

*State of New Mexico*  
**Public School Capital Outlay Council**

**Present PSCOC Members**

Joe Guillen, *NMSBA – Chair*  
Charles Sallee, *LFC*  
Jessica Hathaway, *LESC*  
Mariana Padilla, *PED*  
Martin Romero, *CID*  
Stewart Ingham, *PEC*  
Elizabeth Groginsky, *OG*  
Randall Cherry, *LCS*

**Absent PSCOC Members**

Ashley Leach, *DFA*

**Public School Facilities Authority**

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



---

## MEETING MINUTES

PSCOC Full Council Meeting  
State Capitol Building, Room 307 – June 11, 2026

*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 or recording.*

### **I. Call to Order – Joe Guillen, Chair**

The Public School Capital Outlay Council (PSCOC) meeting on June 11, 2026, 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\***

During agenda approval, PSFA staff recommended removing Consent Agenda Item 4.B.3, Springer Consolidated Schools (P24-005), from consideration and referring the item back to the Awards Subcommittee due to recently received information that warranted additional review before presentation to the full Council. Council members discussed the status of the School of Dreams Academy Standards-based application, which had been tabled by the Awards Subcommittee pending further review of landownership and lease-purchase agreement matters. Staff explained that additional clarification was being sought regarding the school's land situation and legal interpretations associated with the lease-purchase structure. Staff committed to continuing work with the district and legal counsel to identify a path forward and present additional information to the Awards Subcommittee as soon as practicable. Following discussion, Ms. Padilla moved to approve the amended agenda, and Mr. Sallee seconded the motion. There being no opposition the amended agenda was unanimously approved.

#### **C. Correspondence**

No Correspondence.

## II. Public Comment

School of Dreams Academy Superintendent Mike Olgas addressed the Council regarding the school's Standards-based funding application. Mr. Olgas stated that the school maintained a lease-purchase agreement that would ultimately result in full ownership of the land and asserted that the school possessed sufficient control over the property to proceed with development activities. He expressed concern regarding the removal of the project from the current agenda and questioned why the application had not received the same consideration as other projects that presented during the May Standards-based application cycle. Mr. Olgas highlighted the school's facility deficiencies, noting that the campus serves approximately 500 students in aging portable facilities and has consistently ranked among the highest needs schools in New Mexico according to facility condition measures. He requested clarity from PSFA and the Council regarding remaining requirements and next steps necessary to allow the project to proceed. Staff reiterated its commitment to continue working with the school and legal counsel to resolve outstanding land ownership questions.

Representatives from Las Cruces Public Schools addressed the Council regarding the recommendation to provide only planning and assessment funding rather than a full replacement award for Mayfield High School. District representatives described extensive planning efforts already completed, including educational specifications, stakeholder engagement, site planning, and capacity analyses. The district expressed concern that delaying the design and construction process would increase project costs and negatively affect district-wide capacity management efforts. Staff emphasized that the proposed planning and assessment phase was intended to verify project readiness, confirm stakeholder engagement, evaluate project risks, and establish a clear framework before committing to design and construction funding. The project was later included in the group of planning and assessment awards approved by the Council.

## III. Finance

### A. PSCOC Financial Plan

The Chief Financial Officer at PSFA, Mr. Matthew Schimmel, presented the PSCOC Financial Plan, including the executive summary, sources and uses updates, technical corrections, and out of cycle funding impacts. Mr. Schimmel reported a net increase of approximately \$22.9 million in award activity and reviewed several financial adjustments, including proposed award language amendments, rescinded awards, and updates to future funding projections. Mr. Schimmel outlined recommendations involving Estancia Elementary School, Gallup-McKinley teacher housing projects, APS Highland High School, and other pending awards. The Council also received an update on bond sale projections and adjustments to future bonding capacity. Discussion included rescinded teacher housing awards and whether those projects could potentially return in the future under a revised teacher housing program. Staff indicated districts may have opportunities to reengage if programs are reopened and reevaluated. No formal action was required.

## IV. Consent Agenda\*

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

|                                                                |
|----------------------------------------------------------------|
| <b><i>Regular Business – Section A</i></b>                     |
| <b>i. April 22, 2026, PSCOC Meeting Minutes*</b>               |
| Council approval of the April 22, 2026, PSCOC Meeting Minutes. |
| <b>ii. May 14, 2026, PSCOC Meeting Minutes*</b>                |
| Council approval of the May 14, 2026, PSCOC Meeting Minutes.   |

|                                                                                                                                                                                                                                                                                                                                                                                         |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| <b>iii. Recertification of SSTBs*</b>                                                                                                                                                                                                                                                                                                                                                   |                 |
| Council approval to adopt the Resolution, Notification, Certification, and Reconciliation of unexpended bond proceeds as follows:                                                                                                                                                                                                                                                       |                 |
| <ul style="list-style-type: none"> <li>• SSTB22SD 0001 – Decertifying the net amount of (\$878,596) to be used for other the PSCOC projects.</li> <li>• SSTB24SD 0001 – Certifying the net amount of \$5,685,978 to be used for other the PSCOC projects.</li> <li>• SSTB25SB 0001 – Certifying the net amount of \$1,776,175 to be used for other the PSCOC projects.</li> </ul>       |                 |
| <b>iv. FY27 Work Plan Timeline*</b>                                                                                                                                                                                                                                                                                                                                                     |                 |
| Council approval to adopt the proposed FY27 PSCOC Work Plan Timeline (Scenario 1 - PSCOC and subcommittee meetings held every six weeks).                                                                                                                                                                                                                                               |                 |
| <b>v. FY27 Final wNMCI Ranking*</b>                                                                                                                                                                                                                                                                                                                                                     |                 |
| Council approval to release the FY27 Final wNMCI Ranking for use during the FY27 application cycle.                                                                                                                                                                                                                                                                                     |                 |
| <b>vi. June Bond Sale*</b>                                                                                                                                                                                                                                                                                                                                                              |                 |
| Council approval to adopt the June 2026 certification and resolution to sell supplemental severance tax bonds (SSTB) in the amount of \$150,045,800.                                                                                                                                                                                                                                    |                 |
| <b>vii. FY27 Capital Outlay Awards Cycle Timeline*</b>                                                                                                                                                                                                                                                                                                                                  |                 |
| Council approval to adopt the FY27 Capital Outlay awards schedule for Systems-based applications deemed category 1 (life/ health/ safety), to include:                                                                                                                                                                                                                                  |                 |
| <ul style="list-style-type: none"> <li>• July 2026 – open the capital funding application cycle for Systems-based only.</li> <li>• September 2026 – close the capital funding application.</li> <li>• December 2026– awards for Systems-based requests round 1(R1) (To aid districts with construction timing.)</li> <li>• May 2027 – awards for Systems-based round 2 (R2).</li> </ul> |                 |
| MOTION: The Chair called for a vote on the Consent Agenda under Section A, Regular Business. Mr. Cherry moved to approve the agenda, and Mr. Ingham seconded the motion. With no opposition, the motion passed.                                                                                                                                                                         | <b>APPROVED</b> |
| <b><i>Out-of-Cycle Awards – Section B</i></b>                                                                                                                                                                                                                                                                                                                                           |                 |
| <b>i. P23-007 Estancia ES (Estancia) – Award Language Change*</b>                                                                                                                                                                                                                                                                                                                       |                 |
| Council approval to amend the current 2022-2023 Standards-based award language to Estancia Municipal School District (“District”) for Estancia Elementary School (P23-007) to include:                                                                                                                                                                                                  |                 |
| <ul style="list-style-type: none"> <li>• A partial local match reduction (waiver) for the previously awarded construction phase funding totaling \$5,685,978 for a revised state match of \$16,644,069 (74.43%) and a revised local match of \$5,719,382 (25.57%), for the construction of the elementary school.</li> </ul>                                                            |                 |
| <b>ii. K24-001 Cuba ES (Cuba)- Additional Square Footage Request*</b>                                                                                                                                                                                                                                                                                                                   |                 |
| Council approval to amend the current 2023-2024 Pre-kindergarten based award language to Cuba Independent School District (“District) (CISD) for Cuba Elementary School (K24-001) to include an increase in the maximum allowable gross square footage (GSF) from 3,151 to 3,994 (an 843 GSF increase).                                                                                 |                 |
| <b>iii. P24-005 Springer Combined School (Springer) - Construction Funding Request*</b>                                                                                                                                                                                                                                                                                                 |                 |
| <i>Removed from the agenda.</i>                                                                                                                                                                                                                                                                                                                                                         |                 |

|                                                                                                                                                                                                                                                                                                                                                                                                                                         |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| <b>iv. P15-006 Thoreau Teacher Housing - Rescind Award*</b>                                                                                                                                                                                                                                                                                                                                                                             |                 |
| Council approval to rescind the Thoreau Teacher Housing award for Gallup McKinley County Schools (“District”) with a reversion of the state match in the amount of \$203,263.64.                                                                                                                                                                                                                                                        |                 |
| <b>v. P19-004 Tohatchi (Teacher Housing) - Rescind Award*</b>                                                                                                                                                                                                                                                                                                                                                                           |                 |
| Council approval to rescind the Tohatchi Teacher Housing award for Gallup McKinley County Schools (District) (GMCS) with a reversion of the state match in the amount of \$205,620.98.                                                                                                                                                                                                                                                  |                 |
| <b>vi. P21-005 Crownpoint Teacher Housing - Rescind Award*</b>                                                                                                                                                                                                                                                                                                                                                                          |                 |
| Council approval to rescind the Crownpoint Teacher Housing award for Gallup McKinley County Schools (“District”) (GMCS) with a reversion of the state match in the amount of \$204,706.01.                                                                                                                                                                                                                                              |                 |
| <b>vii. S24-013 Highland HS (Albuquerque) - Rescind Award*</b>                                                                                                                                                                                                                                                                                                                                                                          |                 |
| Council approval to rescind the 2023-2024 Systems-based award to Albuquerque Public Schools (“District”) for Highland High School (S24-013) with a reversion of the state match in the amount of \$878,596.                                                                                                                                                                                                                             |                 |
| <b>MOTION:</b> The Chair called for a vote on the Consent Agenda under Section B, Out-of-Cycle Awards. Mr. Saltee moved to approve the agenda, and Ms. Padilla seconded the motion. With no opposition, the motion passed.                                                                                                                                                                                                              | <b>APPROVED</b> |
| <b>Awards – Section C</b>                                                                                                                                                                                                                                                                                                                                                                                                               |                 |
| <b>i. FY26 Capital Outlay Pre-Kindergarten Awards* (1) – \$103,600</b>                                                                                                                                                                                                                                                                                                                                                                  |                 |
| Council approval for a Pre-K Capital Outlay award to Reserve Independent Schools for a Pre-K facility at Reserve Combined School.                                                                                                                                                                                                                                                                                                       |                 |
| <ul style="list-style-type: none"> <li>• Phase 1 (Planning and Assessment): Not required</li> <li>• Phase 2 (Design): Design for a new Pre-K facility consistent with the Adequacy Planning Guide</li> <li>• Phase 2: Design phase funding <ul style="list-style-type: none"> <li>o State match of \$103,600 (74%), local match of \$36,400 (26%), totaling \$140,000.</li> </ul> </li> <li>• Phase 3: Out-Year Construction</li> </ul> |                 |
| 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.                                                                                                                                 |                 |
| <b>ii. FY26 Capital Outlay Systems-based Awards* (21) – \$9,300,910</b>                                                                                                                                                                                                                                                                                                                                                                 |                 |
| Council approval of the following Systems-based Capital Outlay Awards, as detailed in Exhibit A, FY26 PSCOC Capital Funding Awards – Systems-based, for a total state funding of \$9,300,910. <i>See eBook for specific details.</i>                                                                                                                                                                                                    |                 |
| <b>iii. FY26 Capital Outlay Demolition Awards* (7) – \$4,500,931</b>                                                                                                                                                                                                                                                                                                                                                                    |                 |
| Council approval of the following capital outlay awards for school facility demolition projects, as detailed in Exhibit A (FY26 PSCOC Capital Funding Awards – Demolition Projects), totaling \$ 4,500,931 in state funding.                                                                                                                                                                                                            |                 |
| <b>iv. FY26 Systems-based Additional Conditions*</b>                                                                                                                                                                                                                                                                                                                                                                                    |                 |
| Council approval for the FY26 Systems-based Capital Outlay Awards Additional Conditions.                                                                                                                                                                                                                                                                                                                                                |                 |

**v. FY26 Second Round Facilities Master Plan Assistance Awards\***

Council approval of the FY26 Second Round Facilities Master Plan (FMP) assistance applications totaling a not-to-exceed state share amount of \$41,767.79 for Anansi Charter School, Sendero School of Academics and Career Preparation, and Fort Sumner Municipal Schools.

**vi. FY26 Lease Assistance Updates\***

Council approval of the FY26 Lease Assistance Awards and updated Lease Assistance Awards to the following:

- Sacramento School of Engineering and Science – update existing award to decrease by \$27,695, to reflect 80th day MEM (new charter school requirement).
- Sun Mountain Community School – update existing award to decrease by \$1,679, to reflect 80th day MEM (new charter school requirement).

Total decrease of \$29,374 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.

**vii. FY27 Capital Outlay Funding Programs – Eligibility & Application Announcement\***

Council approval to release the FY27 Capital Funding Application Announcement, which specifies the eligibility for the funding programs as follows:

- Option 1:

- o Standards-based funding program will be temporarily on hold for FY27 to ensure adequate evaluation of PSFA operations is conducted. Evaluations to include cost control measures, the APG revamp is near completion, policies for prototype and regionalizing of awards and other council priorities are in place.

- o Pre-kindergarten facility eligibility: school districts and schools with Prekindergarten programs.

- o Systems-based eligibility: school facilities deemed category 1 (life/ health/safety):

- System-based requests will be considered by Council semi-annually in two rounds to allow schools enough lead time to complete work during the summer and winter break.
    - Eligible systems identified as category 1(life/ health/ safety) in the Facilities Assessment Database regardless of ranked position to only include exterior envelope, mechanical, electrical, plumbing, special systems, site drainage and utilities.

**viii. FY27 Lease Assistance Application Announcement\***

Council authorization to release the FY27 Lease Assistance Application announcement, FY27 PSCOC application for Lease Assistance for facilities, and applicable certification forms. Applications will be released July 1st, 2026, and are due August 14th, 2026. Awards are tentatively scheduled for the November PSCOC meeting.

*Discussion: Council members discussed concerns regarding lease assistance timelines and cash-flow challenges faced by charter schools. Staff committed to reviewing options to improve turnaround times while encouraging districts to submit complete applications more promptly.*

**MOTION:** The Chair called for a vote on the Consent Agenda under Section C, Awards. Mr. Sallee moved to approve the agenda, and Mr. Cherry seconded the motion. With no opposition, the motion passed.

**APPROVED**

## V. Awards Cycle

### A. FY26 Capital Outlay Awards Overview

Mr. Claude Morelli, Planning and Design Manager at PSFA, provided an overview of the FY26 award cycle and presented the formal staff recommendations for each application in the following item. Mr. Morelli outlined the timeline and phased out approach for each Standards-Based project. Ms. Padilla noted that while a phased approach would extend the overall project timeline, the additional time dedicated to planning and project development would ultimately strengthen project outcomes.

### B. FY26 Capital Outlay Standards-based Awards\* (20) - \$4,348,360

Mr. Morelli presented recommendations for the Standards-based capital outlay funding and explained a proposed return to a three-phase project delivery structure consisting of Planning and Assessment, Design, and Construction. Staff stated that the new model would improve project readiness, reduce delays, clarify project scope, verify land ownership, and address issues before entering the design phase. Council members extensively discussed project readiness, district capacity, project management requirements, stakeholder engagement, land ownership verification, and opportunities to reduce future project delays and cost overruns.

Staff recommended placing the White Sands Elementary/Middle School replacement project on hold while Las Cruces Public Schools pursued a federal grant expected to cover approximately 80 percent of project costs. The recommendation would allow the district to return through the out-of-cycle process if federal funding became available. The Council approved planning and assessment funding for replacement projects at Clovis High School and Truth or Consequences Middle School, as well as design funding for the Highland Elementary School kitchen renovation and expansion project in Las Cruces. Staff indicated these projects were among the most prepared to proceed under the revised project delivery model.

The Council considered and approved planning and assessment awards for fourteen school districts. Staff explained that the funding would support readiness evaluations, project management planning, stakeholder engagement, feasibility assessments, local match reviews, technical studies, and project delivery planning before future design funding requests are considered. Council members emphasized the importance of balancing project readiness with the need to avoid unnecessary delays in facility delivery.

**MOTION:** The Chair called for a vote, and Mr. Sallee moved for Council approval of the staff recommendation for the following: (1) placement of White Sands Elementary/Middle School project on hold to allow Las Cruces Public Schools to pursue potential federal grant funding covering 80 percent of total project cost; (2) State funding totaling \$543,675 for three (3) three-phase Standards-based Capital Outlay awards; and (3) State funding totaling \$3,805,285 for Planning and Assessment Awards to fourteen (14) New Mexico public school districts. See eBook for specific details. Mr. Cherry Seconded the motion. There being no opposition, the motion passed.

**APPROVED**

## VI. Informational

### A. Gallup McKinley County Schools Project Schedule

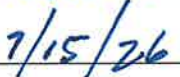
Staff presented a detailed status report on active Gallup-McKinley projects and highlighted several projects experiencing significant delays. The report showed that some projects initiated as early as FY19 remained incomplete, including projects that had remained in design for multiple years. Staff attributed delays to changes in project scope, land selection issues, staffing capacity constraints, procurement delays, and project management challenges. Council members expressed concern regarding prolonged design timelines and emphasized the need for accountability, stronger contract management, and progress monitoring. Staff responded that revisions to project MOUs and internal procedures were being developed to establish clearer expectations and improve project delivery timelines. No formal action was taken. The item was presented for informational purposes only.

## VII. Next PSCOC Meeting – July 15, 2026

Several district representatives addressed the Council to express appreciation for approved funding awards. Representatives from Mora Independent Schools, Clovis Municipal Schools, House Schools, Roswell Independent Schools, Animas Public Schools, Truth or Consequences Municipal Schools, Reserve Independent Schools, and Espanola Public Schools thanked PSCOC and PSFA staff for their support and emphasized the positive impact improved facilities would have on students, educators, and local communities. Council members also discussed the importance of increased technical assistance for small and rural districts with limited staffing and project management capacity. Comments were received and acknowledged by the Council.

## VIII. Adjourn

There being no further business, the meeting was adjourned at 10:43 a.m.

 Chair  
 Date

*\*Please Note: Italic motions indicate amendments.*