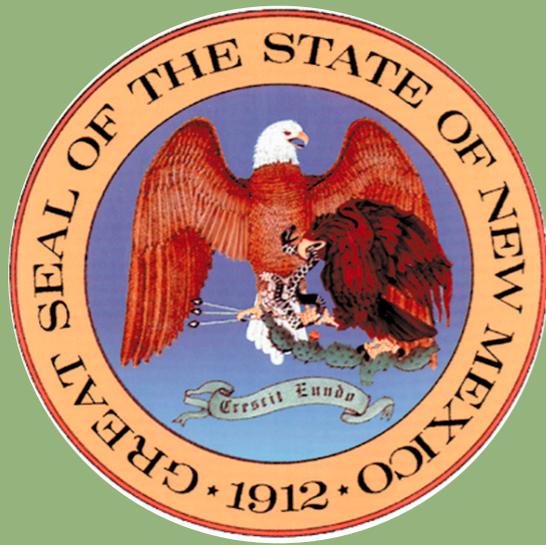


Capitol Master Plan

Capitol Buildings Planning Commission

August 29, 2011



Acquisition and Disposal of Property

- Planning Activities
- Observations

Section 15-10-1 NMSA 1978

6

(2) review proposed lease-purchase

7

agreements pursuant to Section 15-10-2 NMSA 1978;

8

(3) work with the general services

9

department and other state agencies in developing

10

recommendations for addressing deferred maintenance on state

11

facilities and disposal strategies for aging facilities no

12

longer able to serve their mission; and

13

(4) utilizing life cycle costing, work with

14

the general services department in developing recommendations

15

regarding whether the state should lease, lease-purchase or

16

purchase needed additional facilities.

2011 Planning Activities

✓ Deferred Maintenance

- ▶ *Understand the magnitude of deferred maintenance in state facilities (based on existing resources)*
- ▶ *Seek to locate and summarize the best practices (policies and strategies) used by other states to address maintenance and renewal*
- ▶ *Recommend potential policies and strategies for New Mexico*

✓ Acquisition and Disposal

- ▶ *Understand existing acquisition and disposal requirements and processes*
- ▶ *Identify strengths and weaknesses (commonalities, differences, potential conflicts, cost implications) in current processes*
- ▶ *Seek to locate and summarize the best practices (policies and strategies) used by other states to address similar issues*
- ▶ *Recommend potential policies and strategies for New Mexico*

✓ Identify best practices

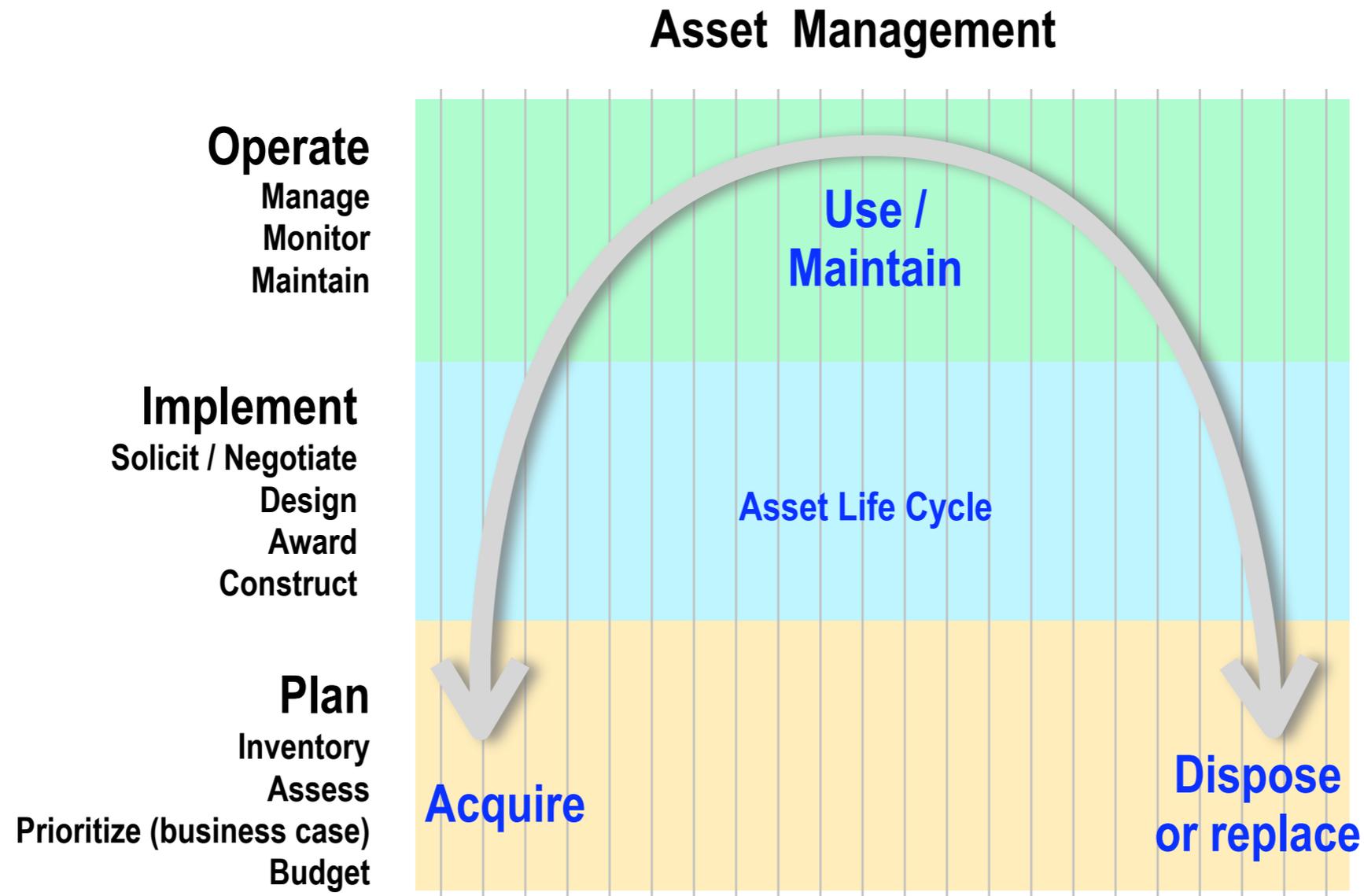
- ▶ *New Mexico*
- ▶ *Arizona*
- ▶ *Utah*
- ▶ *Washington*
- ▶ *Wisconsin*
- ▶ *Texas*
- ▶ *Federal Government*
- ▶ *Other Countries (UK, Australia)*

Observations

- ✓ **New Mexico does not have a clear and unified process for acquisition, and disposal of assets – there are many statutes and rules affecting different agencies**

Acquire	Dispose
Purchase	Sell
Accept Trade	Trade
Accept Donation	Donate
Lease	Lease
Lease - Purchase	
Intergovernmental Transfer	Intergovernmental Transfer
Capital Project	
Construct	Demolish
Renovate	

Asset Management Framework



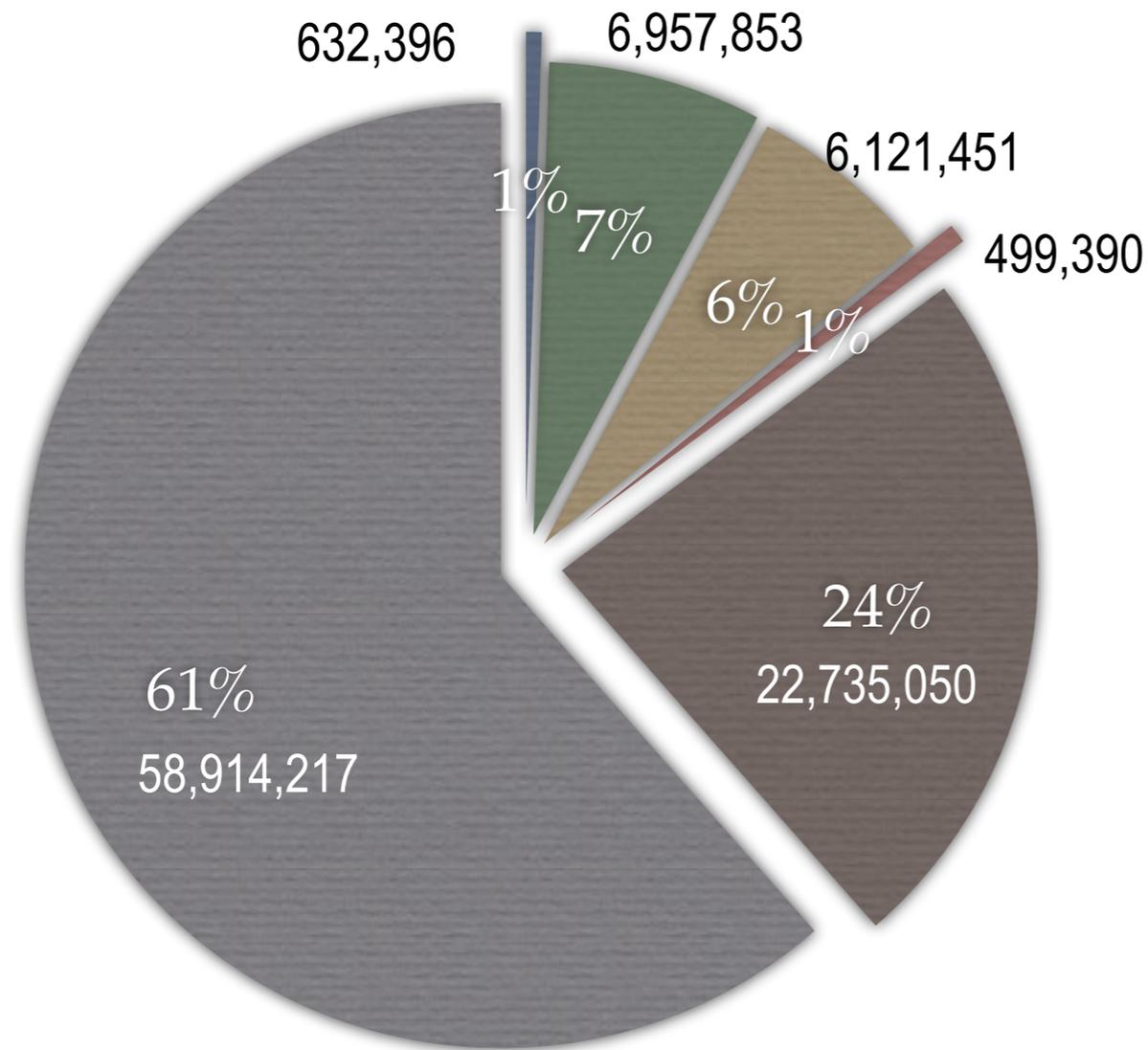
“...a methodology needed by those who are responsible for efficiently allocating generally insufficient funds amongst valid and competing needs.”

— *The American Public Works Association Asset Management Task Force*

- ▶ ***General Asset Management Approaches by States***
 - *Commonalities*
 - Legislative funding
 - Executive Implementation
 - *Many Differences*
 - Who has purview of state facilities and sites
 - » Legislative
 - » Judicial
 - » Executive
 - » Higher Education
 - » Public Schools
 - *New Mexico: mixed*
 - *Utah: State facilities (except public schools) are under purview the Utah State Building Board assisted by Division of Facilities Construction and Management ... including leases and maintenance*

Distribution of State Funded Facilities

Distribution of Gross Square Footage of State Funded Facilities (GSF) (including Higher Education and Public Schools)

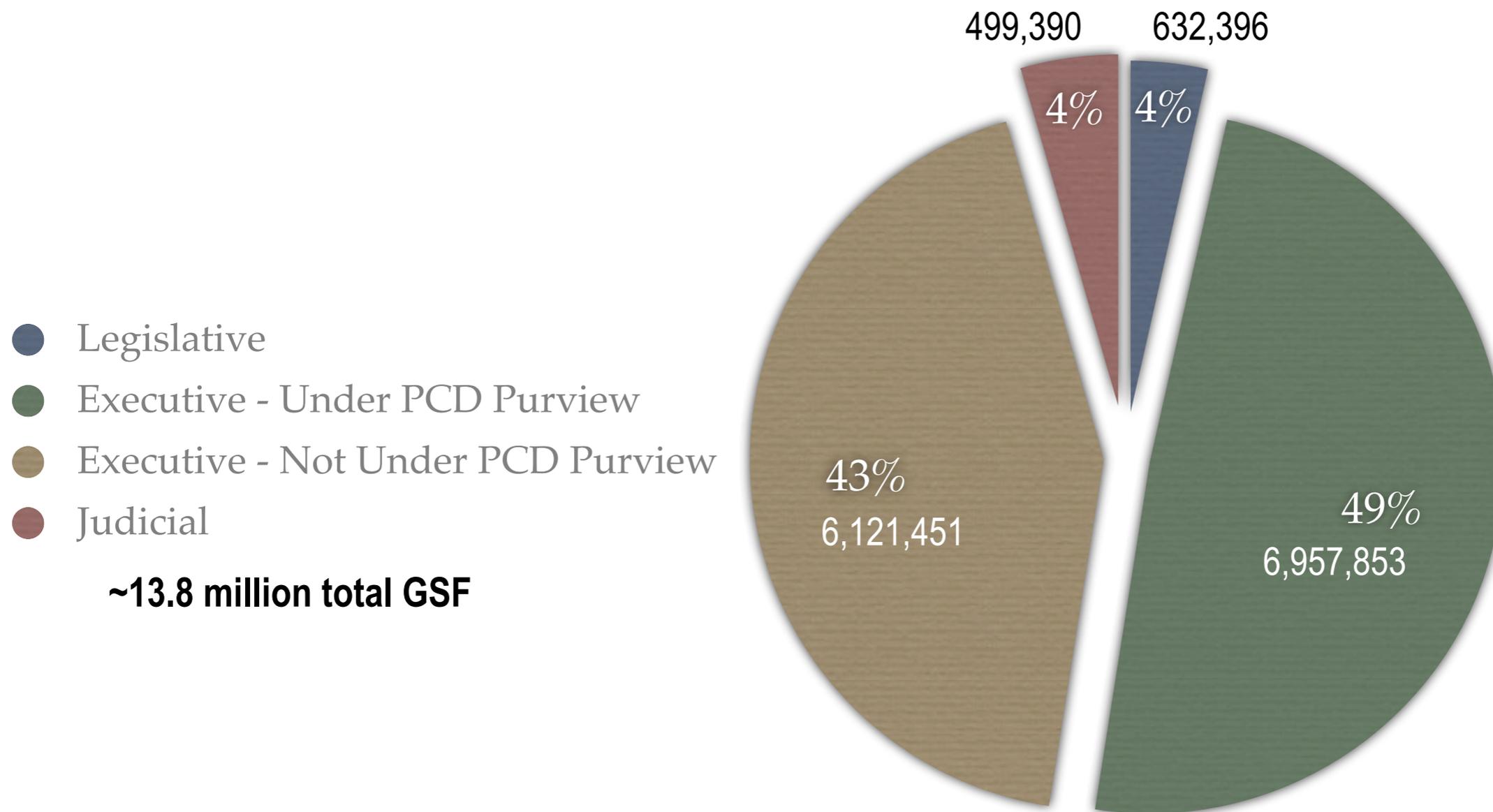


- Legislative
- Executive - Under PCD Purview
- Executive - Not Under PCD Purview
- Judicial
- Higher Education
- Public Schools

~96 million total GSF

Distribution of Gross Square Footage of State Funded Facilities (GSF)

(not including Higher Education and Public Schools)



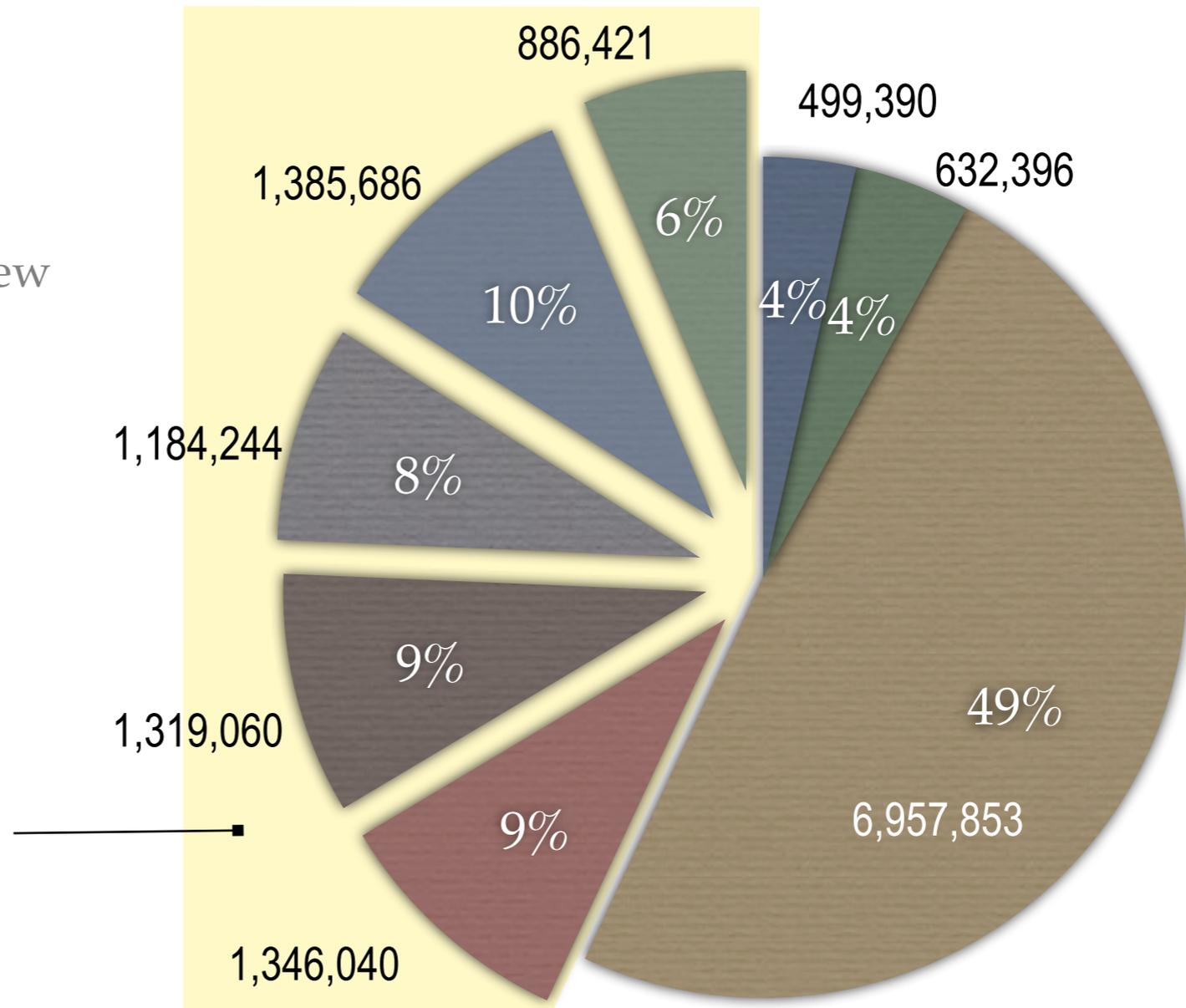
~13.8 million total GSF

Distribution of Gross Square Footage of State Funded Facilities (GSF)

(not including Higher Education and Public Schools)

- Legislative
- Judicial
- Executive - Under PCD Purview
- DCA
- DMA
- DOT
- ExpoNM
- Other

**Executive -
Not under
PCD
Purview**



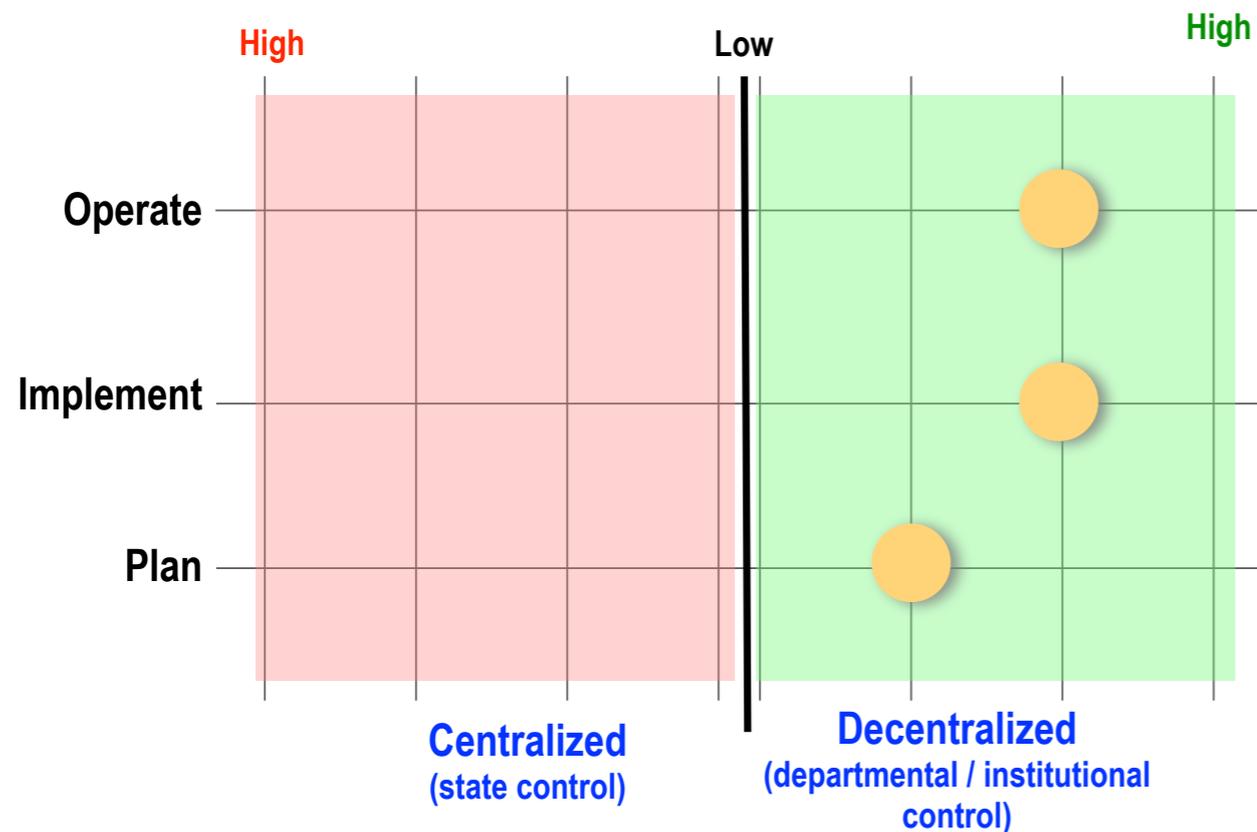
Observations

✓ There are wide differences in the centralization and unification of asset management processes

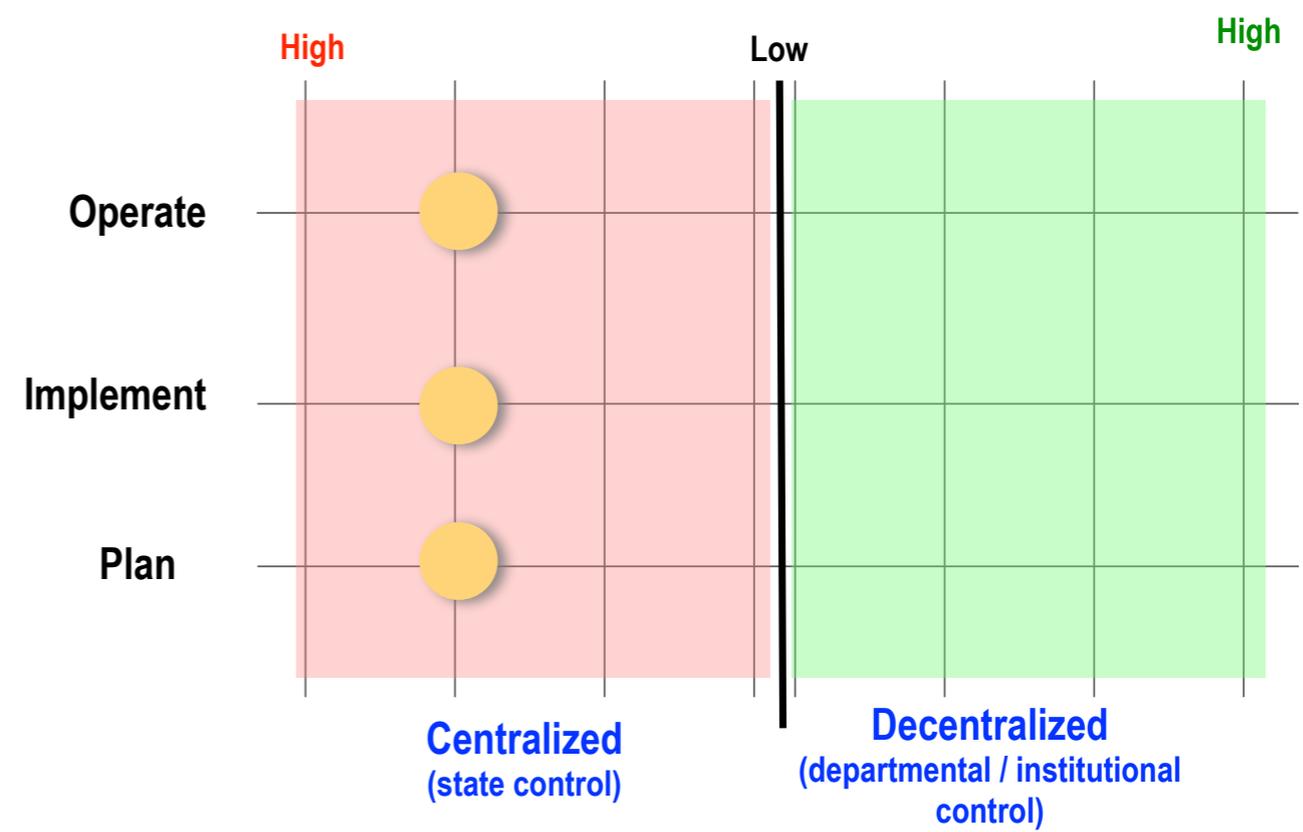
New Mexico

VS.

Utah



(not including public schools)



(not including public schools)

✓ Acquisition / Disposal (asset management)

▶ *New Mexico ...*

- *Many statutes, rules affecting many agencies*
- *No unified asset management process*
 - No unified, comprehensive long-range planning process
 - » Any plans that exist are at the institution or department level
 - » Capital prioritization
 - by departments
 - at HED
 - overall management by DFA
 - » Implementation not tied to consistent funding streams
 - Process and procedures spread among many different agencies
 - Maintenance planning not comprehensive
- *Central financial control for many processes by Board of Finance*
 - Some redundancy and inefficiencies in levels of approval

✓ Acquisition / Disposal (asset management)

▶ *New Mexico ...*

- *Example - Good Practices*

- Public Schools process for distribution of state funding
 - » Comprehensive planning (at School level and state)
 - Capital
 - Maintenance planning
 - » Implementation tied to dedicated funding
 - » Development of consistent implementation procedures (for school districts accepting state funding)

- *Example - Practices that need attention*

- No consistent processes for disposition of assets (e.g., Ft. Bayard)
 - » Lack of cost - benefit analysis
 - » Funds for demolition or sufficient maintenance
- Acquisition of property through gift