

State of New Mexico
Public School Capital Outlay Council

Present PSCOC Members

Joe Guillen, *NMSBA – Chair*
Mariana Padilla, *PED*
Stewart Ingham, *PEC*
Randall Cherry, *LCS*
Ashley Leach, *DFA*
Lee Otero, *CID*
Elizabeth Groginsky, *OG*
John Sena, *LESC*

Absent PSCOC Members

Charles Sallee, *LFC*

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 309 – August 26, 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 August 26, 2026, was called to order by Chair Joe Guillen at 9:04 AM.

A. Roll Call

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

B. Approval of Agenda*

The agenda was presented with no amendments. A motion was made by Ms. Padilla and seconded by Mr. Otero to approve the agenda as presented. The motion passed without opposition, and the agenda was approved.

C. Correspondence

No Correspondence.

II. Public Comment

Public comment was received from representatives of School of Dreams Academy, Michael Olgas, who addressed the Council regarding the school's pending standards-based application. He described the school's mission and student programs and stated that the school had completed three charter renewals. He reported continuing facility concerns, including significant expenditures for cooling-system repairs, and stated that the application had not advanced during the 2026 award cycle while an Attorney General opinion concerning the school's lease-purchase arrangement remained pending. He asked the Council and PSFA to provide a clear explanation of the remaining process, identify unresolved issues, establish a firm timeline, and bring the application forward for consideration. He further stated that the school had rescinded a \$5 million prekindergarten award based on PSFA advice so the project could be reranked and emphasized the school's willingness to provide additional information and work collaboratively toward resolution.

III. Finance

A. PSCOC Financial Plan

The Chief Financial Officer at PSFA, Mr. Matthew Schimmel, presented the PSCOC financial plan and reported a net year-to-date change of approximately \$11.3 million associated with the items scheduled for Council consideration and other financial-plan adjustments. He summarized out-of-cycle award requests and technical corrections for Dennis Chavez Elementary School, Los Niños Elementary School, G.W. Stout Elementary School, Conlee Elementary School, Desert Bloom Elementary School, and the Clayton project. He also discussed an updated projection for Chaparral Middle School in Alamogordo and provided a post-meeting update regarding the previously approved Springer project and partial local match reduction.

Mr. Schimmel further reported that projected supplemental severance tax bond capacity had been adjusted from approximately \$409.9 million to \$417.8 million for each of two anticipated bond sales. Staff also corrected the fiscal-year placement of potential local match reductions and adjusted the summary-of-changes schedule so the financial plan aligned with the appropriate fiscal years. The report reflected approximately \$169.4 million in awards approved at the July 15, 2026 Council meeting. After reviewing the award schedule and technical corrections, Mr. Schimmel stood for questions. No additional action was taken on the financial report.

IV. Consent Agenda*

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

A. July 15, 2026, PSCOC Meeting Minutes*
Council approval of the July 15, 2026, PSCOC Meeting Minutes.
B. P19-018 Dennis Chavez ES (Belen) – Additional Construction Funding*
Council approval to amend the 2018-2019 Standards-based award language to Belen Consolidated Schools (“District”) for Dennis Chavez ES (P19-018) to include additional construction funding totaling \$514,464 with a state match of \$471,763 and a local match of \$42,701 for the final change requests, furniture and associated labor costs and over participation in future costs/reimbursement of the state’s share of the change request that the district funded at its own cost.
C. S26-008 G.W. Stout ES (Silver) – Technical Correction*
Council approval of a technical correction to the previously approved 2025-2026 System’s based award language to Silver Consolidated Schools (“District”) for G.W. Stout Elementary School to include amending the award language by adding the Special Education/District Office and associated building systems for a total of 14,107 Gross Square Foot (GSF) to the award for a total of 80,199 GSF and adding additional Design phase funding totaling \$97,145 with a state match of \$35,944 (37%) and a local match of \$61,201 (63%) to the award language. Upon completion of the design phase work, the district may return to the PSCOC for out-of-cycle construction phase funding.
D. S26-006 Conlee ES (Las Cruces) – Technical Correction*
Council approval of a technical correction to the previously approved 2025-2026 System’s based award language to Las Cruces Public Schools (“District”) for Conlee Elementary School to include amending the award language by including • An additional 6,776 Gross Square Foot (GSF) for a total of 70,884 GSF for the replacement of the roof. • Replacement of the Lighting, Ceiling and Wall finish building systems throughout the facility.

• Additional Design phase funding totaling \$180,590 with a state match of \$77,654 (43%) and a local match of \$102,936 (57%) to the award language. • Upon completion of the design phase work, the district may return to the PSCOC for out-of-cycle construction phase funding.	
E. S25-008 Clayton JHS/Kiser ES (Clayton) - Award Language Change*	
Council approval to amend the current 2024-2025 Systems-based award language to Clayton Municipal Schools (“District”) for Clayton Junior High School/Kiser Elementary School (S25-008) to include; • Replacement of the roof totaling 36,507 GSF. • Design phase funding totaling \$166,472 with a state match of \$61,595 (37%) and a corresponding local match of \$104,877 (63%) for the replacement of the roof. • Upon completion of the design phase work, the district may return to the PSCOC for out-of-cycle construction phase funding.	
F. Recertifications of SSTBs*	
Council approval to adopt the Resolution, Notification, Certification, and Reconciliation of unexpended bond proceeds as follows: • SSTB18SD 0001 – Certifying the net amount of \$710,720 to be used for other the PSCOC projects. • SSTB24SB 0001 – Decertifying the net amount of (\$23,027,845.67) to be used for other the PSCOC projects. • SSTB26SB 0001 – Certifying the net amount of \$799,185 to be used for other the PSCOC projects.	
G. Executive Director Evaluation Process*	
Council approval of the proposed two-phase Executive Director Evaluation.	
MOTION: The Chair called for a vote on the Consent Agenda, Ms. Padilla moved to approve the items, and Mr. Cherry seconded the motion. With no opposition, the motion passed.	APPROVED

V. Awards Cycle

A. Pre-applications Received

Ms. Jillian Pappan, Programs Manager at PSFA, reported that the FY27 systems-based award cycle was limited to Category 1 life, health, and safety needs. Two letters of intent were received. Deming submitted a request concerning the HVAC system at Ruben S. Torres Elementary School, but staff determined that the condition did not qualify as Category 1 and provided guidance regarding updating facility records. Cameo submitted a demolition request, but demolition was not within the eligibility criteria for the cycle. Staff advised that the project could be submitted when demolition eligibility was opened.

Executive Director Trujillo reported that, in response to a recommendation from Awards Subcommittee Chair Carl Saltee, staff intended to bring an action to the Council the following month to revise FY27 eligibility and open the cycle for demolition projects in addition to Category 1 system’s needs. Staff also explained that systems requests would be accepted in two cycles, with the first cycle then open and a second cycle planned for the spring.

VI. Out-of-Cycle Awards

A. P26-005 Mayfield HS (Las Cruces) – Award Language Change*

Staff requested authority for the PSFA Executive Director to extend the deadline for Las Cruces Public Schools to accept the 2025-2026 standards-based award for Mayfield High School. Staff explained that PSFA and the district were continuing to resolve the allowable gross square footage, cost per square foot, Career and Technical Education space, and the scope of the planning and assessment phase. The revised planning effort was expected to focus on a building-systems analysis of the gymnasium and a financial analysis related to a potential local match reduction. Staff and the district were also coordinating a site visit.

Steven Rodriguez, Chief of Operations for Las Cruces Public Schools, expressed appreciation for the collaboration with PSFA and emphasized the importance of retaining existing educational programs while aligning the project scope with fiscal responsibility. He noted that delay could increase project costs and welcomed the planned site visit and continued discussion. The Awards Subcommittee recommended approval of the extension authority. The Council approved the recommendation by voice vote without stated opposition.

MOTION: The Chair called for a vote for Council approval to amend the 2025-2026 Standards-based award language to Las Cruces Public Schools (“District”) to allow the PSFA Executive Director to extend the deadline for acceptance of the Standards-based award for Mayfield High School (P26-005) if necessary. There being no opposition, the motion passed.

APPROVED

B. S18-003 Los Ninos ES (Las Vegas City) – Additional Funding Request*

Staff presented a request for additional funding to procure architectural, engineering, and professional services to investigate and correct unresolved conditions from the 2017-2018 systems-based award. Reported concerns included inoperable HVAC service in several classrooms, sewer backups, site-drainage problems, ponding and rutting in the parking and bus-drop-off areas, premature asphalt deterioration, and deteriorated piping that restricted system flow. Staff reported that the district had received a \$30,000 settlement related to the asphalt work, but the repairs and limited warranty work had not fully resolved the conditions. Superintendent Melissa Sandoval described operational impacts, including flooding that required classes to be combined and administrative offices to be relocated, and asked the Council to support completion of the corrective work.

Council members expressed concern that the state and district were being asked to fund corrective work arising from deficient design, construction, review, and oversight. Members discussed the need for stronger accountability for contractors and design professionals, consistent project records, early planning, adequate PSFA staffing, and on-site oversight from project initiation through completion. Executive Director Trujillo agreed that the project had been problematic and stated that PSFA’s immediate priority was to complete a functional project for the district while improving internal processes so similar circumstances would be less likely to recur. He reported that the field team was then fully staffed and that recurring concerns involving contractors and design professionals were being elevated to agency leadership.

MOTION: The Chair called for a vote and Ms. Padilla moved for Council approval of additional funding totaling \$1,160,720 with a state match of \$710,720 and a local match of \$450,000 to Las Vegas City Schools (“District”) for Los Ninos Elementary School for Architectural/Engineering and Professional services for corrective work that was not addressed by the original 2017-2018 System’s based award. There being no opposition, the motion passed.

APPROVED

C. S26-007 Desert Bloom ES (Las Cruces) – Technical Correction*

Staff presented a technical correction to the previously approved 2025-2026 systems-based award for Desert Bloom Elementary School. The correction revised the roof replacement estimate from \$25 to approximately \$38 per square foot based on an estimate from a third-party roof consultant available through a statewide pricing agreement. The revision increased the maximum allowable construction cost from approximately \$1.7 million to \$2.6 million and the estimated total project cost from approximately \$2.1 million to \$3.1 million. The scope also added approximately 1,600 square feet for awnings and overhangs that protect entrances and other portions of the exterior envelope from moisture intrusion. District representatives thanked PSFA for working collaboratively to validate current construction pricing and incorporate the complete roof-related scope so the district would be less likely to return for additional funding.

MOTION: The Chair called for a vote for Council approval of a technical correction of the award language for the previously approved 2025-2026 System's based award language to Las Cruces Public Schools ("District") for Desert Bloom Elementary School to include.

- A revised Maximum Allowable Construction Cost of \$2,664,560 or \$38/SF for 70,120 GSF and a revised Total Project Cost (TPC) of \$3,197,472
 - Replacement of awnings/overhangs as a part of the exterior envelope of the school.
 - additional Design phase funding totaling \$111,608 with a state match of \$47,992 (43%) and a local match of \$63,616 (57%).
 - Upon completion of the design phase work, the district may return to the PSCOC for out-of-cycle construction phase funding.
- There being no opposition, the motion passed.

APPROVED

VII. Other Business

A. FY28 PSFA Budget Request*

Mr. Matthew Schimmel and Executive Director Trujillo presented the FY28 PSFA operating budget request. Mr. Schimmel explained the agency's budget categories for personnel and employee benefits, professional services, and other operating costs. He reported that PSFA spent approximately \$7.7 million of its \$7.9 million FY26 budget and reverted approximately 3 percent, compared with higher reversion percentages in previous years. He further explained that the FY27 operating budget increased through a \$2.5 million appropriation for professional services. For FY28, PSFA requested a total operating budget of \$17.2 million, including approximately \$10 million for personnel, \$5 million for professional services, and \$2.2 million for other operating costs.

Executive Director Trujillo stated that the request was intended to address longstanding capacity constraints and align staffing with the volume and complexity of capital funding and projects managed by the agency. He reported that PSFA was fully staffed at 57 positions and requested 27 additional positions, including 12 positions for the field group, together with funding to improve salary competitiveness. He emphasized a strategic approach to organizational growth so the agency could increase project oversight and support without expanding more rapidly than long-term revenues could sustain.

Mr. Schimmel summarized proposed professional-service investments, including an adequacy-standards study, replacement and integration of the facility assessment and maintenance systems, a planning-department data platform, modernization of the financial-plan platform, and salary and compensation studies. He also summarized proposed operating investments for staff training and certification, travel and lodging for on-site

project oversight, additional agency vehicles, equipment, workspace, and other needs associated with organizational growth. He noted that future bonding capacity and capital activity were expected to remain substantial and that PSFA’s operating resources had not grown at the same pace as the funds and projects under management.

Council members discussed the agency’s expanding oversight role, the different levels of assistance required by small and large districts, the possibility of satellite offices to reduce travel burdens, and the importance of demonstrating staffing best practices to the Legislature. Executive Director Trujillo stated that PSFA was developing an updated field staffing model and would share the supporting information with the Council. The Council approved the subcommittee recommendation by voice vote without stated opposition.

MOTION: The Chair called for a vote for Council approval of the PSFA FY28 Operating Budget request in the amount of \$17,200,000 (Fund 94300). There being no opposition, the motion passed.	APPROVED
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VIII. Informational

A. Community Benefit Fund

Ms. Pappan presented an update on the second round of the Community Benefit Fund. The application process opened May 18, 2026 and was divided into three cycles to provide flexibility and manage application volume. Staff reported eight applications in Cycle 1, 18 applications in Cycle 2, and additional applications in Cycle 3, which had recently closed. Applications came from school districts and charter schools and generally sought one or two electric buses with associated charging infrastructure; some applicants also expressed interest in renewable-energy components. Two applications sought additional solar arrays to support existing charging infrastructure. Staff reported that certain charter-school requests remained under legal review and that technical-assistance awards would function as the planning phase for route analysis, electrical-load capacity, project feasibility, and optional solar analysis.

Council members discussed the suitability of electric transportation in rural areas, transportation access for charter schools, statewide price agreements for charging infrastructure, the \$60 million appropriation, the June 30, 2028 expenditure deadline, and the level of PSFA oversight and technical assistance that would be required. Staff stated that two vendors were available through statewide price agreements and that more accurate project costs would be developed during the technical-assistance phase. Executive Director Trujillo stated that he would review the governing legislation to confirm the applicable oversight requirements.

B. Quarterly Maintenance Status Report

Jeff McCurdy, Maintenance and Operations Manager at PSFA, presented the quarterly maintenance status report. He reported an all-time-high preventive-maintenance currency rate of 91.2 percent, an increase from 85.71 percent. He also reported implementation of a new Facility Information Management System module called Asset Essentials, which would consolidate functions previously handled through separate modules. The statewide Facility Maintenance Assessment Report average was 76.81 percent, rated satisfactory, compared with 76.62 percent previously. State-charter performance was 78.39 percent, compared with 77.2 percent previously. The Council thanked staff for the report and acknowledged the maintenance presentation previously provided to the task force.

C. Bond Reconciliation Update

Mr. Schimmel reported that PSFA continued working with Hinkle and Landers to reconcile historical supplemental severance tax bonds. The contract and purchase order had been completed, regular meetings

and system training were underway, and PSFA finance and construction-management staff were responding to questions and providing access to historical records. The consultant was expected to provide a progress report to staff that week, after which the parties would continue the reconciliation process. Staff anticipated providing more substantive information at a future Council meeting.

IX. Next PSCOC Meeting – October 7, 2026

The next PSCOC meeting was scheduled for October 7, 2026. Council members noted that staff would continue providing updates and follow-up information between meetings as needed.

X. Adjourn

There being no further business, the meeting was adjourned at 10:48 a.m.

 Chair
10/7/26 Date

**Please Note: Italic motions indicate amendments.*