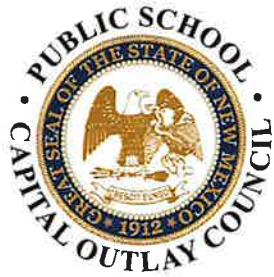


State of New Mexico
Public School Capital Outlay Council

PSCOC Members

Joe Guillen, *NMSBA – Chair*
Cally Carswell, *LFC*
Mark Montoya, *LESC*
Amanda Lupardus, *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:

- 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:

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.

APPROVED

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 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

1/15/25

Chair

Date

**Please Note: Italic motions indicate amendments.*