

THE UNIVERSITY OF NEW MEXICO
Regents' Finance and Facilities Committee
December 4, 2008 – Meeting Summary

Committee Members Present: Regent Mel Eaves, Regent Raymond Sanchez, Regent James Koch, Mr. Jerry Geist

Committee Members Absent: Regent Don Chalmers

Non-voting Members Present: Regent Dahlia Dorman and Regent Carolyn Abeita

Other Attendees:

Bob Bailey, School of Medicine; **Steve Beffort**, Institutional Support Services; **Ann K. Brooks**, Faculty Senate; **Duane Brown**, Modrall Sperling; **Loyola Chastain**, Staff Council; **Bruce Cherrin**, Purchasing; **Brenda Claiborne**, Arts & Sciences; **Ashley Fate**, ASUNM; **Rachel Felix**, EVP Office; **Bob Fondino**, HSC Finance; **Julia Fulghum**, OVPR; **John Geissman**, Earth & Planetary Sciences; **Gil Gonzales**, CIO; **Helen Gonzales**, VP Human Resources; **Kathy Guimond**, UNMPD; **David Harris**, EVP for Administration, COO, and CFO; **Miguel Hidalgo**, ISS/Capital Projects; **David Hopper**, CRTC; **Tim Johnson**, Media Technology; **Mary Kenney**, Planning & Campus Dev.; **K. Khan**, M.D., CRTC; **Martin Kirk**, Chemistry Dept.; **Lisa Kuuttila**, STC.UNM; **Ava Lovell**, Finance; **Lisa Marbury**, Institutional Support Services; **Cenissa Martinez**, EVP Office; **Steve McKernan**, UNMH; **Susan McKinsey**, Communications & Marketing; **Walt Miller**, AVP Student Life; **Kate Moore**, Provost's Office; **Brad Mucek**, CRTC; **Kim Murphy**, Real Estate; **Marc Nigliazzo**, UNM West; **Suzanne Ortega**, UNM Provost; **Christopher Ramirez**, GPSA;; **Martin Salazar**, Albuquerque Journal; **Andrew Sanchez**, UNM-Valencia; **Cindy Schaedig**, Office of Capital Projects; **David J. Schmidly**, UNM President; **Donna Smith**, SRS; **Howard Snell**, Faculty Senate; **Carol Stephens**, Policy Office; **John Stropp**, UNM Foundation; **William Turner**, Office of Capital Projects; **Chris Vallejos**, Institutional Support Services; **Melissa Vargas**, Provost's Office; **Mary Vosevich**, PPD; **Jake Wellmam**, ASUNM; **Ellen Wenzel**, Regents' Office; **Don Whitehead**, CRTC

Regent Eaves called the meeting to order at 8:45 a.m. in the Roberts Room at Scholes Hall.

COMMENTS:

Anne Brooks, Faculty Senate Representative, expressed her concern about the possible shortfall of funding from the state, and she emphasized the importance of continued communication between faculty and the administration. President Schmidly encouraged faculty participation for the Town Hall meeting on Dec. 12, 2008, to continue communication. Regent Koch stated the Regents' support of faculty and emphasized that further economic and budget information would be addressed at the Regents' meeting on Dec. 18, 2008.

Christopher Ramirez, GPSA President, gave a report on the Student Forum held on Dec. 3, 2008, which addressed the status of graduate contracts and other graduate student issues which may be impacted by budget cuts.

Loyola Chastain, Staff Council President, reported on the Legislative Reception for faculty and staff. She expressed her concern about the timing and debt obligation of capital projects relative to the current economic climate. She also raised concern of miscommunication about funding sources and project planning. She encouraged the Regents to consider each capital project on its own merit with regard to academic value and potential impact to the campus community. Regent

Eaves assured her that projects are always carefully considered. Regent Koch emphasized that funds have already been set aside for certain capital projects such as the Pit Renovations. He stated that the Regents' meeting on Dec. 18, 2008, would clarify information and address all concerns. Regent Eaves welcomed capital projects, and stated that such projects benefit the community because they will create jobs, and they will have revenue streams to pay for themselves.

ACTION ITEMS:

1. **Meeting Summary from November 4, 2008. Regent Sanchez moved to approve, and Regent Koch seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**
2. **Disposition of Surplus Property on List dated November 4, 2008.** Bruce Cherrin made the presentation. **Regent Sanchez moved to approve, and Regent Koch seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**
3. **Approval of Contracts:**
 - a) **UNMH - AMN.** Bruce Cherrin and Steve McKernan made the presentation. Request for approval of contracts for temporary nurses at UNMH for 13-19 week work assignments. Total cost is dependent on volumes and ranges from \$1.8-2 million per fiscal year.
 - b) **UNMH – Travel Nurse.** Bruce Cherrin and Steve McKernan made the presentation. Request for approval of contracts for short-term or per diem nurses at UNMH for 13-19 week work assignments. Total cost is dependent on volumes and ranges from \$1-1.2 million per fiscal year.
 - c) **UNMH - MSN.** Bruce Cherrin and Steve McKernan made the presentation. Request for approval of contracts for short-term or per diem nurses at UNMH for 13-19 week work assignments. Total cost is dependent on volumes and ranges from \$1-1.5 million per fiscal year.
 - d) **UNMH – Clinical One.** Bruce Cherrin and Steve McKernan made the presentation. Request for approval of contracts for short-term or per diem nurses at UNMH for 13-19 week work assignments. Total cost is dependent on volumes and ranges from \$950,000 - \$1.4 million per fiscal year.

In response to Regent inquiry, UNMH has not yet seen an increase in uncompensated care with the rise in unemployment, but it is not unusual for the hospital to have a 12-month delay before an economic downturn causes a rise in uncompensated care. UNMH predicts a significant increase in uncompensated care next year, and has the Special Care Initiative program in place for individuals not covered by Medicaid, which is a result of the Regents' Summit. Jerry Geist re-emphasized the significance of current lobbying priorities in support of the SCI program as critically important for UNMH and to the patients who will need subsidized care the most. **Jerry Geist moved to approve items 3a.-3d., and Regent Sanchez seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**

- e) **UNMH – Hill Rom.** Bruce Cherrin and Steve McKernan made the presentation. Request for approval to replace 49 ICUs at \$798,143.36 each, and 103 medical surgical VersaCare patient beds at \$9,172.52 each. The new beds will provide

state-of-the-art technology to increase overall efficiency for patients and staff. Total Cost is \$1,742,912.91. **Regent Sanchez moved to approve, and Regent Koch seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**

- f) **Media Technology Services – Audio/Visual Equipment Purchase.** Bruce Cherrin and Tim Johnson made the presentation. This request for approval will provide classrooms on main campus with instructional technology to include: faculty computer and desk, ceiling-mounted projector with screens and speakers, a DVD/VCR player and other technology as needed. The bid is currently due, and classrooms are scheduled for modernization during Winter Break. The total cost is \$675,000 and will be covered by bond money set aside for academic use. **Regent Sanchez moved to approve, and Regent Koch seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**

- g) **UNM Cancer Research and Treatment Center (CRTC) – Elekta Radiation Oncology Equipment.** Bruce Cherrin and Brad Mucek made the presentation. This is a request for approval for RFP 1213-9 which includes two Linear Accelerators, a computer system, and accompanying software for the new “Center of Excellence” at CRTC. Final approval is contingent upon EVP David Harris’s review and approval of the lease. Total estimated cost is \$6.5 million. In response to Regent inquiry, the new machines will double the capacity for care of cancer patients. **Regent Sanchez moved to approve, and Regent Koch seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**

4. Approval of Capital Projects:

- a) **Student Success Center.** Miguel Hidalgo made the presentation. This is a request for approval for renovations to the future site of the Student Success Center. The Student Success Center will accommodate the backfill in services necessary for students. The center will provide a one-stop shop for enrollment management, academic advising, financial assistance and recruitment. There will also be space for athletic advisement and compliance offices. The building encloses 60,000 sq. ft. Total project budget is \$3,616,488 funded by State of NM FY07 Severance Tax Bond proceeds.
In response to Regent inquiry, a transportation system will facilitate convenient shuttle stops to run from Main Campus to the Student Success Center. However, 20% of all enrollment, academic counseling and financial services will still be available on main campus, and 80% of services will be provided at the Student Success Center. Regent Koch emphasized that funding was specifically set aside for this project by the legislature. Regent Abeita re-emphasized that the Student Success Center will provide expand options for students to access services at both the center and main campus locations. **Regent Sanchez moved to approve contingent on the availability of all services to students at both Main Campus and at the Student Success Center, and Regent Koch seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**

- b) **Former Architecture Planning/Backfill.** Miguel Hidalgo made the presentation. This project includes improvements such as the addition of an elevator, new HV units, and increased IT communication compatibility. This

building will accommodate the Interdisciplinary Film & Digital Media program. Total project budget is \$1.819 million funded as follows: \$1.6 million in FY07 UNM System Revenue Bonds and \$219,000 from FY08 Formula Building Renewal & Replacement funds. **Regent Sanchez moved to approve, and Jerry Geist seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**

- c) **Classroom Modernization.** Miguel Hidalgo made the presentation. This project responds to a UNM campus-wide analysis on classrooms in need of improvement. Improvements will be made to 93 classrooms in 28 different buildings, and will include the following updates: A/V equipment, new carpeting, platform desks and seating. Total project budget is \$1.75 million funded by FY07 UNM System Revenue Bond proceeds. In response to Regent inquiry, some of the departments that will be positively impacted include: Arts & Sciences, Biology, Anderson School of Management, Engineering, and Mitchell Hall. The timeline for completion is Spring 2009. **Regent Sanchez moved to approve, and Jerry Geist seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**
- d) **Tamarind Institute Renovations.** Miguel Hidalgo made the presentation. Total project budget is approximately \$4.9 million, funded by a variety of sources to include: Tamarind Sale Proceeds & Gain, 2007 NM Severance Tax Bonds, 2007 NM State Legislative Capital Outlay Funds, 2007 UNM Bonds, 2008 NM Severance Tax Bonds, Interest on Building Sale, Tamarind Foundation Account, Friends of Tamarind Transfer, Pledges, and Planned Gifts. There is an unfunded amount of \$59,375. In response to Regent inquiry, there is a possibility of reclaim of unused funds. In an effort to cooperate with the Higher Education Department (HED), an analysis has been conducted for projects funded by the general fund that are either complete or inadequate. A total of \$1.6 million has been transmitted to the HED. Regent Koch explained the process of how the legislature allocates certain funds to be used for certain uses so that projects can move forward as planned, and the funds cannot be used for other purposes. **Jerry Geist moved to approve, and Regent Sanchez seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**
- e) **Science and Mathematics Learning Center.** Miguel Hidalgo made the presentation. This project will provide space on main campus for the Biology, Chemistry and Mathematics departments, and will affect almost every freshman and sophomore enrolled in science and math prerequisite courses. Total project budget is \$23 million funded as follows: \$16 million by 2005 UNM System Revenue Bond proceeds, and \$7 million in FY08 NM G.O Bond proceeds. **Regent Sanchez moved to approve, and Jerry Geist seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**
- f) **UNM Taos Classroom Office Building Tenant Improvements.** Miguel Hidalgo made the presentation. This project includes improvements to 18,000 sq. ft. at the Taos Campus. Total project budget is \$3.3 million funded by 2008 NM G.O. Bond proceeds. In response to Regent inquiry, the timing of capital projects is favorable to UNM due to the current economic climate because many contractors are submitting competitive bids and there has been a decline in the price of construction materials such as concrete and steel. **Regent Koch moved**

to approve, and Jerry Geist seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.

g) University Arena Renovation – Early Work Package. Miguel Hidalgo made the presentation. This request allows for the infrastructure at the Pit to be prepped for major improvements. The preparation work includes the relocation of gas, water, sewer lines and ITS and communication lines. This includes early work only, and does not include approval for the entire Pit project. This specific budget component of the project is \$1.3 million to be funded by FY06 Severance Tax Bond proceed. The total project is estimated to be \$60 million funded by NM Severance Tax bond proceeds and General Fund Appropriations, UNM System Revenue Bond proceeds and private sources. In response to Regent inquiry, the Construction Manager at Risk still bids competitively to the entire contractor community relative to the current economic changes. The advantage of the Construction Manager at Risk is the contractor has time to introduce the bids to sub-contractors, where they are allowed to consider and provide cost-effective bids. The bids will begin to go out the beginning of next year. **Regent Koch moved to approve, and Regent Sanchez seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**

5. Approval of Amendment to MOA between UNM and UNM Foundation Inc. Patrick Apodaca made the presentation. This amendment alleviates University Counsel's obligation to provide legal services to the Foundation. **Regent Sanchez moved to approve, and Jerry Geist seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**

6. Approval of Naming Opportunity of Tennis Complex. Paul Krebs made the presentation. This is a request to approve the naming of the Tennis Complex in honor of Linda Estes. **Regent Sanchez moved to approve, and Jerry Geist seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**

7. Approval of Naming Opportunity for UNM Hospitals Eye Clinic. John Stropp made the presentation. This is a request to approve the naming of the UNM Hospitals Eye Clinic in recognition of the Lions Club of New Mexico. **Regent Sanchez moved to approve, and Jerry Geist seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.**

8. Recommendations for Consent Agenda Items on full Board of Regents Agenda. Regent Eaves recommended items 1-7 to be placed on the Consent Agenda.

INFORMATION ITEMS

9. Monthly Financial Report. Ava Lovell made the presentation.

10. Contract Information:

- a) UNMH – Paras and Associates (PAA Alvin)**
Bruce Cherrin made the presentation.
- b) Office of Capital Projects – VWR International**
Bruce Cherrin made the presentation.
- c) ITS Administration – Aquila Technologies Group Inc.**
Bruce Cherrin made the presentation.

11. Capital Projects Status Report. Steve Beffort made the presentation.

EXECUTIVE SESSION:

- A. Vote to close the meeting and proceed into executive session.**
- B. Discussion and Determination where appropriate of limited personnel matters, pursuant to Section 10-15-1 H (8), NMSA (1978), relating to consideration of Medical Staff Appointments, re-appointments and privileges.**
- C. Vote to re-open the meeting.**
- D. Certification that only those matters described in paragraphs above were discussed in executive session.**

Regent Eaves moved to close the meeting and adjourn at 10:30 a.m., and Regent Sanchez seconded. The motion passed by unanimous vote with a quorum of Committee members present and voting.