

**NORTHERN NEW MEXICO COLLEGE
BOARD OF REGENTS MEETING
MAY 31, 2019**

A Regular Meeting of the Board of Regents of Northern New Mexico College was held on Friday, May 31, 2019, in the Board Room of Northern New Mexico College, Espanola Campus. Regents Present (Roll Call was taken): Michael A. Martin, Porter Swentzell, Ph.D., Erica Rita Velarde and Tomás A. Rodriguez. The Board of Regents meeting was called to order at 2:01PM.

Northern New Mexico College Staff Present: President Richard J. Bailey, Jr., Ph.D.; Ricky Bejarano, Vice President for Finance & Administration; Vince Lithgow, Comptroller; Chris Trujillo, IT; Sandy Krolick, Creative Director Communications and Marketing; Andy Romero, Director, Facilities; and Amy Pena, Executive Assistant to the President/Board Secretary.

Others Present: Bob Trapp, Rio Grande Sun; Tim Crone; Kyle Land, Rio Grande Sun; John Ussery; Marco Soto, Ameresco; and Tim Farkas, Ameresco.

I. CALL TO ORDER

Board President Martin called the meeting to order at 2:01PM.

II. APPROVAL OF AGENDA

Regent Martin stated the first item on the Agenda is Approval of Agenda. He asked if anybody had any questions before the Agenda is approved. With none, Board President Martin entertained a motion to approve the Agenda as amended.

Regent Swentzell moved to approve the Agenda as amended. Second - Regent Velarde. Motion passed unanimously.

III. COMMENTS FROM THE BOARD

A. Board of Regents Subcommittee Reports

Board President Martin stated the Board of Regents will move on to the Subcommittee Reports. Board President Martin asked Regent Swentzell if he had anything for the Board of Regents. Regent Swentzell stated everything he is going to give is in the Staff Reports. For the Academic Affairs Committee it was just a telephone call with the Provost.

President Richard Bailey apologized and stated he should have stated beforehand that there is a potential new contract for a transcription service and what that means is that rather than Amy sitting for a week and listening because she knows our voices and typing up the minutes, the College is going to use the recording and there is someone who will basically do that transcription, which will save her a lot, but the only thing that we have to do from now on is every time we talk, before we talk, we have to state who we are so that the transcriber will know who everyone is. It's going to make everyone sound awkward. It's going to make it sound like what is done at the Legislature, but it will really help.

Board President Martin asked Regent Rodriguez if he had anything to add. Regent Rodriguez stated he did not.

Board President Martin asked if Regent Velarde had anything under Audit/Finance/Facilities Committee. Regent Velarde stated they are going to have some presentations regarding some projects the College is doing on our facilities, but they do need to do some committee chair appointments, but that's coming up so.

B. Committee Chair Appointments

Board President Martin stated he is going to go ahead and appoint Regent Porter as the head of Academic and Student Affairs and Regent Velarde as Chair of the Audit/Finance/Facilities Committee. Board President Martin asked for a motion for this appointment.

Regent Velarde moved to assign committee chair to Regent Porter for the Academic and Student Affairs and Erica Velarde for the Committee Chair for Audit/Finance/Facilities. Second – Regent Rodriguez. Motion passed unanimously.

C. Review of Committee Charters:

Regent Martin stated he is a little confused about that. President Bailey thanked Board President Martin and stated there are charters for each of the standing committees of the Board of Regents. There are charters for each of the standing committees of the Board and this is informational, but it's for the Board of Regents consideration as the new chairs of these committees. It is up to the Board of Regents to determine whether or not these charters need tweaking and to review them. President Bailey stated he does not know if the Board of Regents will need a formal vote to adopt them, because they're already adopted. So, if there are no changes, the Board of Regents are keeping them, but if the Board of Regents wants to make some changes based on the way they want to run the committee then it's for the Board of Regent's consideration.

Regent Swentzell stated this is a sort of question because as it is standing, we're not following these. Just looking at the Student and Academic Affairs Committee under the structure, it says student representative, but he is not sure that actually indicates that the student regent or student representative, it almost looks like there are no Regents on that committee as far as the language on there and then of course the Audit and Finance we have two Regents and asked if at the time it's just Regent Velarde right on that committee. Regent Velarde stated no myself and Regent Martinez. President Bailey stated Damian Martinez. Regent Swentzell stated that's right, so that's okay.

President Bailey stated Regent Swentzell is exactly right. That is something that we should include that there are two Regents as part of the Committee, because really it is you and Regent Rodriguez who are a part of that. President Bailey stated he glad you point out the student representative because he recently had a brown back lunch with the students, it was open to all students who wanted to come and just air out any issues and one of the things that they said is that the students wanted to have a more prominent role in the strategic decision making of the College and what better place for them to do this. Now, right now, and it's great that we have a Student Regent, but President Bailey likes the idea of the President of the Student Senate being at that meeting and others so it's not all on one person's shoulders. So, the College will certainly open that up and encourage that type of thing, so he thinks you're exactly right.

Ricky Bejarano, Vice President for Finance & Administration stated the committees that we are talking about are Regent Committees and they are not open committees, so there wouldn't be input. These are Regent Committees and the purpose for bringing this up is two-fold: things change over time amongst the Regents and also the structure or whatever the Regents might see fit, but it would not be appropriate for example, let's say the President did not want to be a standing (inaudible). President Bailey stated a standing voting, Mr. Bejarano is right.

Ricky Bejarano stated but the other thing also is that the committees need to have the opportunity to discuss confidential issues and what not that may not be appropriate but as Regents they can decide.

Regent Velarde stated maybe it would be okay to have an open meeting and if they need to go into a closed session then they go into a closed session. But at least so that the students can have a place to have their voice. Mr. Bejarano stated bear in mind that these are Regent Committees, so, you can exclude us if you want to. Regent Swentzell stated he thinks it would be good to put that tag in there ex-officio, and then that indicates nonvoting can attend for informational purposes is also not there if we go into a closed session. President Bailey stated because there are only two Regents, there is never a quorum in a committee meeting anyway, so I don't, he thinks Mr. Bejarano is right. I think it will be up to the Board of Regents to decide who you want as kind of a standing member knowing that there are no votes so that you have the ability to get that kind of input.

Mr. Bejarano stated if he may again also, one suggestion that he has is that where you have the subcommittees where you have two members, it is oftentimes that only one member can attend based on everybody's schedules and we have had times when something can't move forward to the full Board of Regents, he would kindly ask the Board of Regents to consider that once that committee member meets with staff that it's all right, because the absent Regent will have a vote anywhere at the open session. So that's my recommendation because the College has had some financial things that did not move forward because both Regents weren't able to attend. Regent Velarde stated she would agree with that. Regent Martin asked if the Board of Regents needs a motion to this effect. Regent Velarde stated this is informational right now. It's something that the Board of Regents needs to act upon on a future meeting. President Bailey stated yes, and really it is to Regent Swentzell and to Regent Velarde to determine whether or not there should be some amendments to the Charters and then that can be for consideration by the Board.

Regent Velarde stated that she would like to review it on her own and then maybe she and Regent Swentzell can sit together or even just have a phone call and discuss if that works for both of us. Regent Swentzell stated yes.

Regent Martinez stated he also wanted to bring up under the Audit/Finance/Facilities Committee that the Board of Regents had a Board member who is a financial expert, has that position been held in the past? Ricky Bejarano stated that in the past it had been Kevin Powers because he was a financial expert. He thinks it is going to be up to the Regents to determine.

Regent Martin asked if there is anything else under the Committee Charters? If not the Board of Regents will go on to Item B - Higher Education Regents Counsel.

D. NMHERC

Regent Martin stated he attended a meeting on May 20th in Albuquerque of the HERC and it was chaired by Dr. Dan Patterson a Regent from Eastern New Mexico University and met with Dr. Kate O'Neill, the Secretary of Higher Education for the State. It was a very good meeting and it came out that they would like to have another meeting in conjunction with the Higher Education Summit on September 18. They are looking at the date of September 19th in Albuquerque and then just follow up our meeting on the 18th with another meeting instead of going back to Albuquerque on a different day. As soon as he has more information he will share it, about location and the agenda for the meeting. They are hopeful to have some training since there are so many new Regents throughout the state that represents UNM, New Mexico State, Tech, Highlands, Western, Eastern, and NNMC. They had a very interesting meeting and his only observation was that the Regents that had been there a while are very cynical. Also, since Regent Powers that had been on the HERC, Board President Martin am going to appoint two of our members to that HERC, he appointed himself and Regent Velarde. Regent Martin entertained a motion to that effect.

Regent Swentzell moved to appoint Regent Velarde and Regent Martin to HERC. Second –Regent Rodriguez. Motion passed unanimously.

IV. APPROVAL OF MINUTES

Board President Martin stated if there are no corrections or additions, we will entertain a motion to approve the minutes as presented.

Regent Velarde moved to approve the minutes as presented. Second – Regent Swentzell. Motion passed unanimously.

V. PRESIDENT'S REPORT

A. Celebrate Northern

President Bailey stated he will keep this short and sweet and will combine a lot of these. Under Celebrate Northern he wanted to point out this actually came out on KOB this morning. NNMC recently signed a student athlete from the New Mexico School for the Deaf, his name is Devon Thompson, he is going to be playing basketball with NNMC and the College thinks it is the first time that a student from the New Mexico School for the Deaf is getting an athletic scholarship to perform at the collegiate level. So, it's getting a lot of attention in the State which is great. Now, all of that is good, we need to make sure as an institution that we are doing everything we can so that Mr. Thompson has every chance to succeed with us. So, we're going to have to invest in that. We're looking at making sure that he has access to support in the classroom, support in advising, support at games obviously, support at every practice. Those are the things that we will have to work out and we're going to work with the Athletic Department to see how we do that, but it's wonderful. And it's a really, really good news story and we're really proud of it; so more to follow on that.

Last week, NNMC celebrated commencement. President Bailey thanked the Board of Regents for being a part of that. It was one of the largest. Last year and previous years, we would have a December commencement and then a May commencement. We did not do the December one last year, just in terms of brining everyone together, so we had over 230 graduates and it was a

huge event. In addition, there was the Nurses Pinning and High School Equivalency Ceremony and Adult Education Graduation. It was a wonderful week. Speaking of graduations, many of our local high schools had their graduations this past weekend. President Bailey wanted to say a special thanks to many of the College's senior staff members. The College started an initiative two years ago where the College took every local high school senior in the area, several different school boards are participating, and the College personalized a letter to every one of those students, President Bailey hand signed every single one. The letter says congratulations on high school, we're really proud of you. Here's your acceptance letter to Northern along with a \$750 Bridge scholarship and qualifications to start earning towards the lottery scholarship. The College put that in everyone's diploma and the schools have been gracious enough to put them in diplomas and the College says a couple of words. And then the College at every graduation. The hard part for us is that all of these graduations are on the same day at the same time, so this year I went to Espanola, Dr. Lopez was at Pojoaque, the dean of students was somewhere, a recruiter was somewhere, so the College basically covered it all and there was a lot of effort and actually Amy Peña and Sally Martinez had a big part in that too because we're talking probably about 500 or 600 minimum letters that we did, so and actually it's working. If you look at our freshman enrollment numbers the last few years, they've gone up and President Bailey thinks they've gone up because students who may not have thought that there was a pathway to higher education got enough of a hey this school cares about you and if you want, and you're willing to work your tail off for it, then there's a place here for you. The College has already heard from family members who have said it made the difference. So, we need to continue to do that. Now, it's one thing to get them in the door and it's another thing that we better do whatever we have to to make sure that they succeed when they're with the College. So, this is just the first part of the battle. But the College excited about it.

President Bailey stated that regarding the Branch Community College – there are five public school districts that we are looking to partner with for the creation of the Community College District. Espanola, Pojoaque, Mesa Vista, Chama and Jemez Mountain. Every one of those school boards has two different resolutions to consider. The first resolution says we the school board are willing to enter negotiations with the College to consider joining the district and we are going to empower our superintendent and our school board president to canvas the community, to survey community members to see whether or not what the College is doing is of interest to the community. Really what it's saying is, if the College down the road in November puts something on the ballot that says we would like to ask for a two Mill Levy but it's going to include a reintroduction of vocational technical programs and importantly and free transportation to and from their local high school to wherever we're providing this service; is it worth their investment. So far in the last few weeks, Espanola, Pojoaque and then a few days ago Chama all adopted the first resolution each on a 5 to 0 vote, which is great. Remember that's not as binding. It just says hey we're going to enter negotiations. Mesa Vista will make their decision on next Tuesday and then the College is on the schedule with Jemez Mountain June 11th. So, the goal is by June 11th, that all five boards have at least adopted the first. The second resolution would be a joint resolution with all five school boards saying okay we now formally declare that we are joining the Northern New Mexico College Branch Community College District. That resolution is what we need to take to the County for inclusion in the November ballot and that is what we will use to petition the voters. To be safe, we think that the College needs to have that second resolution done by the end of June; so we don't have much time. So, we're struggling to try and make that work. Amy is working on a potential meeting of all five school board members, all five school board's five members or at least a quorum of each on June 26th and the College would hold that in Espanola in the boardroom. If they can't get a quorum to that meeting then plan B is for President Bailey to try and go individually to their late June board meetings for their consideration on it. So, the College is racing the clock is what it is doing, but so far so good.

Generally speaking, they appreciate that the College is trying to do this because it's expensive to run these programs and for the College to provide that it's saving each of these school boards the effort of doing it. The College is partnering with them to do that. The last thing President Bailey stated is the Local 412 Plumbers and Pipefitters Union and the local 611, which is the IBEW Union, the College has met with both of them and both have given the College the approval basically that if high school students are offered some of the classes in dual credit, they will actually accept those credits when the student graduates from high school and wants to join the union, they will accept those credits. So, it's a good deal for high school students who actually want that pathway to vocational technical programs; more to follow on that.

President Bailey stated the Board of Regents probably already knew about this and the Rio Grande Sun had reported this, the ECMC Foundation in Los Angeles gave Northern a \$750,000 grant to allow the College to establish the Plumbers and Pipefitters Center of Excellence in El Rito. That helps the College with what the College is asking voters to do because the College is telling them look, it's not just the mill levy, we're raising money to help do this. The College recently held a student research symposium a few weeks ago, it was a huge success so the College has undergraduate students doing research in the fields of psychology, biology, chemistry, environment science that are so sophisticated, President Bailey goes there every year and fakes it that he understands what it is that they do. It really shows not only the talent of the College's students, but it shows the wonderment of our faculty and the mentorship they're providing our students. President Bailey stated he wanted to recognize Professors Brenda Linnell and Stephanie Amedeo Marquez because those two brilliant women have really been the driving forces behind this year's symposium.

B. CUP/NMICC

President Bailey stated that in the next few weeks there will be the summer retreats for both the ICC and the CUP and President Bailey will report to you on the missions of those. President Bailey stated that the CUP has asked him to be the State Chair for an initiative on strategic communications about higher education in New Mexico. Sandy Krolick, Marketing & Communications is President Bailey's partner in crime on that, but they have representatives from each of the seven 4-year schools that are serving on that committee and they will be meeting two weeks from today actually here, and the purpose of that is to look at messaging campaigns so that New Mexicans understand the value of higher education and start to see this as a pathway. President Bailey stated they will fold in our community college brothers and sisters in that effort and we will port those ideas to our cabinet secretaries and to the Governor's Office. President Bailey spoke with the Lt. Governor yesterday on this issue and he is all for it.

C. NNMC Foundation

President Bailey stated the College is going to submit a, there are a few items for the Foundation Board to consider. The only funds the College is going to ask from the Foundation Endowment are for the Maley Fund, which is the large \$1.3 million-dollar endowment that the College uses for nursing scholarships. President Bailey spoke with Dr. Maley, it was her family, and so the College is going to ask the Foundation Board to consider a \$25,000 draw this year. That will provide for five full scholarships for nursing students. The SERPA draw was an endowment that was created by the State several years ago and the purpose of that endowment is to fund operational expenses for our College of Engineering and Technology and so the College is going to ask for a \$33,000 draw, which allows them to do it. Both of those draws still keep those two endowments above the levels that they need to in order to meet our obligations. Those are the only two endowments the College will ask for a draw from. The College wants to let the rest of

the endowments grow, do a full accounting and analysis not only to the Board of Regents but to the Foundation Board in the interim as the Board has already approved, the College is setting aside \$100,000 in the FY20 budget for student scholarships. Last year, the College gave out \$120,000 in scholarships. With the Maley draw and the Colleges \$100,000 it will be \$125,000 in scholarships this year for students. For students, it will be even better than it was last year. Then next year, the College will explore potentially more draws, but right now the College wants to let that grow until it can give the Board a full analysis of that.

D. Residence Halls

President Bailey stated he spoke with former Board President, Kevin Powers today. He has a public finance background. He is willing to have a dialogue with us and to serve as an advisor. President Bailey knows that Regent Velarde, because of her background in facilities and financing, we are hoping to set up a luncheon sometime this summer with him and with Regent Velarde to talk because College knows there are some limitations based on the State. The College has to think strategically about how to do this, but President Bailey wants to keep this dialogue going. President Bailey knows there are, not just student athletes, there are students who are waiting for us to have some type of residence facilities in Espanola.

E. Returning Student Scholarship

President Bailey stated several months ago, one of the Deep Dives they had had to do with students who left Northern and never came back to higher education. So students in the last several years who left Northern for one reason or another and didn't transfer to UNM or to State, but just left higher Ed altogether, the College have contact information for those students and as the College starts thinking outside the box about bringing those students in, one of the things that the College has learned is that students, especially the College's students and many of the College's students, are one minor economic emergency away from leaving higher education. They have a car problem. They have a family member who gets sick. No matter what it is, it doesn't take much for them to get pulled off the track and so the strategic enrollment management team is going to look at some recommendations and the College is going to bring the Board of Regents some recommendations, some outside the box thinking, about what could the College do to help those students come back. For example, the College has some students who probably have debts that they owe the college of less than \$500. What if, and President Bailey has to be careful because he knows that our Vice President is going to throw something at me; what if we could find a mechanism to help those students get back. And if it meant finding a funding stream to help them with that small debt that they have. These guys will keep us honest because we can't violate anti-donation. There are all these things that we have to be sensitive about, but if the College could find a mechanism to do it and that could bring those students back then even if you don't care about the morality piece. Even if you don't care about this is the right thing to do. Just from a fiscal standpoint, it's a sound investment because the College is bringing those students back into the fold. So, the College going to work on this, this summer, I'm going to look to Sandy to see if she has any other. There are also students who don't have a debt to us, but maybe there is some form of a returning student scholarship, which might end up being a, rather than a scholarship, it's a credit that the College will give them on account. Very similar to what the College has done in our FY20 budget. If that brings them in then it might be worth it for the College to consider some type of returning student scholarship. So, two things: One is small debt forgiveness, the other is returning student scholarship. So those are the two things that the College looking at.

Sandy Krolick, Communications & Marketing, stated so the team is going to develop the process that they want to propose to the Board of Regents at their next meeting, but they've whittled this list down to a priority list for a summer project, about 80 students, who all have 50 credits or more at Northern. Now there is a range of debt from \$200 to \$2000. So, there are some people with considerable debt that she thinks overall is only 25% of the list that has any debt. So, the College is talking about a large group of students where debt is not what's keeping them from coming back, but if the College could reward them with a scholarship to come back. Other schools do it. We researched and the College could call around to see how they manage to do it without violating anti-donation.

President Bailey stated his dad and Mr. Trapp knows this, his dad was a 30-year Air Force Chief Master Sergeant and then he enlisted in the service, many of them come into the military without higher education. His dad was one of them. He dropped out of high school, later got his GED, joined the Air Force and then over his 30 years he would take classes. Once in a while he would take a college class and President Bailey's first job in the Air Force was an education officer while President Bailey was waiting for pilot training and President Bailey went into his dad's education record and discovered that he was one credit away from an Associate's Degree and he never knew it. So, at the 27-year point, 28-year point, I called him and shamed him into hey you only have one class left and it was a public speaking class that all he had to do was record a speech into a cassette tape and mail it and then he would have his credits for it. The College has students; President Bailey who may not know that they are incredibly close to a degree or already have enough for a certificate. The College should be reaching out to those students and if there is a mechanism to just to nudge them into finishing their goals, then I think the College owes it to ourselves and to the institution and certainly to the students to bring you some solutions on how to do that. Mr. President, that concludes my presentation.

VI. STAFF REPORTS

A. Provost and VP for Academic Affairs

Regent Swentzell stated he spoke to Provost Lopez last week because he was going to be on travel. Just to give you some update. Regent Swentzell asked Dr. Bailey if he was going to report or if he wanted him to. President Bailey stated Regent Swentzell probably has better information.

Regent Swentzell stated Dr. Lopez told him that there are two corrections under 2200 to report. The first is really informational and Regent Swentzell sort of forecasted this at the last Board of Regents meeting that we had given the heads up that Associate Applied Science and Technical Training informed me was coming at the next meeting on an informational level and so the Board of Regents received that on page 30 of our Board of Regents packet, the approval form in the background information on the associate in applied science. Next Regent meeting this will come back to the Board of Regents for our approval, so this is part of the process. Regent Swentzell would like to point out there are two elements of the Associate of Applied Sciences, which includes an apprenticeship track where those who are already working in the field can work through this to take this degree and then one which is more of a formal education in the classroom. There is a breakdown of those two. Also in terms of forecasting and this is what we had talked about at our Student and Academic Affairs Committee being a couple of times ago on that, the forecast for the student numbers is extremely conservative and just as President Bailey had gone up there already, (inaudible) unions, and so that those numbers are probably not accurate but they are the most bare minimum in terms of forecasting actual students, but that should be significantly higher than what's in the packet.

President Bailey stated, Regent Swentzell said it perfectly, President Bailey wanted to point and this is something he have been talking to with each of the school boards and Vice President Bejarano and President Bailey along with Dr. Lopez have already talked about this. The College are going to design the budget for the Community College in an incredibly conservative way. What the College does not want is, and this is the pledge h made to the village in El Rito, what the College doesn't want is to introduce programs that have to have X number of students in order to break even because if the College dips below that and we pull those programs away again, emotionally President Bailey does not think those communities will survive that. What the College needs to do is build programs based on given costs and only introduce programs knowing that the College can cover those costs. The Mill Levy vote for example, the College will only spend that money to cover the costs that it needs to run the program. Anything that generates in terms of students' tuition and fees, is going to be a bonus, which is great. Remember the other issue is the College is going to drive the tuition down for those programs, so the College shouldn't be thinking of those tuition and fees as a revenue source. They will be, which will be great, but we're not going to use that as we're planning the budgets.

1. Associate of Applied Science in Technical Trade

Regent Swentzell stated that's a good point. It's very conservative information that's the Board of Regents received today in our packet. The Board of Regents will be presented with this again to approve at the next meeting, so this is clearly information, but it's a step in the direction to approving that technical trade program.

2. Out of Country Travel

Regent Swentzell stated the next item does require the Board's action, and this is something that Provost Lopez some time ago and that all out of country travel must be approved by the Board of Regents. Apparently, (inaudible). Because we see on page 52 in our packet that the request is for a student to attend a conference in Austria July 16-20 and the College of Engineering is providing a very modest \$300 support for the student expenses for travel. Of course, to have a student or faculty to be present to international conferences is a pretty big positive I think speaking as a faculty member myself. Regent Swentzell would recommend that the Board of Regents approve this. Regent Swentzell also had discussion with Provost about amending this policy because coming from a different institution as sort of an extra hassle to require the Board of Regents to approve travel, especially at \$300, a Regent or somebody like the President or Vice President for Finance can probably do that task. So, the College will be revisiting that policy hopefully. Without any further ado, in the interest of perhaps calling for that motion.

Board President Martin entertained the motion.

Regent Swentzell moved to approve the funding for Joseph Ruiz to attend the Bridge, Math and Art Conference - Out of Country Travel as presented. Second – Regent Velarde. Motion passed unanimously.

- A. VP for Finance & Administration

1. Fiscal Watch Report

Ricky Bejarano stated thank you Mr. President, members of the Board. The first item is the Fiscal Watch Report and for that he asked Comptroller, Mr. Vince Lithgow to report.

Vince Lithgow stated good afternoon Mr. President and Board of Regents. On page 58 is our statement of finance position and at the top we have proven assets, more importantly cash and cash equivalence. As stated in prior Board meetings, this balance is obviously going to go down because we already peaked at what we're bringing in but also (inaudible 42:45) expenses are taken off. The College has \$3.5 million in the bank at the end of April. All of that being adjusted most are fixed assets such as capital assets and (inaudible) for retirement. Right now, the College has unrestricted cash of \$1.7 million dollars which is over our minimal requirement of 3%. Mr. Lithgow did do some research based on some months going back a couple of years and you can see the trend and it is an expected margin of where the College should be. Going on to page 59, there is the summary of operating funds. Total revenues collected year-to-date are at 83% which is right on line with what the College would be at 10 or 12 months. The College collected some of the small ones, it is right on line with the other revenues and fees. Tuition is still holding a little bit higher but that will change and will not go up much for the fiscal year. Expenditures on the other note, we're at 75% of budget, which is 7% lower. The College has cash to meet liabilities and the College are fiscally conservatively with what we're spending. Like Mr. Bejarano stated the College cut off the dates for spending. Anything that staff needs to buy now is going to be scrutinized just to make sure people are loading up the pencil drawer. Capital expenditures, those are done on a cyclical basis as (inaudible 44:51) so the College has expended \$615,000 and is over that difference from the previous statement because of reimbursement. Going to page 60, there is just a comparison against last year and this year. Revenues were over collected by 3% at this time last year and expenditures 6.2% more than last year, the College had a higher budget. Then, the statement and cash flow is on page 51. The College comes up with a balance at the end of \$3.567 million cash in the bank. Payments to staff are the highest payments, business services are the second highest and payments for scholarships. Board President Martin asked if there were any questions for Mr. Lithgow? Board President Martin entertain a motion.

Regent Velarde moved to approve the Fiscal Watch Reports as presented. Second – Regent Swentzell. Motion passed unanimously.

2. 2019 NMHED Capital Outlay Summer Hearing Documents

Mr. Bejarano stated the next item is Capital Outlay for Summer Hearings. This is the way the College requests Capital Outlay expenditures, there is a summer hearing, which is quite different from the monthly hearings that the College has with the Higher Ed department. This first portion is for the actual summer hearings and Mr. Bejarano turned this over to the College's Facilities Director, Mr. Romero. The Board of Regents received all the information in your packets so he will just hit the highlights.

President Bailey stated if you turn starting on page 64 in your packets. The College has three and we coordinated this with Regent Velarde a few weeks ago. Northern is hosting the Summer Hearings and actually he has to give Regent Velarde credit for this, because he thinks in the past Northern has been at those summer hearings, the College have been so delicate about what it was going in and asking for and we have bona fide facility needs and needs to be clear about what it is that it needs and the College needs to be willing to ask for it, no matter what it is. So, the College took that to heart this year and so is presenting three packages for the Summer Hearings.

President Bailey also pointed out and it will be discussed in the Deep Dive, the money that we had in Summer Hearings was all focused on the Espanola Campus, but with the introduction of vocational technical programs and other things going on and because the College has not used those facilities in El Rito in over five years, those buildings need some love and the College has a

genuine reason for reinvigorating that campus. Primarily, the three packages that the College is bringing to the State this summer are focused on the El Rito campus and President Bailey gave the Board of Regents an overview very quickly. The first project starts on page 64, when representative Herrera gave the College money this year to help redo the plumbing in the south dorm in the kitchen in El Rito, once that project is complete and its weather proof, it will allow the College to open those facilities from May to September every year now. It saves the facilities team from having to turn off all the water and drain the system, which is a total nightmare. The first project is basically to do that for the other buildings. So, to do that for the north dorm, to do that for the Administration Building, to do that for Jaramillo Hall and so that will basically do the same thing for those. That is the first project that starts on page 64.

Regent Velarde asked how much money the College got from the Representative? Did we get the full amount? President Bailey stated we got \$132,000, which was an early quote and I think the total project is going to be \$135,000.

Andy Romero stated right now what the College did was put in the packet and the College is looking at rehabbing the packet a little bit and Gerald Hoehne sent some comments and there are a couple of things that were added in there like moving walls or putting in new faucets and stuff like that, that aren't going to be covered on this so the College is going back and rehashing it and looking at where it might come down to \$132k and the College won't have to put anything else in there other than us in-house moving and doing the wall structure on our own. It might come out to where the College comes out flat on that one. The College is resubmitting it back next week and hopefully by then it will get an approval from them and will be able to start actual construction in June.

President Bailey stated if you look at page 81, that is the second project. That's a big one. The second project is -- project one allows the College to use those facilities from May to September. Project two allows the College to go full year. What project two is, and President Bailey is going to introduce during the deep dive, our friends from Ameresco, this is a package that will allow the College to utilize green energy, ground source heating and cooling for those same suite of buildings and actually where they're looking at putting it, it also then long term allows the College to service the back end of the campuses too where there is have Fiber Arts, the Research Building, the Facilities Building; so there is a really good opportunity for long term. This really focuses on those front buildings. This is almost a \$7.4 million dollar ask, so this is a big deal, but when you look at what that will do in terms of savings long term, because a project like this will last for 50 years. The architecture for this is something that the College can tap into long term is my point. So, that is project number two. Project number three is actually concerning both campuses and that starts really on page 96 in your packet. That is an expansion of existing parking lots and road improvements, paving for both campuses, Espanola and El Rito. That is a \$2 million-dollar project.

Mr. Romero stated it will be on the General Ed building, the General Ed building on the north side down on the bottom where it goes around by the ditch, that's a dirt area right now. When it rains the College has to block it off and, in the snow, so that's going to be one that the College is asking the Espanola for parking. The second one is right on the back side of the gym which is right adjacent to Railroad Avenue, right next to the portables, that area as well is a dirt parking lot. That was once made, when the College did the project that we were using that parking area which was going to be used for the portables, so that the College had cosmetology, which now is not used so much and it's more the High Tech building is being used by them because they don't want to be on the mud part, so the College is hoping that we get that part so that they can come back. There is more parking in the High-Tech parking lot. The last dirt parking is more of a

roadway, semi-parking, that is on the north side of the High-Tech building on that back side where the College can go in and there is a roadway and areas for parking, Mr. Romero was thinking more, for faculties parking back there. All the back rooms of the classes have a back door exit so the faculty can go in and out and still save parking for the High Tech. The College was looking at High Tech and is getting a little bit busier and it's getting a little bit fuller and if the College can alleviate a little bit from that to take away from the High-Tech building that will make a big difference. Those are the three parking lots at the Espanola Campus. The one for El Rito, really quick what the College is proposing to do and is looking to do is re-mill all the asphalt of the existing El Rito campus. The College is not adding any new asphalt to it, it is just taking it all, which is the main drive ways, the front parking lots they're all kind of combined as you go to south dorm, you go to Delgado Hall, you go to Northern Hall, those are the ones in the back. The only thing we are going to kind of look at is if we can put new -- is the College is going to be asphalt on the back road that goes on the back there in front of the other buildings, the facilities, Mr. Romero calls it the Hazmat building and Pueblito, then as well as to do the back road where we have our housing, we have our rentals and we have to the back of our building which is Diesel and Colonial Arts, that's going to be all new, but it's going to be re-milled and put brand new, what Mr. Romero is trying to say is they not going to get people that have to restructure which way the flow is going, which way the water drainage is going, they don't have to do all that simple stuff, it will just be re-milling. So that's that project on the third one that the College is asking for. Then what we're asking for is \$2 million.

President Bailey stated one of the things that the College going to have to think about is, at least in El Rito, the campus there, the condition of the roads and everything is fine if you're not using it, but once you have students who are going in and out of there, the College has to think about that structure. So, we'll end there.

Mr. Romero stated just on the first project, the College is not only doing the water on those three buildings. The College is actually looking on the third part of that, the College is looking that it can clean out all the sewer lines in the El Rito campus, because as the years that it's been sitting here and waiting for those, those things have grown up and they have gotten full from all the roots from all these beautiful trees that over there. Once they start and we open up these water lines, the first thing that's going to happen is blockages everywhere and that needs to be addressed at the same time that this is to be this water opening because once you get that much water and you get that much usage, the College going to have to close just because it is going to have to clean all this stuff.

President Bailey stated just when he moved in, just from me using it, there were problems, so now put 100 students in there.

Regent Velarde stated just from her experience of being on the HED Board, the College is going to want to have pictures. Those help them a lot to see conditions, to see the way things are. With each presentation the College wants to have a set of pictures. You know, what is this like right now and what does it look like. The other thing is the College going to have to figure out between us, she knows how they work and they're going to make the College choose our two top priorities. They're going to say what are your two top priorities and given that one of is like \$7 something million, they may say if that's your number one priority then that's the one we'll put as number one, but they won't put the other two. Just so you guys know the Summer Hearings are usually funded by GO Bonds, so it takes two years or longer to even get the money because by the time they put it out to the voters and all of that happens so it's not like the College goes to the Summer Hearings and gets approval and gets the money by the end of the December, no, it's

going to take -- this is the project they're going to put in the G.O. Bond with all the other colleges for approval from the voters. Just so the College knows that it's a longer time line.

Regent Swentzell asked because of the historic, what are the historic if any designations on the El Rito campus. President Bailey stated Delgado Hall, which is the original building on the campus is on the State Historic Registry and so one of the things that the College looked at and asked Ameresco who are here, and President Bailey will introduce them again in the Deep Dive, and the College worked with EMNRD on this because it is trying to go green with all these and so can the College do some of these things without disturbing the historic registry and actually to the State's credit, they are actually fairly flexible in terms of what the College does as long as the general structure and look of the building remains intact then I think we're fine. None of the things that the College is doing, it is not going to coat it with tin foil. I think it's going to be well within the limits and that's the only building right now that's on the Registry. So, Mr. President, members of the Board, what we are asking for is an approval for submittal of these Summer Hearing Capital projects forms to the Higher Education Department.

Board President Martin entertained a motion to that effect.

Regent Velarde moved to submit the packet with the three projects to the Higher Ed/Capital Outlay Committee for the Summer Hearings. Second – Regent Rodriguez. Motion passed unanimously.

3. Submission for July HED Facilities Meeting

Mr. Bejarano stated the next item is the submission for the HED Facilities monthly Meetings and turned it over to Mr. Romero.

President Bailey stated in addition to the Summer Hearings and you heard Mr. Romero say it, every month HED holds either a consideration or a meeting to look at projects where the College already have the funding approved, but still has to get permission for the actual projects. So, starting on page 113, there is a series of projects that we would like to submit for HED's consideration for their July meeting, July 10th and that starts on page 113. As a reference, President Bailey wanted to point out to the Board of Regents in Senate Bill 280, Northern received \$1.855 million dollars and if you look on page 131 and 132 it shows you the two pages from that Senate Bill that gave authority for that funding, but again, the College still has to go to them with how exactly it is going to use that money for those projects. These were already approved in general by that Board when the College gave these projects, but the specific projects need their own approval. Starting on page 113, you see a project for restroom and laboratory renovations phase 2 and with that President Bailey turned it over to Mr. Romero.

Mr. Romero stated on the restroom and the laboratory renovations, this is phase 2 because the College previously we had done a request to do the restrooms from the GE building to the Student Services to the Administration Building. The only thing is the College fell low on funds and had to take on restroom out of it, it decided to take the lower part of the Administration restrooms and leaving the other ones (inaudible 1:03:09) and that's why the College are asking now to do the restrooms on that one part so that it can finish all the restrooms. The restrooms will have the same look. They do the same floor tiling, do the same wall tiles, and it will be the same of everything that other ones, but the only thing is the College is asking for this now again because it had done these bathrooms back in 2017. The College asked for the additional bathroom to be done in 2018, got HED's approval but the Governor vetoed it. So, the College lost out on that. So now the College is coming back and asking for it on this end now that we

already have the money so that it can go back and get these things fixed. That was the reason why the College is asking for it at this point, that's why it's phase 2. The second thing on the labs is the same thing. The same thing happened, the College did the labs, but we didn't have enough money to do both labs so it did one lab, now the College asking to see if we can do the second lab and the same thing with the funding, the same thing with the veto, everything happened the same. So, this whole project was vetoed and the College is asking for it now. Now that we've got the money, the College asking for approval. What it is, the laboratories will just get the epoxy floors, get new fixtures, the new countertops, get all of that stuff. That's one of the projects that the College asking for on the restrooms and laboratories it says phase two.

Mr. Romero stated the next project, which is on page 134 is the roofing repairs on the Espanola Campus. This is the project that has three buildings that the College will be doing roofing to. One building is Johnson Controls, it's on the East side of Railway Avenue, right next to facilities, the College is asking to redo that whole complete building. So, the College is asking for that building. The second building, there are two small groups in the library, it's the older part of the library that have a flat roof, the College is asking for funding to do those two roofs because they are starting to give a lot of problems and then the third one that has been back and forth and has been in, the College takes it out, the College put it in; we're finally Student Services roof annual and that's the patio that's in between the Administration and the GE building as you walk out by the board room when you look in the board room and you look out on that patio, that's the one that the College is looking to get redone. That consists of eight layers of a sealer that goes on top of it and they're going to redo that. What Mr. Romero is more afraid of is the concrete up there has cracked tremendously if you've ever been up there and the water is just slipping into the bottom channel and he is afraid that's rotting and the College might lose that building, coming all the way down. So, by preparing this and getting these layers done and getting the water preparation done he thinks the College can save that roof and can now actually have something downstairs in the student success center, because right now the College holding that just because there are so many leaks down there, the College does not want to put it. President Bailey stated we need to fix the structure first. Andy Romero agreed, so we're looking at fixing that structure. Those are the three projects for the roofing projects. Regent Velarde stated good pictures too.

Andy Romero stated then on page 158 is the fire alarm phase 2, the College is working on that right now. What phase 1 was is that the College was were going in and do an audit to see how many fires were needed. In the olden days, Mr. Romero doesn't know how it happened, but when it was built all these buildings everybody's station was up or down or sideways so what the College did now is it came in and we put it all in the code book and put in exactly what's going on so it has all that. Right now, it is almost 80% finished with phase 1. The College asking for phase 2. Phase 2 is that it the College is going to do voice announcement systems and that's instead of the sound horns that you hear as a blast, now it's going to be voice command. It's going to tell you which direction or if it's a fire alarm or what's going on. Regent Velarde asked if it's going to be bilingual? Andy Romero stated he didn't know. He would think it might be. Regent Velarde stated I think where we at it should be

Andy Romero stated this is all done because the fire code has changed and they adopted a 2015 code and in that code is that all educational institutions have to have a voice command in their fire alarms from now on. So, going forward, if the College starts getting inspected, they would punish us and they would ask to look at start putting those in. Well it happens the College is already in the process of doing it where it's going to work out really well for the College. We need to get this going so that the College will already have that one step ahead of us because it's a very costly thing to put these things in. That's where the College is on that project and that's the fire alarm phase 2 of that project.

Regent Velarde asked if this is something the College is going to have to feasibly look at then at the El Rito campus eventually once we start getting the numbers there. Andy Romero answered yes. We have upgraded the fire alarms in the El Rito to a certain building, because at one time the College lent out a building to the elementary school and in order for to get it inspected and to get it approved, it had to upgrade so the gym and the Jaramillo Hall have been upgraded, the Administration and he is not sure about the north and south building, they have to balance so, he is sure there's going to be technicalities that the College is going to have to do as well, because they're very old buildings.

Mr. Romero stated the last one is the exterior paint and stucco repairs, page 177, and that consists of painting of the metal trades, the library, the old section of the library, the General Ed building, the Student Services/Student Success, south portal area; all of the buildings generally that have exterior walls that have concrete walls, they have already started deteriorating. Now with the wet weather the College is starting to get them soaked and starting to see the white layers coming out of it, that means that the College needs to do something about it and take care of that structural shell of it. That's what the College is trying to propose, to paint those buildings before they get to the point where we need an emergency plan for it. The other part is, the College is close to an emergency point, but was able to get the monies to do is the Fine Arts Building. The lower part was done last fall, it just finished doing the stucco work in the Fine Arts Building, the big towers that goes up if you notice they're all different colors, they look a lot cleaner, they look a lot nicer, that was done just last fall. This phase is asking to do the entire building all the way around because some of these, as long as those walls are peeling, the bottom parts are peeling as bad, so what the College is doing is asking to get that whole building completely done and that will alleviate the shell on that building. It's not interior it's not exterior, the whole broad of all the buildings and the ages of them, that the College needs to continue to look at and Mr. Romero thinks that's in President Bailey's Deep Dive suggestion in a little bit is to address how the College is working forward to these things. The College has addressed a lot of them, but there's still a lot that needs to be addressed. Mr. Romero get more concerned as the College start looking at El Rito that those are a little bit older building in their 30s or 40s or 50s, that's more delicate than there is in Espanola, they have here in the 80s and 70s, so we're looking at that. Those are the four projects that the College is looking for approval from the Board of Regents.

Regent Velarde asked when the meeting will take place. Mr. Romero stated July 10th. Regent Velarde stated okay, she will be there, or here.

Regent Martin asked if there are any questions for Mr. Romero? If not, I'll entertain a motion to approve the request.

Regent Swentzell moved to approve the submission for July HED Facilities Meeting. Second – Regent Rodriguez. Motion passed unanimously.

4. VE (Nursing) Building HVAC Repair

Mr. Bejarano stated there is essentially an emergency in the Nursing Building, which we refer to as the Vocational Education/Nursing Building. This will require a different type of motion, but Mr. Romero will explain.

Mr. Romero stated what's happening is the VE building there was an HVAC problem in the middle of the winter, which was in December when the College was on Christmas break or winter break, and the problem was is the building went down, the heating went down and the College

was in there and it took a full day to get this building back up and running, the coil was froze, that's how cold it was at that time and because they froze, these are coils that run off of cold water off of compressors and what they do is they run and they cool off and once there is air through them they get the air conditioning and that's how the College's air condition the building and these are humungous coils. So, because they froze and the College tried to patch them, they cut them in half, they have done just about everything we can, they're not salvageable. So, the College have to purchase new ones. At that point, there are three options: One was \$39,000 just to get the coils and that will take four weeks, five weeks for delivery. The other option that was \$43,000 and that will take two weeks and then there was one that was \$48,000, something like that, and that would be two weeks. So, the College chose the middle one, which would give us, if it can get it approved today, if the College can get the monies for it can get that and have it in two weeks and have it installed and be able to have that building up back by July 1st. That's what we're looking to try to do.

President Bailey stated with the Board's approval, then yes, they basically have a month where there will not be air conditioning in the Nursing Building. The College have instituted some emergency measures. One is that in coordination with the Provost, the College has moved all of the classes that are scheduled in there for the summer into other buildings and Andy and his team, because the staff members don't want to move offices for a month, he has worked out some small units that will help them in their office suite. President Bailey stated and he is I'm happy with this being on the record, this is not an indictment of anyone who came before, but we have to, as an institution, this is not you this is on us, the College has to make sure that it is always thinking about what are the measures that need to be taken and invest in so that the College is not having to come to the Board of Regents with an emergency like this and moving people. There is no excuse for that, none. So, with the things that the College is presenting to the Board of Regents today, it wants to put the institution on a long-term healthy trajectory so that it minimizes the likelihood of future facility emergencies.

Mr. Bejarano stated he mentioned the College needs a different type of action or approval, so essentially what it needs is – the College has been very tight with money, it has closed everything down, this year a month before it saved, which has caused a lot of savings, the College believes that it will be able to eke out the \$43,452 out of savings, but if we cannot, then it would like to take it from fund balance for which the College wants the Board of Regents approval and/or a combination of both. So whatever savings it can eke out and then if we can't do it completely then also be able to take it out from fund balance. The second part of the request is that as all things age back and repair and what not, it may be more it may be less, so the College would like to be able to do what it needs to, because this is an emergency. The College cannot have the building without air conditioning.

Regent Martin asked are those separate motions. Ricky Bejarano stated he do believe that the College requires both, because one is actually saying it could use fund balance, the other is essentially giving the latitude to use as much fund balance as is needed. Regent Martin asked if there are no questions relating to the first motion and for a motion to that effect.

Regent Swentzell moved to use fund balance funds for the HVAC emergency in the VE Building. Second – Regent Velarde and would like to note the savings. Motion passed unanimously.

Ricky Bejarano stated the second part allows the staff or executive staff to be able to set it at 20% allows the latitude approximately 20% in the event that it goes beyond, because in general it

always does. We might be pleasantly surprised but that would allow us latitude to complete the job.

Regent Velarde asked if we have that available also in fund balance, obviously?

Ricky Bejarano stated yes, we do.

Regent Martin asked if there a motion to that effect?

Regent Velarde moved to allow the College 20% latitude above the currently quoted prices. Second – Regent Rodriguez. Motion passed unanimously.

The Board of Regents recessed at 3:20PM and 3:29PM.

VII. DEEP DIVE

A. Facilities Strategic Outlook

President Bailey stated special addition of the shallow dive in the interest of time. What he wanted to do is just give a quick overview of the thought behind the long-term facilities plan. President Bailey stated he would like to make a special introduction. Marco Soto, who is from Ameresco and has really been the brains behind the design for both our Espanola and our El Rito campuses and Mr. Tim Farkas who is the money side of this equation and he has been very, very helpful with the College in finding ways that we can optimize the savings from the green energy transformation and to look at other ways that the College can provide some up-front funding. That led to in many ways some of the work that you just approved for the Summer Hearings so that big green energy HVAC project using ground source. By the way the College is sitting in a building that is benefiting from ground source heating and cooling. Regent Velarde stated there are about 89 wells.

President Bailey stated and for those who have been in this building, it's always this temperature, always. It's fantastic and that's what the College envisions for the El Rito Campus. So, President Bailey did want to say a special welcome to them and they're here to answer any specific questions. Let me go very quickly through what the College is doing. Espanola campus: On the Espanola and President Bailey looked Andy to add into this. We talked about the challenges of heating ventilation and air conditioning and so the project that we have with Ameresco is utilizing some savings, but in addition some funding that Northern is going to put into this in order for us to basically redo the HVAC in almost every facility that we have on the campus and so that we're not dealing with these emergencies in the future. They have run some numbers that they think they should have approved here momentarily and we are going to bring that to the Board of Regents in a special meeting probably sometime in the next week and a half, for the purpose of getting approval for that to be included in the July 10th HED meeting, which is all those other projects that you just approved with fire alarms and those other things, this will be added to that package. Paving, has already been discussed. Solar, and this is thanks to Regent Velarde, in a nutshell and this is the long-term view, but the goal is to have both of those campuses either net zero, so we're making as much energy as we're using or as close to that as we can possibly get and we think really with the work that they're doing and the asks that we're making that we can get to that place. President Bailey stated that EMNRD, Energy, Minerals, Natural Resources Department, they are so excited about the possibility that we are going to take a 110-year-old campus and make it net zero that they're willing to go on this ride with us, because President

Baileys know that when we get there they are going to use that in the State as an exemplar for what you can do, even with a historic campus.

President Bailey stated regarding Residence Halls - We really need to continue to look at Residence Halls for the Espanola campus, it does a couple of things. One, it provides students with an accessible housing option so that they're not set up in places all over the city or having to commute in from Santa Fe and other areas it provides that. The other side benefit is it now opens the door to international students and others who really want to come to Northern because of our high quality, low cost educational opportunities the residence project is not just a student athlete project and it's not just an international student project it is if we have international students here it only benefits our local students' experience because now they're getting a diversity of ideas as part of their educational program. In addition to that, one of the things that we're going to have to think of, when we have students living full time on or near the campus, we have to think about recreational activities. We need to think about a student union. We need to think about a better fitness center. Those are things that we have built in to a five-year strategic facility's plan. Actually, if the Board of Regents looks on page 73 in the packet, just so they have it, this gives a bird's eye view of the five-year plan and the dialogue that we are having with HED, so that gives an idea of some of the things that we have been looking at. Student union, campus events center, all these other things that we're looking at. And that five-year plan is for both campuses.

President Bailey stated in El Rito the goal is very clear. Reopen that campus, provide a low-cost utility plan so that we can operate there for the next 50 years, get it to net zero and ironically, we may be in a position to get El Rito to net zero before we get Espanola to net zero, which will be remarkable. We talked about the strategy. The first goal is to get the plumbing redesigned so at least in the warmer months we have access to those facilities. The long-term plan and the couple year plan that Regent Velarde talked about was to provide low-cost heating. That allows us to work year-round. Paving, we just talked about because we're going to need to redo that. Then transportation, remember with the El Rito campus that the reason that everyone said those programs went away were one, the cost of utilities and two the location. We should not allow location to be the detriment to that campus. The strategy we employed was to take what everyone said was a disadvantage in terms of location and flip it. So, find entities for whom the location of that campus is ideal. We talked about Chris Berry, the Grammy award winning musician, he wants to have a music program. He wanted to have a program that was free from distraction. El Rito is perfect for what he wants to do. So, we can actually make that a destination for that kind of programming. In terms of the trades, the way to make this work is to provide a low-cost transportation network to all of those local high schools and that's why we're going after electric shuttles and rapid charging stations at both of those campuses so that the only cost long term for us is the driver, actually 20 years from now, they'll be driverless anyways, so we won't even have that charge. President Bailey opened it up to Mr. Romero and Mr. Bejarano and then because we have Marco and Tim here to answer specific questions about the dual campus energy audit and the vision for that.

Regent Velarde stated she had a quick question before we go there. Has the College looked into the Volkswagen grant money and applying for some of that? President Bailey stated yes. There was a big multi probably a 9 or 10 figure settlement that had to do with Volkswagen not having the proper emissions and confessing their emissions issues. Their penalty was that they had to open this huge account for people to apply for certain things and it has to be green energy transportation. So, it fits perfectly within our vision for what we trying to do. So, we're exploring how we tap into that market. There are other sources too. There are other potential sources of that funding. USDA, there are some other ways that we can try to access that funding, but the goal is very clear; rapid charging stations and a fleet of electric vehicles. Regent Velarde

asked if the College has a gas fleet now. Mr. Romero stated yes. Mr. Romero stated we have three 15-passenger vans right now. We have four vehicles, four cars and so, about 10 to 12 vehicles total and that's not including the facilities vehicles, trucks, etc.

President Bailey stated we have a fleet that is commensurate with the need that we have right now. We don't have a fleet to allow us to do the vision for what we see for the Vocational Technical. In other words, in order to do that, and in order to have a transportation network that gets students from each of the local high schools and really importantly -- it's a new fleet. So, we need to be thinking about that. We talked about the community college budget, we will build into that budget the transportation network so that we will make sure that independent of everything else we have the funding to do that.

Regent Velarde stated that the performance contracting law in New Mexico, what the College is currently doing with Ameresco allows for vehicles so it's something that we can talk about. President Bailey stated maybe build it into phase 2. Regent Velarde stated yes, or create a phase 3. Tim Farkas, Ameresco, stated they do a lot of Federal work as well. They looked into a lot of electric buses for national parks and so he was just making a note to reach out to our Federal teams to see if they have some analysis already to help with these issues.

President Bailey asked Mr. Soto if he wanted to give a quick three- or four-minute overview of work that you've done so far. Marco Soto stated he would start on the Espanola campus. He thinks that's the campus that's open right now and is in dire needs of upgrades to most of the HVAC equipment. What they have done so far is look at fairly comprehensively for a plumbers contracting project, they looked at the lighting, they looked at the water and the HVAC portion of the project to try and extract some savings off of the equipment that's already there. On lighting, they were able to generate good savings because a lot of the equipment that is there is T12 and T8, which is older so it did generate a savings that they can use towards some of the HVAC work that is required and then some of the HVAC equipment is already pretty old so it's inefficient so they were able to generate some savings there. The power they are not able to really generate savings (inaudible 12:03), which is a controls person in charge, I don't think he's working for the College now. President Bailey stated part-time. Marco Soto stated but he was pretty strict at keeping the temperature settings and able to generate quite a bit. On the flip side for us, it's not good because they were not able to generate those savings. Regent Velarde stated but once he is no longer with the College full-time, those savings then could fall back because it would be on somebody else to have to do that, correct? Marco Soto stated yes. That is true, but at the same time what they doing right now, they are reprogramming all of those (inaudible) on the new control system that we're implementing as well as thermostats, so (inaudible).

Regent Velarde asked what control system are they are implementing. Marco Soto stated when they are replacing the units. So, the set point that we're programming into those units will implementing. Regent Velarde stated she knows, but asked what control program they are using. Marcos Soto stated the builders use ALC. Mr. Soto stated it is a pretty sophisticated system. That's all what they putting on (inaudible) we've got to have that. They looked at the water, a lot of the work has been done as far as toilets and Andy mentioned previously, they are requesting more money to finalize the (inaudible). Regent Velarde asked if the College already currently have well flow toilets on these. Marco Soto stated yes. Mr. Romero stated they already have a whole lot of them. So that's what he was saying, they weren't able to get any savings out of because we already put them in.

Marco Soto stated same thing with the lighting, parking lots and a lot of the exterior lighting is already going in on campus. We wanted the savings. The important part is the HVAC portion of

the project it's at least in dire needs, the general education building hasn't been serviced for more than 30 years. The part of the Student Services Building, the chiller, Mr. Romero has been working towards changing those units for the gas pads, it is still pretty critical for the building, because it is back part of the Administration Building, that too is in pretty bad shape and the compressors could fail. So, it needs to be replaced. They have repaired the cooling coils several times. They looked at another part of the project, which is the General Education building. Regent Velarde asked if they are creating redundancies where there aren't any as far as the HVAC units or chillers are concerned. Marco Soto stated the good part about them (inaudible) compressors so you won't lose the whole unit. If they lose the fan, they don't have backup on that.

Mr. Romero stated my vision is because we worked on these so much is the way they are, the hydraulic system, they run a building that has multiple units on the roof everywhere. Say you have eight units, so you're thinking one unit goes down, okay. We're still going to be warm enough to take care of the building, but what a lot people don't see and what I don't like is that all those units are connected to one boiler. That boiler goes out in the middle of the night, every one of those is no longer working and functioning. All it's going to do is keep the air and it's going to throw cold air into the building. Now that you've got all these pipes, because there are going to be pipes all over the ceiling just to warm up the water well those are going to explode and pretty soon what you're going to have is a building under water and Mr. Romero know it for a fact because it's happened. In the Administration Building top floor busted up the hole from the top all the way to the bottom flooded, costed the College millions of dollars. President Bailey stated for the transcript I want it on the record that Mr. Romero was incredibly animated with that last statement!

Mr. Romero stated those are the safety things that you have to look at. Now when we put units that are on their own and they supply themselves, they have their own burners, they have their own air conditioner units, if one goes out you still have three in the building that are going to keep it lukewarm.

Mr. Soto stated we are following Andy's lead and that's what we're proposing, we proposing taking out all of the ones that have either hydraulic systems we are converting to gas pads.

President Bailey stated just in the interest of time, he asked to switch to El Rito and give us a quick overview of El Rito.

Marco Soto: El Rito is also important. The system at least now serving the four major buildings there; the north dorm, Delgado Hall, the south dorm and the Jaramillo building, they're all connected to the (inaudible) that used to be a steam room so everything inside those buildings were sized for steam. And when it was converted from steam the boiler was converted from steam to heating hot water all of the internal parts were not replaced. So, all the converters and the (inaudible) units were left. The same thing with the piping. So, the piping is small for heating hot water so you're going to have problems with trying to heat the buildings. In addition, there is no there is no cooling for those dorms and they get pretty hot in the summer in El Rito in this area so what we are proposing to do is replace that existing system with a ground source heat pump which will consist of something similar that was done here to fill with pipes in the ground and connect it out to the pump and distribute it through the field to the piping field, which will act as a heat sink. In the summertime, it will recoil heat from the ground and take it out to the buildings and the buildings will have heat pumps that will have accordingly, in the heating season will heat the building and in the cooling season will cool the building. So that's pretty much a pretty broad base of what it is. It's not as simple as that because it's very complicated. You're

going to have to good area where you can actually put the field and then inside the buildings it's a lot of work that needs to be done no matter what; even if there is no ground source heat pump, the building needs to be upgraded and the other portion of that, it's important that the building doesn't have proper ventilation, so it needs to be upgraded as a whole, we need to bring it up to code requirements, so it's a pretty expensive effort. That pretty much covers what El Rito campus as far as the HVAC, they did look at the lighting and water we did propose a little bit of a lighting project it's not that large because there it is not like the one in Espanola.

President Bailey stated just to button this up, the work that Ameresco has done has really helped in form not only our five-year strategic facilities plan but it's also helped us formulate the Summer Outlay plan that we presented to the Board of Regents today. Inherent in this is a couple of things, one is the infrastructure things that Marco just talked about. There are also conservation things that we can do with these buildings to make them more efficient. And then lastly is human interaction. The things that we do that we need to make sure that we're educating our students, faculty and staff on how best to be energy efficient ourselves. Footnote here is that we also have a project with Southwest Energy Integrators for a biochar device and that's in the diesel bay in El Rito, we're going to test that system and that really uses brush from the forest as an energy source too. Ameresco has been overseeing the work that we're doing there too. That may end up in the future being a supplement to what we're doing and Luis Reyes is open to it, but actually using the El Rito campus as a microgrid potentially smart grid and battery storage, which I know John Ussery is salivating about, a test site for those things, so that's a really good thing too. I do want to say this as a final point that we were not an easy case and they're never easy and any energy audit is difficult, but we really added some levels of complexity with the fact that we were also revitalizing an old campus, we already had some savings in other areas and so I do want publicly to recognize Ameresco. Mr. Farkas alone in terms of the things that he's had to engineer on the financing side it's really been a heavy lift and so they really have been great partners for us.

Regent Velarde asked if Mr. Soto will be at, so if we get it on the HED, Mr. Soto will be there right, because they're going to have questions.

VIII. PUBLIC INPUT

John Ussery stated we have an opportunity here. I like Rick's approach too where we view a lot of problems as opportunities and I think that we have one here as we're looking at this, there's a recognition that we got to deal with our energy in different ways, but there's also the whole other major threat when we look at not just opportunities but threats, wildfire is the one that we are really in danger of. Even with all this water that we brought this winter it's just causing a whole lot of danger in case we have a dry summer and I think there's a huge opportunity with our new ranger in the El Rito district and Vallecitos unit needing to be revived as well to really consider the utilization of Biomass as a fuel. I 100% agree with Marcos and what we have inside those buildings are heat distribution that is so antiquated that none of it is current at all and our instrumentation is comic in that Delgado Hall has four thermostats and the president's office which is kept closed. So, I view it as an opportunity like even the plumbers where the whole integration of controls and electronics on top of hydraulics and all these things so I'd really like to see us take an educational approach to see how we can integrate this huge opportunity to lick the problem. Into curriculum as much as possible and see how we can share the experience with our students to really work things through. I'm really pleased that we just got funding from the Geo Science Pathways Program, we got those teaching because a lot of the new mathematics and other ways of approaching problems so maybe just view El Rito as a lab trying to preserve a lot of flexibility as we solve the immediate problems so we can start using it, there's a lot of interest in

the community of course and once we turn that whole 10 acres on the south side blue with panels, I think we're going to attract a lot of notice and a lot of support and the electrical unions are joined between the plumbers and electricians are the ones that are going to make this energy transformation really happen. So, I think we have a chance to demonstrate the full gamut of things, but I don't want to ignore threats and trying to turn them into opportunities as too because of Southwest Energy saying that we could make our heating revenue positive where we actually make money by creating biochar from the chips. It really turns everything around. I don't want to walk into an approach that precludes that opportunity.

IX. EXECUTIVE SESSION

None.

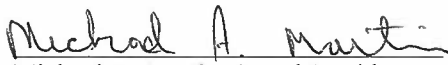
X. ADJOURNMENT

Regent Martin entertained a motion to adjourn.

Regent Swentzell moved to adjourn. Second - Regent Velarde. Motion passed unanimously.

The Board of Regents adjourned at 3:56PM

APPROVED:


Michael A. Martin, Board President


Erica Velarde, Vice President