

**NORTHERN NEW MEXICO COLLEGE  
BOARD OF REGENTS SPECIAL MEETING  
APRIL 14, 2014**

**I. CALL TO ORDER**

A special meeting of the Board of Regents of Northern New Mexico College was held on Monday, April 14, 2014 at 4:00 pm. in the Boardroom of the Montoya Administration Building on the Espanola Campus. Regents present for the April 14, 2014 Meeting: Rosario (Chayo) Garcia, Alfred Herrera, Kevin F. Powers (Via Conference Call), Donald Martinez, Jr. (Via Conference Call) and Michael Branch. Board President Michael Branch called the April 24, 2014 meeting to order at 1:05p.m.

Northern New Mexico College staff present: Nancy "Rusty" Barceló, President, Domingo Sanchez, Vice President for Finance and Administration, Ryan Cordova, Athletic Director and Men's Basketball Coach, Ricky Serna, Vice President for Institutional advancement, and Bernie Padilla, Director of Human Resources, and Brian Salter, Director of IT. Others present: Sam LeDoux, Student Senate Vice President, Rio Grande Sun, Juan Rios, Student and Amy Pena, Recording Secretary.

**II. APPROVAL OF AGENDA**

**Regent Herrera moved to approve the Agenda as presented. Motion passed unanimously.**

**III. NEW BUSINESS**

**A. Approval of Student Housing Development Agreement**

Ryan Cordova, Athletic Director and Men's Basketball coach stated he would like to introduce the changes to the Agreement to the Board of Regents. All the changes to the contract were emailed to the Board of Regents. A meeting with the Regents appointed By Regent Garcia and the College's attorney was held to discuss and all changes. The original contract with changes by the College and Monument, LLC was given to the Board of Regents (attached). Mr. Cordova reviewed all changes Monument, LLC requested and the College's attorney had no problem with their changes except for one in 4.2. The attorney would like to keep the language in there and is adamant about it and believed the Regents would be adamant about it as well. Mr. Cordova reviewed all changes with the Board of Regents on the Contract so they are aware and were able to ask any questions regarding any of the changes (attached).

Mr. Cordova stated there was an at length meeting with Monument, LLC about their concerns about continuing to float this financing if financing should go over the 90 days and waiting another 60 days for payment on top of that. Monument would have to wait 150 days before they would see one dollar. To float this much money, that long, could ware on a company and with the investors.

Domingo Sanchez, Vice President for Finance stated there was discussion of whether the College could pay some of the money now and whether or not the Foundation could help with the payment. Mr. Sanchez stated the College has \$125,000 it could pay that will not adversely affect the College's cash flow. That is half the amount Monument, LLC is requesting, which didn't include their portion, just the architects, engineers and some other people that had done some work.

Mr. Sanchez stated the Foundation Board is going to be meeting at the end of the month (within two weeks) and they have discussed this but would want to formally vote on their end if they could help the College with the other \$125,000 to make sure Monument, LLC is given some of the compensation for the contract amount in the first contract the College signed with them. The difference, approximately \$85,000 could wait until the financing of the facility went through assuming the College received all the approvals required. If the College does not get the approvals, the plan would be to looking at getting that paid on or about the time the College needs to get it paid within the cash flow. Mr. Sanchez stated right now, the College felt comfortable with \$125,000. When Mr. Sanchez gives the fiscal watch for the month, the Board of Regents will see the cash flow has improved. The College has pulled back on the spending for the current year and will continue to do so until the end of the year. Mr. Cordova stated Monument, LLC agreed to this payment as well as their investors.

Mr. Cordova stated initially Monument, LLC was initially giving the College 60 days to finance and 30 days to pay. In discussions with Regent Powers and Regent Herrera, it was decided the change would be 90 days to finance with 60 days to pay it off. After further discussions, the College could understand where Monument was coming from. Therefore, it was left in there and the College's attorney was agreeable to the term.

Regent Branch stated he did not receive the exhibits. Mr. Cordova stated Regent Powers and Regent Herrera have received them. Mr. Cordova will get the documents to Regent Branch. Regent Branch did not know if the documents were already agreed to. Mr. Cordova stated they were standard AIA documents. Regent Branch stated this leads back to his concerns which was previously this document referred to the lead contract. Regent Branch stated he assumes it is going to be either in the architectural or the construction as far as lead. Mr. Cordova stated the lead certification has its own. It will be part of the construction documents, lead certification documents are always included in the construction documents but the AIA forms (one is a draft for the next part of the architect's contract and one has been signed to do the schematic and conceptual design only). There was one filled out between Luckett and Farley and Monument, LLC in order to do the first section for the College. This is what the College is compensating them for with the money Mr. Sanchez is speaking about. Regent Branch stated he does not need the documents.

Regent Herrera stated discussion was held in the Finance Committee dealing with change orders. The Committee was getting wrapped around the axles trying to determine at what point the Board of Regents would get involved in approving a change order. After extensive discussion around this area, it was recommended instead of trying to spell out procedurally what the Board and Administration needs to do regarding change orders, it would be put in a "parking lot" for the time being and at subsequent meeting, after the College has a chance to vet it through the Finance Committee. The Committee would come back to the Board with a procedure of sorts which would spell out how the College will deal with change orders. The College's attorney stated it does not need to be spelled out in this agreement, it is an internal process that needs to be hammered out as a Board so everyone feels comfortable about what it will be involved in. Regent Herrera stated the Board does not need to be involved in everything that goes on but needs to know at what point the Board needs to get involved.

Regent Branch stated he would like to commend staff and the Finance Committee for the work they have put in to get to this point. Regent Branch stated all the questions all brought up regarding how the contract was converted from a Development Contract to the College's project were addressed. Regent Branch has language regarding change orders and would like to see that the term "consult with the College" be defined because consult does not mean the College has to agree to the consulting. Regent Branch would like to see it in such a way written that the College staff has the authority in making the determination over the various times they do consult together rather than it be just a matter of them letting the College and them going ahead with what they need to do. Regent Branch understands where Monument, LLC is coming from in their patience in dealing with the College. This has evolved from a single cell to a full living contract and it took that time in order to do and Regent Branch is glad it was done even though expediency would have allowed the College to develop this much earlier. Regent Branch believes the College would be living with some of the consequences doing it that way.

Regent Garcia stated there was a meeting with Dr. Garcia and a phone call with Dr. Garcia from HED and he feels this project is a good project and he is going to back the College up. It seemed like he was going try to have an early meeting on the 21st. President Barceló stated this meeting would not occur. Mr. Sanchez stated the other issue that came up is Paul Cassidy who was going to have a lot of these documents ready for the College, his mother-in-law passed away and for that reason everyone is in a holding pattern. When the College spoke with Dr. Garcia if the College goes to the May 14, 2014 meeting, he is going to have a talk with the Board of Finance to see if they will waive the 30-day requirement for their package. If they agree with him, the College will still be able to go forward on May 20, 2014. This is how Dr. Garcia is going to help the College. If he is not able to do so, the College will wait for the June meeting.

Regent Martinez asked for clarification on the \$85,000 as to what this amount is for. Mr. Sanchez stated the first contract required the College to pay\$336,000 so if the College is giving Monument \$250,000, the difference is \$86,000. Mr. Sanchez stated if everything was not secured, the College would work within the cash flow what the College needed to do to pay the remaining \$85,000 so the College was in whole in terms of covering the costs for the first contract.

Regent Powers stated he is good with all that has been presented and the additional changes that Regent Branch requested.

Mr. Cordova pointed out in the contract the portion where Regent Branch would like the changes, the College will clearly define it. Regent Branch stated this is not just for change orders, it is for anything that they come to consult with the College regarding changes. It may not result in dollars. Regent Branch just wants to make sure the College has some authority in this.

Regent Herrera stated he would like to thank everyone involved in the project (Regents, Staff, Attorneys, Consultants) to bring it to this point. It has been a difficult road overall from the standpoint from transitioning from public private funding to totally public funding. This was a big transformation that needed to take place. Regent Herrera is glad the College had an opportunity to vet it extensively to allow more input and more comments even though it was a little frustrating for people along the way. In the end, the College is where it is at and Regent Herrera feels comfortable with this.

**Regent Herrera moved to approve the Student Housing Development Agreement between Northern New Mexico College and Monument, LLC. The Motion passed unanimously (5-0).**

Ryan Cordova stated on behalf of everyone at Northern, Mr. Cordova appreciates the Regents hard work in this and the College will move forward with the changes and will have a document for Regent Garcia to sign after the meeting.

**IV. EXECUTIVE SESSION**

The Board of Regents did not enter into Executive Session for this meeting.

**V. ADJOURNMENT**

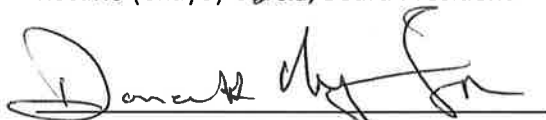
**Regent Herrera moved to adjourn the meeting. Motion passed unanimously.**

**Meeting adjourned at 4:28PM.**

Amy Pena, Recording Secretary

APPROVED:

  
Rosario (Chayo) Garcia, Board President

  
Donald Martinez, Jr., Secretary