

REVISED

New Mexico Highlands University
Board of Regents Meeting
Student Union Building
NMHU Main Campus
Las Vegas, New Mexico 87701
July 26, 2013 at 10:00 a.m.

1. Call to Order – Chairman Sanchez
2. Roll Call
3. Approval of Agenda for July 26, 2013
4. Approval of the Minutes of June 28, 2013
5. Student Affairs Report – Dr. Fidel Trujillo
 - A. Suicide Prevention/Self-Destructive Behavior Policy – Action Item
6. Project Certifications Relating to July Sale of Severance Tax Bonds and June Sale of Severance Tax Note – Action Item
7. Agreement with City of Las Vegas for Use of Golf Course Well – Action Item
8. Licensing Agreement with Hydrazine Neutralizing Solutions, Inc. – Action Item
9. Demolition of “Green” House – Action Item
10. Licensing Agreement with Cotton Gallery for Logo(s) Use – Action Item
11. Disposal of Surplus Property – Action Item
12. Sole Source Procurements
13. Faculty Senate Report – Dr. Maureen Romine
14. Staff Advisory Senate Report – Ms. Margaret Gonzales
15. ASNMHU Report – Ms. Tina Sione
16. Person’s Wishing to Address the Board
17. President’s Report – Dr. James Fries, President
 - A. Power Outage
 - B. Student Center Closeout
 - C. Trolley Building Project – Action Item
 - D. Kennedy Hall Gallery
 - E. Higher Learning Commission Dates
 - F. Student Loans
 - G. Enrollment
 - H. LFC Hearing
 - I. Other
18. Executive Session – (1) Report from the President regarding administrative positions; (2) Report from the President on status of collective bargaining process; (3) Litigation regarding dispute with contractor; and (4) possible real estate acquisition. Pursuant to provisions of NMSA 1978, §10-15-1(H)(2)(5)(7)&(8)
19. Public Action As Necessary On Closed Session Discussions – Action Item
20. Adjournment

**New Mexico Highlands University
Board of Regents Meeting
July 26, 2013**

The New Mexico Highlands University Board of Regents met on July 26, 2013 in the Governance Room in the Student Union Building on the New Mexico Highlands University main campus in Las Vegas, New Mexico. Chairman Sanchez called the meeting to order at 10:00 a.m.

Attendance

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

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; Ms. Darlene Tapia, Fiscal Services Coordinator; and numerous individuals in the audience, including faculty, staff, students, community members, and media.

Approval of Meeting Agenda for July 26, 2013

Regent Frank Marchi moved to approve the July 26, 2013 agenda. Regent Martinez seconded. Voting in favor were: Chairman Sanchez, Regent Marchi, and Regent Martinez. Motion passed unanimously.

Approval of the Minutes from June 28, 2013

Regent Martinez moved to approve the minutes from June 28, 2013 as presented. Regent Marchi seconded. Voting in favor of the motion were: Chairman Sanchez, Regent Marchi, and Regent Martinez. Motion passed unanimously.

Student Affairs Report – Dr. Fidel Trujillo

Dr. Trujillo presented his written report (**Attachment A**).

Dr. Trujillo highlighted the following:

- NMHU entered into an agreement with UNM-Taos, who successfully obtained a Veteran Upward Bound Grant. An NMHU student was hired as Regional Coordinator for the grant.
- NMHU participants of the HACU/Wal-Mart Student Success Collaboration Project meeting in UCLA decided to establish a retention committee on campus.
- The Student Affairs Office, in collaboration with the University Relations Office, has finalized the 2013 NMHU Student Handbook.

Suicide Prevention/Self-Destructive Behavior Policy – Action Item

Dr. Trujillo noted that suicide is among the top leading causes of death on college campuses. A Suicide Prevention/Self-Destructive Behavior Policy was drafted by Ms. Kimberly Blea, Director

of the Campus Violence Prevention Program. The policy was reviewed by NMHU legal counsel and the administration is now requesting Board approval of the policy.

9:10 a.m. Regent López arrived at meeting.

Regent Marchi moved to approve the Suicide Prevention/Self-Destructive Behavior Policy (**Attachment B**) as presented. Regent Martinez seconded. Voting in favor were: Chairman Sanchez, Regent López, Regent Marchi, and Regent Martinez. Motion passed unanimously.

Project Certifications Relating to July Sale of Severance Tax Bonds and June Sale of Severance Tax Note – Action Item

President Fries informed the Board that, during the legislative session last spring, NMHU was the recipient of two severance tax bonds appropriations. \$2.3 million will go towards the construction of the new Trolley Building, a home for the Media Arts Program; and \$165,000 is for planning, furnishing, equipping, etc., athletic facilities on campus. A good share of the funding will be used to complete a master plan for an athletic facility to include: intercollegiate athletics; intramurals; and general student recreational activities. Board approval is being request to enable the university to certify the need for and acceptance of the severance tax appropriations.

Regent López moved to approve the Project Certifications Relating to July Sale of Severance Tax Bonds and June Sale of Severance Tax Note (**Attachment C**) as presented. Regent Marchi seconded. Voting in favor were: Chairman Sanchez, Regent López, Regent Marchi, and Regent Martinez. Motion passed unanimously.

Agreement with City of Las Vegas for Use of Golf Course Well– Action Item

Chairman Sanchez welcomed Mayor Alfonso Ortiz to the meeting.

Mayor Ortiz informed the Board that the City of Las Vegas is concerned about water conservation and developing ways to solve water issues in Las Vegas. Mayor Ortiz indicated that the water agreement presented today was a tentative agreement for review and consideration.

Mayor Ortiz introduced Mr. Don Cole, Water Systems Manager for the City of Las Vegas. Mr. Cole reported that the City has approximately 56 days of water usage in storage. The City is looking at all water options for Las Vegas. The agreement with Highlands to lease the well at the golf course, for short term use, during drought periods such as this would help with City overcome some of the drought issues. Plans to lease space and install a portable booster pump to tie the golf course well into the City's water system are being proposed. Doing so would provide the City with approximately 75 gallons of water per minute (approximately 200,000 gallons of water per day) which would augment production from the Taylor Wells and water from the Gallinas River. As part of the lease agreement, the City is proposing trading effluent water for use at the NMHU baseball field, football field, golf course, and landscaping for the water in the golf course wells. Mayor Ortiz provided a map with an option (**Attachment D**) for the booster pump system.

President Fries reported that the university had a number of meetings with Mayor Ortiz, City Manager, Mr. Cole, and others to discuss the university's concerns regarding the effluent system lines and possible placement of the booster pump and other materials. President Fries thanked the

Mayor and Mr. Cole for addressing the university's concerns. President Fries noted that the university is a part of the Las Vegas community and is dependent on a quality water supply as is anyone else in Las Vegas. The university has a responsibility to do everything possible to ensure water remains available. President Fries stated that he is supportive of working with the City to develop an agreement that is acceptable to both entities.

President Fries reported that the university has 45.5 acre feet of water rights at the golf course. An acre foot is 325,851 gallons of water, so the university has a right to 14,829,000 gallons of water. The current estimated rate of water consumption is 1.6 million gallons per day. At that rate, the golf course well could supply water to the entire city for approximately 9.3 days.

Regent Marchi asked how much effluent water the university was currently using; are there going to be limitations on effluent water usage. Mayor Ortiz responded that the City would set up an account to monitor the university's effluent water usage and if it exceeds a certain amount then a fee will be assessed.

Regent Marchi raised concerns regarding environmental indemnity and liability insurance as specified on the agreement. Mayor Ortiz responded that the City will work with their attorney to clarify insurance issues.

Regent López raised concerns about the length of the agreement, 10 years. Mayor Ortiz responded that the City was looking at the line and pump installation as an investment hence the request for 10 year lease agreement.

Regent López indicated that the agreement has a clause stating that the City can terminate the lease at any time within 30 days' notice but there is not a reciprocal provision for the university was there a reason for the clause as written. Mayor Ortiz responded that should the university terminate the agreement the City would remain locked-in to the investment of the lines and pump system.

President Fries indicated that the university is concerned about the future possible need for the golf course water. The university has always envisioned the potential residential and commercial development of the portion of golf course property that cannot be developed into a golf course.

Regent López stated that the university needs to have the ability to recede from the lease agreement and such a provision is not included in this lease agreement presented today.

President Fries indicated that the NMHU Legal Counsel needs to review the draft agreement and the NMHU administration along with the City needs to meet to address all concerns.

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

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

President Fries informed the Board that the university holds 4 patents that deal with the hydrazine spill remediation process. The university has been pursuing the potential commercialization of the patents.

President Fries provided some updates regarding the patents:

- The nuclear power plant in Missouri used the NMHU hydrazine remediation process at their last recycling event; it was a complete success. They signed the licensing agreement approved by the Board at a previous meeting. They also wrote an occupational experience report which is shared with the entire power industry regarding the HU remediation process.
- NMHU staff members have been invited to present a paper at a joint Army-Navy-NASA-Air Force meeting in December in Charleston, SC. NMHU will also have a vendor booth set-up.
- NASA representative is working to get clearance from the Environmental Protection Agency in Florida to release the by-product of the hydrazine remediation into the water system as was done in Missouri. Missouri Department of Natural Resources approved the by-product release.
- Mr. David Glass who has been working on the remediation project was accepted into the Ph.D. program by the University of Central Florida and will be using the work he has been doing on this process as the focus of his thesis.

The licensing agreement with Hydrazine Neutralizing Solutions, Inc. (HNSI) was set up to allow the manufacture and marketing of pads, wipes, and solutions using the ZeenKleen material that the university trademarked under the patents. The agreement was reviewed and modified by NMHU Legal Counsel, Sarita Nair. If approved the agreement will allow HNSI 120 days to produce and test market the products.

Compensation to the university would include a \$1,000 licensing fee and quarterly licensing payments of \$2.00 per unit of products sold. Additionally, the university would receive royalty payments based on 7% of the net product sales.

Regent López moved to approve the Licensing Agreement with Hydrazine Neutralizing Solutions, Inc. (**Attachment F**) as presented by President Fries. Regent Martinez seconded. Voting in favor were: Chairman Sanchez, Regent López, Regent Marchi, and Regent Martinez. Motion passed unanimously.

Demolition of "Green" House – Action Item

President Fries reported that the "green" house located on 1004 Mora Avenue was acquired by the university during construction of the Viles-Crimmin Hall. A number of possible uses for the house have been researched but costs to simply stabilize the building would fall in the \$75-\$100k range; costs would increase to convert for specialized use. The administration is recommending Board approval for the demolition.

Regent López moved to approve the Demolition of the "Green" House (**Attachment G**). Regent Marchi seconded. Voting in favor were: Chairman Sanchez, Regent López, Regent Marchi, and Regent Martinez. Motion passed unanimously.

Licensing Agreement with Cotton Gallery for Logo(s) Use – Action Item

President Fries informed the Board that the university was approached by the Cotton Gallery to use the university logo(s). They would like to manufacture and sell clothing with Highlands's logo(s) through the Las Vegas Wal-Mart store.

President Fries reported that the agreement was shared with legal counsel and a modified agreement is ready to send back to the Cotton Gallery.

Chairman Sanchez questioned why items would only be sold at the Las Vegas Wal-Mart.

Mr. John F. Kennedy, NMHU Legal Counsel stated that he had reviewed the agreement and added a few provisions giving the university more rights to review the designs; ensure the university receives adequate accounting; and items regarding dispute resolutions. The agreement does specify one Wal-Mart but an additional redline can be added to include Wal-Mart stores at other locales in New Mexico are also subject to the agreement.

Regent López moved to approve the Licensing Agreement with Cotton Gallery for Logo(s) Use (**Attachment H**) with modifications endorsed by the Board to be resolved by President Fries and legal counsel. Regent Martinez seconded. Voting in favor were: Chairman Sanchez, Regent López, Regent Marchi, and Regent Martinez. Motion passed unanimously.

Disposal of Surplus Property – Action Item

President Fries called on Mr. Michael Saavedra, Purchasing Director, to present the Disposal of Surplus Property item (**Attachment I**).

Mr. Saavedra reported that the library requested disposal of obsolete and/or damaged books and educational materials. The items for disposal include: 1,797 book titles; 2,369 book volumes; 9 videos; and 1 CD-ROM.

Information Technology Services requested disposal of 650 computers; 255 LDC screens; 65 printers; uninterrupted power supplies; networking equipment, typewriters; and broken chairs.

Regent López moved to approve the Disposal of Surplus Property. Regent Martinez seconded. Voting in favor were: Chairman Sanchez, Regent López, Regent Marchi, and Regent Martinez. Motion passed unanimously.

Sole Source Procurements

Mr. Saavedra informed the Board that one sole source to Ellucian Company in the amount of \$246,102.88 for the annual licensing fee and customer service for the university's Banner software program was processed (**Attachment J**).

Faculty Senate Report – Dr. Maureen Romine

Dr. Romine presented her written report (**Attachment K**).

Staff Advisory Senate Report – Ms. Margaret Gonzales

Ms. Gonzales presented her written report (**Attachment L**). Ms. Gonzales informed the Board that the latest issue of the Pony Express (**Attachment M**) was included in their meeting packets.

ASNMHU Report – Ms. Tina Sione

Dr. Trujillo informed the Board that Ms. Sione is recovering from surgery.

ASNMHU will be working with the Office of Campus Life to hold a special election during the second week of the fall semester because the executive officers ran unopposed and the voter turnout was very low. A provision in the election code requires students running for senate to get at least 25 votes in order to win. The requirement was not met in all cases.

Person's Wishing to Address the Board

Chairman Sanchez asked the audience if anyone wished to address the Board. No one came forward.

President's Report – Dr. James Fries, President

Power Outage (Attachment N)

One of the university's transformers was boiling and smoking. A number of grounds crew working in the area noticed the transformer and immediately took action. They called 911; set off the fire alarms to clear out two residence halls; taped off the area. Electric Horsemen was called to turn off the transformer. President Fries stated that had it not been for the quick response of Mr. Chris Duran, Mr. Roy Bonney, Mr. Roy Gonzales, Mr. Russell Pacheco, Mr. Gilbert Valdez, Mr. Jordan Grimm, and Mr. Greg Martínez, the damage could have been extensive as transformers can explode with a great force.

Eight buildings lost power temporarily. The Donnelly Library and IT building did not come back on line at IT when power was restored; therefore the university did not have phone service or computer access. President Fries thanked Ms. Sylvia Baca and Mr. Max Baca for their actions to get the university back on line. Once power was restore it was discovered that a second transformer had blown.

The university was functional approximately 48 hours after the incident. The outage provided for a challenging time: there were roughly 90 prospective students and their families on campus for orientation; Friday was payday so no checks were able to be cut and direct deposits were not able to be sent through; and ITV classes were canceled but on campus classes still took place.

President Fries thanked the Facilities, IT, Human Resources, Education Outreach Services Office, Security, Safety, Orientation, Housing, Business Office, and University Relations staff for their hard work during the 48 hour challenge.

Student Center Closeout

SUB comments have all been positive. Franken Construction is working to complete a short punch list. The building is a great addition to the campus.

Trolley Building Project – Action Item

Between general obligation and severance tax bonds, the university has \$8.3 million available for the Trolley Building project which will be a new home for the Media Arts Program. An RFP for architectural and engineering services went out, there was a strong response. A committee is reviewing the proposals. It was determined an owner's representative should be sought. The owner's rep would lead the charge on evaluation of the AE proposals and play a central role during the construction process.

Regents present agreed that there is a need for an owner's representative and that it is important to have someone local and on-site. They also agreed that an RFP for an owner's representative should be done.

The Trolley Building Project was discussed, no action was taken.

Kennedy Hall Gallery

The university received and continues to receive major art donations from Dr. Robert Bell and some of Dr. Bell's family and associates. Dr. Sharon Caballero, Foundation Director, has been working with Dr. Bell and others to show art exhibits at Kennedy Hall.

Dr. Caballero reported that the art collection donated by Dr. Bell and others is estimated at \$2.4 million; art donations from the Talbots is valued at \$119,000.

Regent López asked if the art donations were being made to the university or to the Foundation. Dr. Caballero responded that university policy is that donations are made to the Foundation. Regent López raised concerns of Kennedy Hall being appropriated by individual donors or the Foundation.

President Fries commented that the use of the lounge area as a gallery space can enhance the quality of the space for student recitals, other recitals, and lectures and other events.

Regent Marchi raised concerns about changing the name of Kennedy Hall. President Fries stated that there was no intent to change the name of Kennedy Hall but rather to name a room within Kennedy Hall.

Higher Learning Commission Dates

The university received notice from the HLC, the regional accrediting agency that accredits all New Mexico Highlands University's programs, they are reaffirming that Highlands is on the standard pathway for re-affirmation of accreditation. Highlands is set to have an assurance review of the comprehensive evaluation in 2015-2016. The next comprehensive evaluation will take place in 2019-2020.

Student Loans

The student loan issue, at the federal level, has made a lot of press. The Senate has passed legislation that doubles the interest rate from 3.4% to 6.8%. The House will likely pass the same legislation.

Enrollment

The university continues to watch the numbers carefully. Housing is at 85% of capacity. Two more orientation sessions are scheduled for the summer. A growing number of students who didn't take the ACT test have scheduled themselves for the Compass test. It is unclear what the final enrollment numbers will be. When comparing this year's enrollment to last years, the overall enrollment for the university is down 2%. President Fries reminded the Board that the university awarded a record number of degrees in May.

LFC Hearing (Attachment O)

President Fries presented a handout he provided at the Legislative Finance Committee meeting last week. The handout contains information about Highlands and several areas within the university.

Other

President Fries reported the following:

- **120th Anniversary Birthday Celebration (Attachment P)**

This is the year of the 120th anniversary for the university; the 90th birthday of Ilfeld Auditorium; and 30th birthday of the Foundation. The birthday celebrations will take place during this year's homecoming week.

Executive Session – (1) Report from the President regarding administrative positions; (2) Report from the President on status of collective bargaining process; (3) Litigation regarding dispute with contractor; and (4) possible real estate acquisition. 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 Martinez seconded. A roll call was taken and voting in favor were: Chairman Sanchez, Regent López, Regent Marchi, and Regent Martinez. Motion carried and the Board went into executive session at 12:43 a.m.

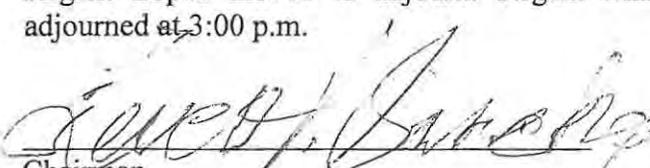
Regent López moved to come out of executive session into open session. Regent Marchi seconded. Regent López stated for the record that only those items specified under the executive session item were discussed and no action was taken. Regents present confirmed. A roll call was taken and voting in favor of coming out of executive session into regular session were: Chairman Sanchez, Regent Long, Regent López, and Regent Marchi. Motion carried unanimously and the meeting was called back to order at 2:58 p.m.

Public Action As Necessary On Closed Session Discussions – Action Item

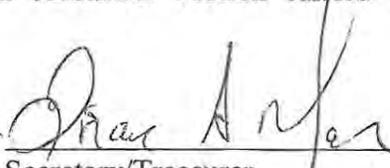
No action was taken following the closed session.

Adjournment

Regent López moved to adjourn. Regent Marchi seconded. Motion carried and the meeting adjourned at 3:00 p.m.


Chairman

NMHU Board of Regents


Secretary/Treasurer

NMHU Board of Regents