

New Mexico Highlands University
Board of Regents Special Meeting
Margaret J. Kennedy Alumni Hall
NMHU Main Campus
Las Vegas, NM 87701
January 9, 2008 at 10:45am

1. Call to Order – Chairman Javier Gonzales
2. Approval of Agenda for January 9, 2008
3. Residence Hall Schematic design – Dekker/Perich/Sabatini
4. Connor Hall Modifications – Action Item
5. Bond Authority Resolution – RBC Capital – Action Item
6. Application for Financial Assistance (NMFA) – RBC Capital – Action Item
7. FY08 Budget Adjustment Request (BAR) – Action Item
8. President’s Report – President James Fries
9. 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)
10. Adjournment

**New Mexico Highlands University
Board of Regents Special Meeting
January 9, 2008**

The New Mexico Highlands University Board of Regents met for a special session on Wednesday, January 9, 2008 at the Margaret J. Kennedy Alumni Hall, New Mexico Highlands University, Las Vegas, New Mexico. Chairman Gonzales called the meeting to order at 11:00 am.

Attendance

Board Members Present: Mr. Javier M. Gonzales, Mr. Walter Adams, Mr. Robert Benavides, Ms. Sherry Salas, and Ms. Rosanna Vázquez

Present: Dr. James Fries, President; Ms. Judy Cordova, Vice President for Student Affairs; Ms. Nora Ngafeeson, ASNMHU Member; Mr. Steve Wilson, Vice President for Finance & Administration; and Ms. Carolina López, Board of Regents Administrative Assistant.

Approval of Agenda for Meeting of January 9, 2008

Adams moved to approve amending the January 9, 2008 agenda by moving Items #6 Application for Financial Assistance (NMFA)- RBC Capital before Item #5 Bond Authority Resolution – RBC Capital. Salas seconded the motion. Voting in favor were: Regent Gonzales, Regent Adams, Regent Benavides, Regent Salas, and Regent Vázquez. Motion passed unanimously.

Residence Hall Schematic Design – Dekker/Perich/Sabatini

Mr. Michael Burkett, Mr. Daniel Kemme, and Mr. Ron Witherspoon from the Dekker/Perich/Sabatini Architectural Firm presented the Residence Hall Schematic Design (Attachment A). Mr. Burkett informed the Board that after meeting with a student focus group and several meetings with the residence hall committee the firm wanted to address the following issues; convenience, privacy, acoustics, social gathering, help with recruitment/retention, pedestrian travel, scheduling, and budget.

Regent Vázquez asked if the trails around the building would be bike trails. Mr. Burkett informed the Board that the trails were intended to be pedestrian trails but could be modified to serve as multi-purpose trails. President Fries noted that bicycle usage and storage had been discussed.

Regent Adams noting the proposed site has been changed, raised concerns about building another project, the student center, on a location that is said to have a high water table. Mr. Burkett reported that part of the reason for the site change was to allow for a parking garage and for the student union building to be sited east of the library. Ms. Greene informed the Board that most of the campus has a high water table. Mr. Burkett indicated that most of the testing has already been completed by GeoTest and that the company would be able to work with any moisture they may find. Regent Vázquez asked if costs would increase if water tables were too high. Mr. Burkett further indicated that they were examining the water situation and that GeoTest would make recommendations on the proper way to address the issue from an engineering perspective. Regent Adams asked if testing is done and it is found that the hall should not be built on the site or that the amount of funding to stabilize the ground increases project costs greatly, is there a back-up plan in place. Mr. Burkett responded that they are fairly confident with the work that has already been done and that they do not anticipate the need for a back-up plan. Chairman Gonzales asked who the project engineers are. Mr. Burkett noted that Isaacson & Arfman were the engineers and that GeoTest is performing the soil testing.

Regent Adams inquired if students are in agreement with the site change. Mr. Burkett responded that the focus group was concerned primarily with privacy, layout of the rooms and the types of rooms.

Chairman Gonzales asked why the Resident Director would have a two-bedroom unit. Vice President Cordova informed the Board that most of the Resident Directors are professional staff members who are married with families, and therefore they would need two bedroom units.

Chairman Gonzales inquired why all units were not equipped with full kitchens. Mr. Burkett indicated that all units would have kitchenettes. Vice President Cordova indicated that there are plans to build a new student center with a dining hall and if students had full kitchens in their units they could not be required to use the dining hall, defeating the effort to unify the campus community. Mr. Burkett pointed out that two full kitchens would be available for student use in common areas.

Chairman Gonzales asked about the safety of students living in the halls. Mr. Burkett reported that the numerous points of egress required by code can be locked down at night to maintain entry access through the front door for a higher level of security. Mr. Burkett added that all areas could be monitored by a central location. Chairman Gonzales noted that he liked the idea of apartments but that he also wants students to be secure and feel safe in the building.

Regent Benavides inquired about elevator and fire escapes access. Mr. Burkett informed the Board that an elevator would be located in the center of the building and exit stairs are located at every corner of the building with additional stairs in the middle of the building.

Mr. Witherspoon reported on the scheduling and cost of the project. He stated that the project should be completed and available for use in June of 2009. Chairman Gonzales stated that he is pleased that Dekker/Perich/Sabatini is working on the project. Chairman Gonzales pointed out that \$171,000 per square foot was costly for a residence hall. Mr. Witherspoon reported that the contractor's raw costs would be approximately \$130 per foot; some associated costs are for the partial removal of the El Conquistador foundation, and utility extensions. Mr. Witherspoon also pointed out that features associated with residence halls drive the costs up such as; keyless entry for the building, bedrooms and suites, durable sheetrock products in the corridors, and commercial grade carpet. Chairman Gonzales stated that he wanted to build a residence hall but wanted to convey that the \$17 million is the cap barring any unforeseen circumstances beyond control.

President Fries called on Mr. Burkett to address pedestrian flow on campus in terms of Connor Hall. Mr. Burkett stated that the portion of Connor Hall that houses laundry and meeting space would be demolished to create a strong pedestrian connectivity between central Park and the new residence hall.

Chairman Gonzales reminded the firm that the Board issued a broad policy statement in terms of all new construction on campus being as green as possible and that guidelines for the materials used should be representative of LEED Certification industry. Mr. Burkett agreed with the need to make the building as environmentally friendly as possible and stated that as documents are developed they would be presented to the residence hall steering committee.

Chairman Gonzales thanked Mr. Burkett, Mr. Kemme, and Mr. Witherspoon for their presentation.

Regent Adams moved to approve the schematic as presented with the comments discussed by the Board. Regent Salas seconded. Motion passed unanimously.

Connor Hall Modifications – Action Item

President Fries pointed out that walking from one end of campus to the other is a maze and as Mr. Witherspoon explained, plans of removing one section of Connor Hall would open up a pedestrian court directly from Central Park and the academic area of campus into the new facility and onto the athletic area.

Regent Vázquez moved to approve the Connor Hall Modifications as presented. Regent Salas seconded the motion. Voting in favor were: Regent Gonzales, Regent Adams, Regent Benavides, Regent Salas, and Regent Vázquez. Motion passed unanimously.

Application for Financial Assistance (NMFA) Resolution – RBC Capital – Action Item

Mr. Eric Harrigan financial advisor for the university disseminated and presented the NMFA Resolution (Attachment B).

Chairman Gonzales indicated that at the last Budget & Finance Committee meeting, information by RBC Capital showed the range of debt the university should incur given various debt coverage ratios was approximately \$30 - \$32 million in relation to revenues. President Fries noted that the amount of potential debt was \$34 million. Chairman Gonzales asked whether if the Board decided to go forward and incur more debt with other projects would Highlands have to pay underwriting fees and bond fees again. Mr. Harrigan responded yes, the fees would be assessed again. President Fries reported that a discussion regarding the fees if other projects were included was held and it was determined that since the bonds need to go through the Higher Education Department's Capital Projects Committee and then the Board of Finance, a highly detailed analysis of how the money will be spent is required and there was not enough time to provide the additional funding request in time to move the current project forward expeditiously.

Regent Vázquez moved to approve the Application for Financial Assistance (NMFA) Resolution as presented. Regent Adams seconded the motion. Voting in favor were: Regent Gonzales, Regent Adams, Regent Benavides, Regent Salas, and Regent Vázquez. Motion passed unanimously.

Bond Authority Resolution – RBC Capital – Action Item

Mr. Duane Brown from the New Mexico Higher Education Department presented the Bond Authority Resolution #5 (Attachment C).

Chairman Gonzales recommended that the administration and RBC meet with the Board of Finance members prior to the hearing date to offer information about Highlands's efforts and plans to improve the university.

Regent Vázquez moved to approve the Bond Authority Resolution #5 as presented. Regent Salas seconded the motion. Voting in favor were: Regent Gonzales, Regent Adams, Regent Benavides, Regent Salas, and Regent Vázquez. Motion passed unanimously.

FY08 Budget Adjustment Request (BAR) – Action Item

President Fries presented the FY08 Budget Adjustment Request (Attachment D). President Fries informed the Board that the BAR would increase the University's expenditure authority by \$1.7 million so that money could be drawn down from the special appropriation for BR&R projects.

Regent Salas moved to approve the FY08 Budget Adjustment Request (BAR) as presented. Regent Adams seconded the motion. Voting in favor were: Regent Gonzales, Regent Adams, Regent Benavides, Regent Salas, and Regent Vázquez. Motion passed unanimously.

President's Report – President James Fries

President Fries announced that the Legislature convenes next week with a lot of activity occurring this week. President Fries informed the Board that several meetings with a number of Legislators, the Speaker of the House, Mr. James Jimenez the Governor's Chief of Staff have all been excellent.

President Fries reported that various budget proposals introduced by the Executive Branch and the Legislative Finance Committee (LFC) include some of the following features; a 2% compensation package for faculty and staff and an increase in funding for the Educational Retirement Board. A couple of differences in the two proposals are that the Executive proposal includes a zero tuition credit and does not have a cap on the percentage increase of tuition and fees that an institution could charge. The LFC proposal does take a 1.5% tuition credit and institutes a \$4.5% cap on tuition increases. President Fries informed the Board that another difference between the proposals is that the Executive proposal uses the 3DI study and the LFC uses the BR&R funding formula and increases the percentage of the funding from 70% to 80% of formula. President Fries reported that the universities are being asked not to charge tuition for dual credit enrollments. President Fries indicated that both proposals include additional funding for inflationary programs that include group insurance, utilities, libraries, and risk management insurance costs.

President Fries informed the Board that the House Appropriations Committee, Senate Finance Committee, LFC, and the HED Capital Projects Committee are scheduled for later this week.

President Fries informed the Board that a bill that would bring \$250,000 to Highlands as a pilot project to increase the number of pre-med students coming out of the comprehensive universities was discussed in a meeting with the Hispanic Medical Association and with the leadership at the University of New Mexico's School of Medicine. A resolution will be presented at the next Board of regents Meeting.

Funding through the PED for a technical assistance center for the CESDP program is being proposed.

Highlands will participate in Las Vegas Day at the Legislature instead of scheduling a separate day.

President Fries announced that classes begin on Monday, January 14, 2008.

President Fries informed the Board that Highlands is moving forward with plans to expand in Raton and has received a \$12,000 grant from The George Macaron Family Foundation specifically to fund publicity and other marketing efforts for the Raton Learning Center.

President Fries invited the Regents to the Winter Dance Party at Ilfeld Auditorium on February 16, 2008.

Regent Benavides asked how many students are expected to enroll at the Raton Learning Center. President Fries responded that numbers are not yet available but the nursing and social work programs are expected to be successful in the area.

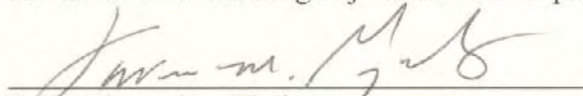
Executive Session – (1) Limited personnel matters related to the hiring, promotion, demotion, dismissal, assignment, resignation, or investigation or consideration of complaints or charges against an employee; (2) bargaining strategy preliminary to collective bargaining; (3) threatened or pending litigation subject to the attorney-client privilege in which the University may become a participant; and (4) real estate disposal. Pursuant to provisions of NMSA 1978, §10-15-1(H)(2)(5)(7)&(8). Regent Vázquez moved to adjourn to executive session. Regent Benavides seconded the motion. A roll call was taken and voting in favor of the motion were: Chairman Gonzales, yes; Regent Adams, yes; Regent Benavides, yes; Regent Salas, yes; and Regent Rosanna Vázquez, yes. Motion carried and the Board went into executive session at 12:05 pm.

Regent Salas moved to come out of executive session into open session. Regent Benavides seconded the motion. For the record, Regent Adams stated that only those items cited in the motion were discussed in executive session and no action was taken. Regents present confirmed the statement. A roll call was taken and voting in favor of the motion were: Chairman Gonzales, yes; Regent Adams, yes; Regent Benavides, yes; Regent Salas, yes; and Regent Rosanna Vázquez, yes. Motion carried unanimously and the meeting was called back to order at 1:20 pm.

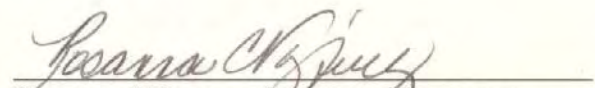
Adjournment

Regent Salas moved to adjourn the meeting. Motion carried and the meeting adjourned at 1:22 pm.

Regent Benavides seconded the motion. Motion carried.



Javier Gonzales, Chairman
NMHU Board of Regents



Rosanna Vázquez, Secretary/Treasurer
NMHU Board of Regents