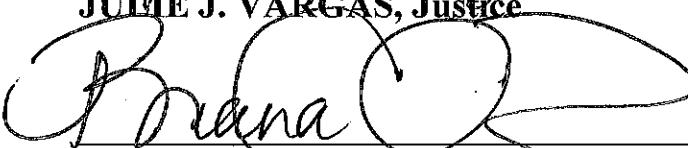
1 (17) **IT IS SO ORDERED.**

2 
3 **DAVID K. THOMSON, Chief Justice**

4 
5 **MICHAEL E. VIGIL, Justice**

6 
7 **C. SHANNON BACON, Justice**

8 
9 **JULIE J. VARGAS, Justice**

10 
11 **BRIANA H. ZAMORA, Justice**

IN THE SUPREME COURT OF THE STATE OF NEW MEXICO

December 31, 2024

NO. S-1-SC-40050

**BOARD OF EDUCATION OF THE ZUNI
PUBLIC SCHOOL DISTRICT and BOARD OF
EDUCATION OF THE GALLUP-MCKINLEY
SCHOOL DISTRICT,**

Plaintiffs-Appellees,
and

SKYLAR MARTINEZ, by and through his next friends and parents, MALCOLM BOWEKATY and BURLENE BOWEKATY, JEFFREY M. JOHNSON, by and through his next friends and parents, MADRELL JOHNSON and WILBUR JOHNSON, ERIQ HASKIE SANCHEZ, by and through his next friend and parent, MARISA SANCHEZ, AMBER DEYSEE, by and through her next friends and parents, CAROLINE DEYSEE and DEWEY DEYSEE, CHARLES BOOQUA, JR., by and through his friends and parents, MARLENE BOOQUA and CHARLES BOOQUA, SR., JIRAIYA WOODY and TATUM PETERSON, by and through their next friend and parent, MARTINA PETERSON, and FARRAH BARNEY and ISABELLA BARNEY, by and through their next friend and parent, TAMMY BARNEY,

Plaintiffs,
and

**ZUNI PUBLIC SCHOOL DISTRICT and
GALLUP-MCKINLEY SCHOOL DISTRICT
NO. 1,**

Plaintiffs Dismissed by Substitution,

1 v.

2

3 **STATE OF NEW MEXICO and PUBLIC**
4 **SCHOOL CAPITAL OUTLAY COUNCIL,**

5

6 Defendants-Appellants.

7

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ORDER

9 WHEREAS, this matter came on for consideration by the Court upon
10 motion for rehearing, and the Court having considered the foregoing and being
11 sufficiently advised; Chief Justice David K. Thomson, Justice Michael E. Vigil,
12 Justice C. Shannon Bacon, Justice Julie J. Vargas, and Justice Briana H. Zamora
13 concurring;

14 NOW, THEREFORE, IT IS ORDERED that the motion for rehearing is
15 DENIED.

16 IT IS SO ORDERED.



17 WITNESS, the Honorable David K. Thomson, Chief
Justice of the Supreme Court of the State of New
Mexico, and the seal of said Court this 31st day of
December, 2024.

Elizabeth A. Garcia, Clerk of Court
Supreme Court of New Mexico

I CERTIFY AND ATTEST:
A true copy was served on all parties
or their counsel of record on date filed.

Mycalle Vigil
Clerk of the Supreme Court
of the State of New Mexico

By Mycalle Vigil
Deputy Clerk

I. NMMI SB280 Update

II. Presenter(s): Claude Morelli, Planning and Design Manager
Andrew Martinez, Facility Assessment Database Manager

III. Executive Summary (Informational):**Background:**

- SB280 amended the definition of “constitutional special schools” in Section 22-24-3(C) of the Public School Capital Outlay Act to include the New Mexico Military Institute (NMMI).
- By designating NMMI as a *constitutional special school*, the Act enables it to seek funding from the Public School Capital Outlay Fund like other New Mexico school districts. To be eligible for grants, NMMI must follow the same procedures, mechanisms, and requirements that apply to all school districts and constitutional schools when applying for and receiving capital outlay funding from the PSCOC.
- Application requirements include adherence to PSFA's methodology for prioritization, making a commitment to provide a local match to state funding, and meeting statewide adequacy standards for school facilities.
- On September 22, 2025, PSFA assessed NMMI's facilities, including over 1 million gross square feet across 16 buildings. The assessment yielded a wNMCI score of 39.45 percent, not yet accounting for Education Adequacy (EA) deficiencies currently under development. The Facility Condition Index (FCI) score was 64.10 percent, reflecting the overall condition of the facilities.

Next Steps:

- **Phase 1: January 1 to June 30, 2026 (“Systems” focus)**
 1. Focus on systems application opportunities.
 2. Research and confirm existing NMMI funding sources.
 3. Conduct stakeholder engagement to support the Phase 1 process:
 - Identify key stakeholders.
 - Develop stakeholder engagement plan.
 - Establish regular meeting schedule for stakeholder engagement.
 4. Develop preliminary methodology and recommendations for apportioning costs between junior college, high school, and middle school for systems replacements.
 5. Develop scope of work (SOW) for Phase 2 consultant support (see below).
 6. Issue the Request for Proposals for Phase 2 consultant support.
 7. Include NMMI in the wNMCI ranking for the FY27 Award Cycle, assuming it is ranked highly enough to be eligible for PSCOC systems funding.

SUPPLEMENTAL MATERIAL

Item Title

- **Phase 2: FY27 (Adequacy Standards development)**

1. Select and onboard the consultant for Phase 2.
2. Work with Phase 2 consultant to refine the SOW and adjust the Stakeholder Engagement process to align with it.
3. Oversee the Phase 2 consultant and actively participate in all aspects of the planning process to maintain institutional knowledge, contacts, and continuity.
4. Direct the consultant to execute key tasks, including:
 - Conducting robust stakeholder engagement throughout Phase 2.
 - Researching adequacy standards for military academies in other states.
 - Investigating funding and operational issues unique to NMMI, including how to reconcile the combination of junior college, high school, and middle school programs while charging tuition, given that no other state-funded school has this structure. Key questions include:
 - a. How should junior college facilities be addressed under PSFA funding rules, particularly if some are shared with the high school?
 - b. How can the state fund facilities for a school that is both state-authorized and tuition-charging?
 - Developing alternatives for incorporating NMMI into PSFA's existing framework for funding schools, including the systems- and standards-based ranking process, while maintaining PSFA's mandate to ensure inter-district funding equity.
 - Analyzing the alternatives, including pros and cons.
 - Working closely with PSFA staff to formulate recommendations to PSCOC.
 - Developing an implementation plan that aligns PSFA funding and ranking structures, starting in FY28, to meet NMMI's needs without compromising PSCOC's ability to fund other school districts in the state.

I. Adequacy Planning Guide Revision Update

II. Presenter(s): Claude Morelli, Planning and Design Manager
John M. Valdez, Facilities Master Planner

III. Executive Summary (Informational):**Key Points:**

- PSFA staff are currently updating the Adequacy Planning Guide (APG), a key resource for guiding the planning and development of new schools.
- The APG incorporates the Adequacy Standards and outlines best practices that design professionals and school districts can apply to new schools, replacement schools, and school additions.
- Revising the Adequacy Standards is the third phase of updating our guiding documents, following updates to the Adequacy Standards and Maximum Allowable Gross Square Foot Calculator, completed in Fall 2024 and January 2025, respectively.

Process to Date:

- August, September, and October 2025: Staff conducted Statewide Roundtable Meetings to gather feedback on the APG and school space issues.
- November and December 2025: Staff compiled feedback from the Roundtables and summarized key themes related to facility space and document usability.

Next steps in the process (January 1, 2026 to June 30, 2027):

1. Re-engage district and design partners to share the Roundtable findings.
2. Develop a scope of work (SOW) for consultant support to assist PSFA in completing the APG update. The SOW will likely include:
 - Development and execution of a robust stakeholder engagement process.
 - Review of Roundtable findings.
 - Evaluation of new spaces for possible inclusion in the APG and funding eligibility (e.g., central kitchens, student wellness/community health spaces, joint school/community function spaces).
 - Evaluation of space and square footage needs for Career Technical Education (CTE), special education, gymnasia, and other school elements.
 - Assessment of definitions of eligible spaces not currently addressed in the Adequacy Standards and APG (e.g., locker rooms, Pre-K classrooms).

SUPPLEMENTAL MATERIAL

Item Title

- Design of a new, user-friendly APG format, including clear, scaled illustrations of typical school spaces (e.g., axonometric views, floor plans) to support guidance, without the level of detail of construction drawings or overly idealized renderings.
- Revisit updates to the Adequacy Standards and Maximum Allowable Gross Square Foot Calculator based on APG feedback, including cost-benefit analysis.
- APG training for PSFA staff, PSCOC members, school district staff, design professionals, and others as warranted.

3. Issue the Request for Proposals for consultant support (expect responses from consulting teams that include school planners, graphic design professionals, and stakeholder engagement specialists).
4. Select and onboard the consulting team.
5. Work with the consulting team to refine the SOW.
6. Closely oversee the consulting team's work through active participation in all aspects of the APG update process to maintain institutional knowledge, contacts, and continuity.
7. Provide regular updates to Administration, Maintenance & Standards Subcommittee, and the PSCOC.

I. Executive Director Evaluation Process**II. Presenter(s): Nick Lourenco HR Manager****III. Executive Summary (Informational):****Key Points:**

The proposed PSFA Executive Director Annual Performance Evaluation replaces the previous version with a clearer, more objective, and evidence-based framework. It aligns the Director's assessment with statutory duties, PSCOC policies, and the core mission of delivering safe, adequate, and cost-effective school facilities statewide.

Purpose

- Establish a fair, consistent, and measurable evaluation process
- Tie performance directly to documented evidence rather than subjective impressions
- Strengthen accountability and support informed PSCOC oversight

Evaluation Focus Areas

- **Agency Leadership & Management:** Organizational structure, staff supervision, compliance, fiscal oversight, and workplace culture
- **Facilities & Project Oversight:** Adequacy standards, project planning, construction management, database accuracy, and procurement
- **Stakeholder & Policy Engagement:** PSCOC policy implementation, LEA support, inter-agency coordination, legislative reporting, and communication

Outcome

The evaluation concludes with an overall rating, summary, strengths, development needs, and goals for the next review period—ensuring a complete and transparent performance record.

Impact

This updated evaluation provides a more accurate, defensible, and mission-aligned tool for assessing the Executive Director and guiding continuous improvement across New Mexico's public school facilities system.

Exhibit(s):A- Executive Director Annual Performance Evaluation Questionnaire

PSFA Executive Director Annual Evaluation

Executive Director's Name:

Evaluation Period: Choose the fiscal year

Evaluated By: PSCOC

General Responsibility of the Executive Director:

Per New Mexico Statute, the Director, who is selected by the Public School Capital Outlay Council and is versed in construction, architecture or project management serves as the head of the agency (22-24-9, NMSA 1978) to implement PSCOC goals and policies for K-12 school capital planning, financing, building, maintenance and other statutory responsibilities, and to bring recommendations to PSCOC for policy development.

This plan is structured around the core duties and responsibilities outlined in the PSFA Executive Director Job Description (Revision Date 11-1-23).

Rating Scale:

1. **Significantly below standard** -- unsatisfactory performance, seriously fails to meet established standards, cannot perform without direction
2. **Below standard** -- inconsistent performance, rarely exceeds established standards, requires supervision
3. **Standard** -- satisfactory performance, consistently meets but rarely exceeds established standards, requires assistance when major problems occur
4. **Above standard** -- above average performance, usually exceeds established standards, does not require direction, can anticipate and deal with problems independently
5. **Significantly above standard** -- exceptional performance, exceeds established standards, in full command of all aspects of the position

A. Agency Leadership and Internal Management

Focus: The Director's effectiveness as Agency Head, including organizational structuring, staff management, and maintaining an efficient and safe internal environment.

Evaluation Criterion	Key Questions / Performance Indicators	Documentation / Evidence Sources	Rating
Organizational Structure & Direction	1. How effectively did the Director structure the agency and staffing to meet PSCOC policies and directives? (Goal: Clear expectations, productive work environment).	Organizational charts, annual staffing plan/report, staff survey results, PSCOC meeting minutes.	Choose an rating.
Personnel Management	2. How successfully did the Director supervise Deputy Directors and managerial staff (work allocation, training, problem resolution, performance evaluation)?	Performance reviews of direct reports, personnel action records, staff development plans, retention rates.	Choose an rating.
Policy & Compliance	3. Was the employee handbook updated and maintained consistently with organizational requirements to ensure efficient and safe agency operation?	Employee handbook history, internal audit reports, documented compliance training.	Choose an rating.
Fiscal and Administrative Oversight	4. How effective were the Director's systems for maintaining records and ensuring administrative and procedural decisions complex and sound?	Financial reports (budget adherence), decision logs for complex matters, efficiency metrics (e.g., time to complete key administrative tasks).	Choose an rating.

Team Environment	5. Did the Director effectively foster a cooperative work environment and successfully resolve internal complaints and concerns?	Staff feedback, HR records on conflict resolution, observation.	Choose an rating.
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B. Facilities and Project Oversight (Core Mission)

Focus: The Director's implementation of PSCOC policies regarding K-12 facility planning, design, construction, and compliance with statewide adequacy standards.

Evaluation Criterion	Key Questions / Performance Indicators	Documentation / Evidence Sources	Rating
Adequacy & Cost-Effectiveness	6. Did the Director successfully develop and implement cost-effective methods and processes to ensure the statewide adequacy standards of New Mexico's K-12 school facilities <u>within available funding</u> ?	Cost savings reports, project budget variance reports, adequacy standard compliance audits.	Choose an rating.
Project Planning & Design Review	7. How timely and accurately did the Director oversee the review and interpretation of proposed designs and specifications for appropriateness to educational adequacy and <u>constructability</u> ?	Design review logs, consultant feedback, number of design revisions initiated by PSFA.	Choose an rating.
Construction Management & Closeout	8. How effectively did the Director oversee the day-to-day management, quality, and timely delivery of construction projects, including <u>successful financial closeout</u> ?	Project delivery timelines (on-time percentage), closeout report completion, contractor performance metrics, quality assurance reports.	Choose an rating.
Database and Standards Management	9. How current and accurate is the state's public school facility database, and how well are <u>building and adequacy standards enforced</u> ?	Database audit reports, documented updates to building/adequacy standards.	Choose an rating.
Contract Management & Procurement	10. How effectively did the Director manage contractual arrangements, procurement, and ensure contractor compliance on PSCOC-funded projects?	Contract execution timeliness, audit findings related to procurement, compliance reports.	Choose an rating.

C. Stakeholder Relations and Policy Implementation

Focus: The Director's ability to communicate, collaborate, influence policy, and provide essential support to external partners and legislative bodies.

Evaluation Criterion	Key Questions / Performance Indicators	Documentation / Evidence Sources	Rating
PSCOC Policy Implementation & Development	11. How well did the Director implement PSCOC goals and policies, and what quality of recommendations were brought to the PSCOC for new policy development?	PSCOC agenda items initiated by the Director, documented policy recommendations and resulting adopted policies, PSCOC feedback.	Choose an rating.
Local Education Agency (LEA) Support	12. How helpful and accurate was the assistance provided to LEAs, boards of education, and top-level administrators on facilities management tasks (fiscal, legal, contractual)?	LEA satisfaction surveys, documented instances of successful intervention/assistance, feedback from local superintendents.	Choose an rating.

Inter-Agency Coordination	13. How effectively did the Director coordinate with other state agencies to ensure quality facilities and timely project deliveries?	Inter-agency MOUs or agreements, documented examples of coordinated efforts, feedback from partner agencies.	Choose an rating.
Legislative Relations & Reporting	14. What was the quality and timeliness of the analysis provided on proposed legislation, and how effectively were updates provided to the Legislature, PSCOC, and other task forces?	Legislative analysis memos, presentation materials, meeting attendance records, formal feedback from legislative bodies.	Choose an rating.
Communication & Outreach	15. Did the Director demonstrate strong, effective communication skills (both oral and written) in interacting with all constituencies and managing complex public issues?	External communication samples, feedback from stakeholders, media engagement records (if applicable).	Choose an rating.

D. Average Overall Rating

E. Next Steps & PSCOC Commentary:

- **Performance Summary:** [To be completed by PSCOC]

- **Areas of Strength:** [To be completed by PSCOC]

- **Areas for Development:** [To be completed by PSCOC]

- **Goals for Next Review Period:** [To be completed by PSCOC]

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Director Signature

Date

IX. Next PSCOC Meeting – March 11, 2026 – (tentatively)

X. Adjourn