

New Mexico Highlands University  
Special Board of Regents Meeting  
President's Conference Room  
Rogers Administration Building  
NMHU Main Campus  
Las Vegas, NM 87701  
June 28, 2013 at 10:00 a.m.

1. Call to Order – Chairman Sanchez
2. Roll Call
3. Approval of Agenda for June 28, 2013
4. Approval of the Minutes of April 26, 2013
5. Memorial Resolutions for Mr. Eddie Groth and Dr. Patricia Manzanares-Gonzales – Action Item
6. Open Meetings Act Resolution – Action Item
7. Five-Year Capital Plan – Action Item
8. Joint Powers Agreement with Las Vegas Police Department – Action Item
9. Easement to City of Las Vegas for Effluent Water Line at Golf Course – Action Item
10. Agreement with City of Las Vegas for Use of Golf Course Well(s) – Action Item
11. President's Report
  - A. Enrollment
  - B. Electronic Systems: SharePoint, BDMS, TurnItIn, Ellucian
  - C. Hydrazine Remediation Commercialization
    - Callaway Power Plant Results
    - Licensing Agreement with Hydrazine Neutralizing Solutions, Inc. – Action Item
    - Other
  - D. NM Hispanic Medical Association Pre-Med Program
  - E. Lottery Scholarships
  - F. Formula Funding
  - G. CCA Trip
  - H. Affordable Excellence
  - I. Other
12. Executive Session – (1) Limited personnel matters related to the hiring, promotion, demotion, dismissal, assignment, resignation, or investigation or consideration of complaints or charges against an employee; (2) bargaining strategy preliminary to collective bargaining; (3) threatened or pending litigation subject to the attorney-client privilege in which the University may become a participant; and (4) real estate acquisition or disposal. Pursuant to provisions of NMSA 1978, §10-15-1(H)(2)(5)(7)&(8).
13. Adjournment

**New Mexico Highlands University  
Board of Regents Meeting  
June 28, 2013**

The New Mexico Highlands University Board of Regents held a special meeting on June 28, 2013 in the President's Conference Room, Rogers Administration Building on the New Mexico Highlands University main campus in Las Vegas, New Mexico. Chairman Sanchez called the meeting to order at 10:15 a.m.

**Attendance**

Board Members Present: Mr. Leveo V. Sanchez, Ms. Nancy R. Long, Mr. Jesus L. López, and Mr. Frank Marchi. Board Members Absent: Mr. Michael Martinez.

Administrative Personnel Present: Dr. James Fries, President and Dr. Fidel Trujillo, Dean of Student Affairs.

Others Present: Dr. Maureen Romine, Faculty Senate Chair; Ms. Margaret Gonzales, Staff Advisory Senate President; and Ms. Carolina Martínez, Executive Administrative Assistant; and numerous other individuals in the audience, including faculty, staff, students, community representatives, and media.

**Approval of the June 28, 2013 Meeting Agenda**

Regent López moved to approve the June 28, 2013 agenda as presented. Regent Long seconded. Voting in favor were: Chairman Sanchez, Regent Long, Regent López, and Regent Marchi. Motion passed unanimously.

**Approval of the Minutes from April 26, 2013**

Regent López moved to approve the minutes from April 26, 2013 as presented. Regent Long seconded. Voting in favor of the motion were: Chairman Sanchez, Regent Long, Regent López, and Regent Marchi. Motion passed unanimously.

**Memorial Resolutions for Mr. Eddie Groth and Dr. Patricia Manzanares-Gonzales – Action Item**

President Fries indicated that the university plans to continue honoring individuals after their passing, who played a vital role for the university. By adopting memorial resolutions, the university shows its' gratitude for their service and offers condolences to their family.

Board members present acknowledged the many contributions Mr. Groth and Dr. Manzanares-Gonzales made to the university.

Regent Long moved to approve the Memorial Resolutions for Mr. Eddie Groth and Dr. Patricia Manzanares-Gonzales as presented (**Attachment A**). Regent Marchi seconded. Voting in favor of the motion were: Chairman Sanchez, Regent Long, Regent López, and Regent Marchi. Motion passed unanimously.

**Open Meetings Act Resolution – Action Item**

President Fries informed the Board that State law requires the Board of Regents adopt the Open Meetings Act Resolution yearly. There were some major changes written into law during this year's legislative session in regards to meeting announcements and posting meeting agendas. Adoption of the OPA Resolution will keep NMHU in compliance with the new changes.

Regent López moved approve the Open Meetings Act Resolution as presented (**Attachment B**). Regent Marchi seconded. Voting in favor of the motion were: Chairman Sanchez, Regent Long, Regent López, and Regent Marchi. Motion passed unanimously.

**Five-Year Capital Plan – Action Item**

President Fries reported that the university is required to submit a capital plan request list annually. He indicated that every other year there are general obligation bond monies available to fund these types of projects. During the in-between years the university is dependent on severance tax bond proceeds or general fund appropriations to fund capital projects.

The year one primary funding request is for infrastructure phase I which covers; electrical, fire, safety, health issues, HVAC systems, mechanical, plumbing, sewer, windows, erosion, and structural stabilization.

The second item in year one is for renovation of Rogers Administration Building to include: additional restrooms; air conditioning; elevator update; and other significant upgrades.

The third item in year one is for construction of a new facilities plant and campus security operation. If funded, the university would need to acquire property on which to build the new facilities.

The primary request in year two is for renovations and upgrades to the Stu Clark Building and Field House. The university is hopeful it can secure a grant with the New Mexico Department of Transportation to help fund improvements to Baca Street in front of Stu Clark.

Regent López moved to approve the Five-Year Capital Plan as presented by President Fries (**Attachment C**). Regent Marchi seconded. Voting in favor were: Chairman Sanchez, Regent Long, Regent López, and Regent Marchi. Motion passed unanimously.

**Joint Powers Agreement with the Las Vegas Police Department – Action Item**

President Fries informed the Board that the Joint Powers Agreement between the university and the LVPD was reviewed by legal counsel for both parties. The administration is requesting Board approval of the JPA.

Regent Long asked why the agreement was for one year. Mr. Donato Sena, NMHU Police Chief informed the Board that the LVPD department can only commit funds on a yearly basis. He also informed the Board that there is a 30-day termination clause in the JPA in the event that either party wants the agreement dissolved.

Regent López moved to approve the Joint Powers Agreement with the Las Vegas Police Department as presented (**Attachment D**). Regent Marchi seconded. Voting in favor were: Chairman Sanchez, Regent Long, Regent López, and Regent Marchi. Motion passed unanimously.

**Easement to City of Las Vegas for Effluent Water Line at Golf Course – Action Item**

President Fries informed the Board that the City of Las Vegas is requesting changes to the delivery system of effluent water to the golf course. They are also requesting an extension of their effluent water system so they can water parks and ball fields on the north end of Las Vegas.

The university's concerns regarding the plan are that some of the line the City proposed adding is very close to the golf course holding pond and one of the golf course greens. NMHU was asked that different routing be considered. President Fries thanked Mr. Max Baca and Mrs. Sylvia Baca for their assistance. The City and their engineers will address the university's concerns and provide a revised plan.

Mr. John F. Kennedy, NMHU legal counsel, suggested requesting the City's surveyor map and describe the length and width of the easement.

President Fries indicated another long term concern for the university is the anticipation of development of the golf course property either for commercial or residential purposes. Any easements that are granted through the golf course need to be thought through regarding any limitations the easement might impose for potential building sites.

Chairman Sanchez asked how the easement would help the City. President Fries responded that the City has redesigned their effluent system to a gravity feed system that brings water to the golf course. The extension of their effluent lines is intended to run north from the recreation center up to the northern part of town to water parks in the area.

The Easement to City of Las Vegas for Effluent Water Line at Golf Course (**Attachment E**) was discussed and no action was taken.

**Agreement with City of Las Vegas for Use of Golf Course Well(s) – Action Item**

President Fries informed the Board that the City is looking at alternative water sources and one of the options the City is proposing is use of the university's well at the golf course.

Mayor Alfonso Ortiz is requesting an agreement for use of the golf course well water in exchange for effluent water. The university has approximately 54 acre-feet of water rights associated with the well. If approved, the City will need to install a chlorination system, storage tank and a booster station near the well. The City has also informally expressed interest in drilling a second well at the golf course and running a pipeline connecting the two wells which would run across the golf course.

President Fries noted that the university is part of the Las Vegas community and depends on a reliable water supply as much or more than the rest of the community. The university needs to be supportive in addressing the drought situation; but in doing so, it is important the university ensure we retain the university's water rights. The university will need assurances from the City and the

State Engineer that allowing the City to use the well during this drought situation does not constitute the university relinquishing the water rights. In addition, the well is very close to the fence line between the golf course and the City's property; President Fries questioned why the additional facilities couldn't be located on the City's property.

President Fries reiterated that agreement details need to be worked through before the Board takes action and asked the Board for direction.

Chairman Sanchez agreed with President Fries that the university is part of the community and should work with the City during this drought. He also suggested the City revisit their planning and come back to the university with a revised plan.

Regent Long asked if the university currently used the well. President Fries responded yes, the university uses the full water allotment and still supplements the water with effluent water purchased from the City for watering the golf course.

Regent López stressed that it needs to be very clear the university is in no way relinquishing, giving up, or selling its' water rights. The agreement would be for a lease of the water rights and nothing more. Regent López added that the City needs to clarify why they need to build on the golf course as opposed to the City's property.

Regents present agreed that President Fries pursue the well water usage issue more formally with the City and bring back an agreement for final Board action.

Mr. John F. Kennedy, NMHU Legal Counsel, suggested the university lease the well rather than any other conveyance of the water or water rights. He also suggested the administration ask the City if they have committed their water rights elsewhere, either sold or leased leaving them without the option to drill their own wells near the site. The City may not have any available right to drill a new well themselves.

Regent Marchi recommended the administration look at the issue for long term usage for the university; as indicated earlier, the university may have other plans for the water.

President Fries indicated that the exchange of well water for effluent water needs to be negotiated. Regent Long recommended the administration ensure the City has enough effluent water for the exchange.

The Agreement with City of Las Vegas for Use of Golf Course Well(s) (**Attachment F**) was discussed. No action was taken.

#### **President's Report – Dr. James Fries, President**

##### **A. Enrollment (Attachment G)**

President Fries reported that the summer credit hour enrollment is down 6%. There are a number of possible reasons for the declined enrollment, such as: a record number of degrees (874) awarded in May; student financial aid reductions; graduate student loan rates

increased; the financial aid cycle change at the request of the NM Higher Education Department; and the improved economy.

The fall pre-enrollment application numbers are approximately 6% behind last year. President Fries stated that Highlands is not alone, at the Counsel of University Presidents Retreat June 23-25, 2013, Presidents indicated they have seen a decline in their application numbers and enrollment. At a meeting with Dr. Trujillo and Mr. David Frazier, Regional Manager for Follett, Mr. Frazier stated that at the 26 campuses in his region schools are looking at the possibility of double digit enrollment declines at the two-year schools and a 5%-6% decline for four-year schools.

In terms of fall enrollment, at the recommendation of the administration and faculty, the Board approved the university requiring students take the ACT/SAT exam to be admitted; this could be another reason for the enrollment decline.

President Fries introduced Mr. Michael Raine, NMHU's new Registrar.

President Fries reported that the university received approximately 500 student applications that only lack ACT scores. Letters will be going out to those applicants informing them that they may be admitted if they take the compass exam.

President Fries noted that NMHU is dependent on tuition revenue; a 5% drop in enrollment would create a \$565,000 revenue shortfall.

**B. Electronic Systems: SharePoint, BDMS, TurnItIn, Ellucian**

President Fries reported that the university is continuing to become digital; the BDMS program for on-line business office processes is being implemented; the TurnItIn program will assist faculty to electronically determine plagiarism; and Ellucian will allow students to access their account from their cell phone to look up fees, grades, maps, and events.

**C. Hydrazine Remediation Commercialization**

**Callaway Power Plant Results**

President Fries stated that the hydrazine remediation process was used by the Callaway Nuclear Power Plant and the process was successful as predicted. Callaway paid the licensing fee in accordance with the licensing agreement. They are working with the university on language for an operational experience report that goes to the power industry indicating the success they experienced. Callaway is also introducing Highlands to key people in the industry who work with nuclear and conventional power plants. Although there are approximately 5,800 power plants in the U.S. it is not known how many of them will need Highlands' hydrazine remediation process.

**Licensing Agreement with Hydrazine Neutralizing Solutions, Inc. – Action Item**

President Fries reported that the licensing agreement with Hydrazine Neutralizing Solutions, Inc. needs more negotiating before any Board action is taken. Mr. Bob Blaskovic, owner of Millennium Corporation in Atlanta, GA, specializes in spill

containment products. Mr. Blaskovic is developing a new company to market products using the university's technology.

Regent Marchi suggested that the university ensure Highlands University is named as an additional insured in the agreement.

The Licensing Agreement with Hydrazine Neutralizing Solutions, Inc. (**Attachment H**) was discussed and no action was taken.

**D. NM Hispanic Medical Association Pre-Med Program**

President Fries reported that a few years ago the university had an RPSP project funded through the Legislature that allowed the university to work with the NM Hispanic Medical Association encouraging students interested in a pre-med program to attend Highlands. Members of the NMHMA mentored those students; helped them study for the MCAT; and helped them with internship opportunities. The funding and program were discontinued.

The NMHMA recently received a modest amount of funding through another source and wants to reactivate the program at Highlands. President Fries indicated the university's obligation would be to set up a course to help students prepare for the MCAT.

**E. Lottery Scholarships**

President Fries reported that lottery scholarships are an issue this year, the legislature added \$10 million from tobacco settlement monies to fund the lottery scholarship however, it is likely that even with the additional funding the lottery scholarship will still be approximately \$10 million short this year. A letter from Dr. Jose Garcia, NMHED Secretary to NM higher education institutions stated that lottery scholarships will be fully funded for the 2013 fall semester but unless the legislature takes immediate action students will receive less funding each year for the spring semester.

**F. Formula Funding**

President Fries reported that Secretary Garcia discussed the funding formula at the Council of University Presidents meeting this past weekend, where concerns regarding the formula were raised by all the higher education institution presidents. The formula has changed the last two years and yet other round of additional changes to the formula are underway. The idea of moving to outcome measures is that it will incentivize institutions to move in certain directions. When the incentives and the formulas are being changed every year and there are significant differences between the higher education department and the legislature, it is difficult for institutions to plan.

Another problem associated with the formula funding is that NMHED has pulled back a portion of existing funding and reallocated it based on the new outcome measures.

As reported at the last Board meeting, Highlands received a \$660,000 funding increase but when the required ERB contribution, the 1% compensation package, and the fringe benefits on the 1% compensation package are backed out, the increase dwindled down to \$26K-

28K; then subtract the \$215,000 increase in the university's share of health insurance costs, the university went from a +\$660,000 to a <\$186,000>.

All university presidents agree that a consistent formula needs to be put in place. Another issue of concern is whether it should be a single formula or two or three formulas recognizing the different missions of higher education institutions; the research universities, the comprehensive universities, and the two-year institutions.

#### **G. CCA Trip**

President Fries informed the Board that he attend a second Complete College America workshop as part of a New Mexico team assembled by NMHED.

#### **H. Affordable Excellence**

President Fries commented when he thinks about Highlands as an institution, he feels that "Affordable Excellence" is the perfect way to describe the university. Highlands is extremely affordable relative to the rest of higher education across the country. He believes that Highlands has a number of excellent programs and the quality of education is top notch.

#### **I. Other**

President Fries reported the following:

- President Fries reported that on April 26, 2013 the Board approved issuing an RFP for the selection of an A/E to develop an athletic facilities master plan. However, the university has an open contract agreement with three firms, one of which has a lot of experience with athletic facilities. The quote from Molzen Corbin came in at \$85,599.88; funding for the project would come from the \$165,000 non-recurring appropriation the athletic department received for the project. President Fries stated that unless there are objections by the Board, and since the university already has an open ended contract in place, he would like to proceed with the project. Board members present advised President Fries to proceed with the athletic facilities master plan project (**Attachment I**).
- Dr. Robert Bell has arranged a second art collection donation of 200 pieces, by New Mexico artists, to the university. Dr. Bell has been working with the university to locate possible storage sites on campus. The basement at Kennedy Hall could be a good space for the art storage. Dr. Bell is working with a local carpenter to build shelved for the art at his own expense. Given the university's growing collection, Kennedy Lounge will be used as an art gallery where the art may be displayed. Other functions will still be allowed in the facility.
- The administration is recommending the green house next to the new residence hall be demolished. Several quotes for the demolition were submitted with the low bid came in at \$12,500. Demolition of the house will require Board approval which will be requested at the next Board meeting.

- The National Center for Teacher Quality (NCTQ) issued ratings of the Schools of Education across the country; all the schools of education in New Mexico were on their "Do Not Attend" list. The deans of the schools of education across the country are reacting very strongly to the report. The report was not based on any information other than what could be found online and was a flawed study. President Fries noted that the university recently completed the NCATE accreditation process which was passed with a very positive report.
- Interest rates for student loans will double effective July 1, 2013. The interest rate on student unsubsidized loans will increase from 3.4% to 6.8% for new loans.
- The Affordable Care Act is becoming law and it will impact the university in various ways. Notably when hiring temporary employees; the employment limit will have to be less than 90 days otherwise the university will be required to pay fringe benefits.
- There has been an effort to recall the Mayor. A petition, according to published reports, with 1,557 signatures was submitted and is under review for signature validity. If there is a recall election, resulting from the petition, more than 1,437 votes would be needed in support of the recall.

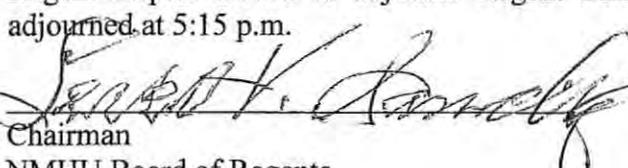
**Executive Session – (1) Limited personnel matters related to the hiring, promotion, demotion, dismissal, assignment, resignation, or investigation or consideration of complaints or charges against an employee; (2) bargaining strategy preliminary to collective bargaining; and (3) threatened or pending litigation subject to the attorney-client privilege in which the University may become a participant; and (4) real estate acquisition or disposal. Pursuant to provisions of NMSA 1978, 10-15-1 (H)(2)(5)(7)&(8).** Regent López moved to enter into executive session for the sole purpose of discussing the items listed. Regent Marchi seconded. A roll call was taken and voting in favor were: Chairman Sanchez, Regent Long, Regent López, and Regent Marchi. Motion carried and the Board went into executive session at 12:13 p.m.

Regent Long exited the meeting at 4:45 p.m.

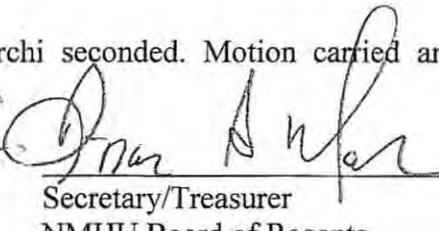
Regent López moved to come out of executive session into open session. Regent Marchi seconded. Regent López stated for the record that only those items specified under the executive session item were discussed and no action was taken. Regents present confirmed. A roll call was taken and voting in favor of coming out of executive session into regular session were: Chairman Sanchez, Regent López, and Regent Marchi. Motion carried unanimously and the meeting was called back to order at 5:14 p.m.

#### **Adjournment**

Regent López moved to adjourn. Regent Marchi seconded. Motion carried and the meeting adjourned at 5:15 p.m.

  
Chairman

NMHU Board of Regents

  
Secretary/Treasurer

NMHU Board of Regents