

**NEW MEXICO STATE TRANSPORTATION COMMISSION  
MEETING**

**New Mexico Department of Transportation  
District Six Auditorium  
1919 Pinon Drive  
Milan, New Mexico 87021  
July 20, 2017**

The New Mexico State Transportation Commission (STC or Commission) held a regular meeting on July 20, 2017, at the New Mexico Department of Transportation, District Six Auditorium, Milan, New Mexico. Vice-Chairman Mathews called the meeting to order at 8:35 a.m. Commissioner Gibson led meeting attendees in the Pledge of Allegiance.

**Approval of the STC Meeting Agenda**

**Vice-Chairman Mathews asked for a motion to approve the STC meeting agenda; Commissioner Sepich made a motion to so approve; Commissioner White seconded; motion carried unanimously.**

**Approval of the STC Minutes**

**Vice-Chairman Mathews asked for a motion to approve the minutes of the special STC meeting of June 13, 2017; Commissioner Sepich made a motion to so approve; Commissioner White seconded; motion carried unanimously.**

**Elected Officials and Delegations:**

Charles Griego, Mayor, Village of Los Lunas

**State Transportation Commissioners Present:**

Kenneth White, Secretary, District One  
David Sepich, Commissioner, District Two  
Keith Mortensen, Commissioner, District Three (absent with notice)  
Ron Schmeits, Chairman, District Four (absent with notice)  
Butch Mathews, Vice-Chairman, District Five  
Jackson Gibson, Commissioner, District Six

**NMDOT Staff Present:**

Tom Church, Cabinet Secretary  
Anthony Lujan, Deputy Secretary  
Kenneth B. Baca, Chief Deputy General Counsel  
NMDOT Staff

**Welcoming Remarks**

The Commissioners, NMDOT Executive Staff and J. Don Martinez, Division Administrator, Federal Highway Administration (FHWA), introduced themselves and welcomed all meeting attendees.

**Presentations by Elected Officials and Delegations**

Charles Griego, Mayor, Village of Los Lunas; Michael Jaramillo, Public Works Director; and Kevin Eades, Executive Vice President, Molzen Corbin, presented an update regarding the I-25/Morris Road Interchange project. They discussed the scope of the project, various alternatives, a cost comparison analysis, and related estimates.

## **District Six Presentation and Employee Recognition**

Larry Maynard, P.E., District Six Engineer, NMDOT, gave a presentation regarding District Six activities, during which he discussed the District's various projects and maintenance accomplishments. He also reported on the District's Employee Recognition Program and acknowledged the District Chip Seal Crew as five time consecutive winners of the NMDOT Chip Seal Quality Award.

## **Workshop Agenda**

### **Finance Committee**

#### **Monthly Financial Report**

Michael Friel, Accounting Services Director/Chief Financial Officer, NMDOT, presented the NMDOT operating budget and financial report as of June 30, 2017. The current adjusted budget for Project Design and Construction (P562) is \$647.5 million; Highway Operations (P563), \$240.3 million; Business Operations (P564), \$42.2 million; and Modal (P565), \$75.4 million. There is \$386.9 million in encumbrances, and expenses of \$567.5 million. Mr. Friel indicated that NMDOT is in good financial standing at this time, and, regarding the current vacancy rate within NMDOT, he reported that Project Design and Construction is at 22%, Highway Operations, 12.9%, Business Operations, 16.4%, and Modal, 12%.

#### **New Mexico Finance Authority (NMFA) Monthly Report**

Mark Lovato, Investment Manager, NMFA, provided an update regarding NMDOT's investment portfolio funds under NMFA management. As of June 30, 2017, the balance in the portfolio was \$31.6 million, a net decrease of \$106.2 million from May. The change is attributed

to bond debt service payments of \$105 million, draws of \$1.3 million, plus total earnings of \$76,727. There is 88% in the project account, of which \$15,092 is in the 2010A bond fund account, \$27.7 million in the 2014A Highway Infrastructure Fund (HIF) account, 11% in debt service accounts, and less than 1% in the arbitrage rebate account. On June 30, 2017, the balance in the taxable line of credit at RBC was \$50 million for collateral needs, and the balance in the taxable line of credit at Wells Fargo was \$50 million for the BNSF Escrow account. Mr. Lovato also provided a breakdown regarding NMDOT/NMFA outstanding debt service.

**Request to Initiate Rulemaking Action to Amend 2.40.30 NMAC (New Mexico Administrative Code), Infrastructure Bank**

David Harris, Transit and Rail Division Director, NMDOT, presented a request to initiate rulemaking action to amend 2.40.30 NMAC, Infrastructure Bank. The rule was originally promulgated in May 1999, and as written, did not include commuter rail as an “eligible project” for financial assistance. The proposed amendments to 2.40.30 NMAC seek to allow commuter rail owned by a public entity eligible to apply for, and, if approved, eligible to receive financial assistance from the NMDOT State Infrastructure Bank for any qualified projects.

**Infrastructure Committee**

**General Office (GO) Complex Facilities Study Briefing**

Richard Martinez, Procurement and Facilities Director, NMDOT, briefed the STC regarding the GO Campus Facility Condition Assessment performed by contractor, Dekker, Perich, Sabatini, Ltd. earlier this year. He provided an overview of the GO facilities assessed,

building structural conditions, plumbing and water concerns, mechanical issues, and electrical problems. He also discussed (1) the four tiered facility condition priority designation categories used by the contractor: critical, potentially critical, not critical, and recommended; (2) estimated repair costs classified by building and priority; and (3) the plan that will be developed on an annual basis by the NMDOT Building and Grounds Bureau to identify projects, by priority, that may be addressed with available budget.

**Rio Metro Regional Transit District (RMRTD) Annual Report Regarding New Mexico Rail Runner Express (NMRX)**

Terry Doyle, Transportation Director, RMRTD, presented the NMRX Annual Report. He explained that the Memorandum of Agreement between NMDOT and RMRTD regarding NMRX management, funding and operation, requires RMRTD to provide a report to the STC every year at the STC's July meeting. The report includes information on the NMRX annual operating and capital budgets, annual service plan, the five year capital maintenance plan/capital improvement plan, NMRX ridership, and performance targets.

**Proposed STC Resolution No. 2017-03 (JUL) Designating the Entire Length of U.S. 491 in New Mexico as the "Chief Manuelito Highway"**

Larry Maynard, P.E., District Six Engineer, NMDOT, discussed proposed STC Resolution No. 2017-03 (JUL) designating the entire length of U.S. 491 from its junction with Interstate 40 in McKinley County to the New Mexico/Colorado state line in San Juan County as the "Chief Manuelito Highway". He explained that in order to honor the contributions of Chief Manuelito, Hastiin Chi'il Haajin, the Naabik'iyati Committee of the Navajo Nation Council submitted a request for the designation to the STC.

Commissioner Gibson spoke in support of the Resolution. He explained who Chief Manuelito was and why he is important to the Navajo people.

### Policy Committee

#### Proposed Amendments to Commission Policy No. 4, *New Mexico State Transportation*

##### *Commission Rules and Policies (CP 4)*

Gloria Regensberg, Assistant General Counsel, NMDOT, discussed the proposed amendments to CP 4. She outlined the purpose of the policy and explained that during the 2017 Regular Legislative Session, the New Mexico Legislature passed House Bill 58 (HB 58), which amended the New Mexico State Rules Act, NMSA 1978 Sections 14-4-1 et seq. Governor Martinez signed HB 58 into law on April 7, 2017, and it became effective on July 1, 2017. Because of certain provisions in the new law, it is necessary to amend CP 4 so that it is consistent with the amended State Rules Act.

#### Proposed Amendments to Commission Policy No. 69, *Landscape Development on State*

##### *Transportation Facilities (CP 69)*

Stephen Thies, Assistant General Counsel, NMDOT, presented the proposed amendments to CP 69. CP 69 is the policy governing the expenditure of eligible state and federal transportation funds for landscaping projects on state transportation facilities.

The Commissioners briefly discussed the proposed amendments to CP 69 and decided that further review and discussion is required. Accordingly, the proposed amendments to CP 69 will be reintroduced at the STC meeting in September 2017, and will be considered at that time.

**Proposed Update of Commission Policy No. 88, *Special Construction Features (CP 88)***

Stephen Thies, Assistant General Counsel, NMDOT, presented the proposed update of CP 88. CP 88 is the policy that requires the most economical use of State and Federal funds when constructing highway and roadway enhancement projects on the State's transportation system.

The Commissioners briefly discussed the proposed update of CP 88 and decided that further review and discussion is required. Accordingly, the proposed update of CP 88 will be reintroduced at the STC meeting in September 2017, and will be considered at that time.

**Proposed Amendments to Commission Policy No. 90, *Certification of Regional Transit District (CP 90)***

Stephen Thies, Assistant General Counsel, NMDOT, presented the proposed amendments to CP 90. CP 90 is the policy that outlines the procedures by which the State Transportation Commission carries out certain requirements set forth in the Regional Transit District Act, NMSA 1978, Chapter 73, Article 25, which was enacted to provide, among other things, regional networks of safe and efficient public transit systems.

The Commissioners briefly discussed the proposed amendments to CP 90 and decided that further review and discussion is required. Accordingly, the proposed amendments to CP 90 will be reintroduced at the STC meeting in September 2017, and will be considered at that time.

**Request to Initiate Rulemaking Action to Repeal and Replace 18.27.2 NMAC, New Mexico Department of Transportation Division 100 - General Provisions - Standard Specifications for Highway and Bridge Construction**

Anthony Lujan, Deputy Secretary, NMDOT, and Geraldine Gonzales, Assistant General Counsel, NMDOT, presented a request to initiate rulemaking action to repeal and replace 18.27.2 NMAC, New Mexico Department of Transportation Division 100 - General Provisions - Standard Specifications for Highway and Bridge Construction. NMDOT and FHWA have agreed to periodically review and update 18.27.2 NMAC. Modifications to 18.27.2 NMAC have not been made since 2014. Rulemaking action is required at this time because NMDOT and FHWA have determined that changes to the rule are needed.

The rule, when finalized, will directly affect the substantive rights of NMDOT and individuals outside NMDOT by the imposition of certain requirements on both. The STC's approval to initiate the rulemaking process is necessary (pursuant to the provisions of CP 4) prior to commencement of NMDOT's rulemaking action. Therefore, NMDOT staff is now requesting the STC's approval to initiate rulemaking action.

**Consent Action Items**

Vice-Chairman Mathews asked for a motion to approve STC agenda consent action items 10(a) Approval to Initiate Rulemaking Action to Amend 2.40.30 NMAC, Infrastructure Bank; and 10(b) Approval to Initiate Rulemaking Action to Repeal and Replace 18.27.2 NMAC, New Mexico Department of Transportation Division 100 - General Provisions - Standard Specifications for Highway and Bridge Construction.



**Commissioner Sepich made a motion to so approve; Commissioner White seconded; motion carried unanimously.**

**STC Agenda Action Item 10(c), Approval of Proposed STC Resolution No. 2017-03 (JUL) Designating the Entire Length of U.S. 491 in New Mexico as the “Chief Manuelito Highway”**

Vice-Chairman Mathews asked for a motion to approve STC agenda action item 10(c), Proposed STC Resolution No. 2017-03 (JUL) Designating the Entire Length of U.S. 491 from its Junction with Interstate 40 in McKinley County to the New Mexico/Colorado State Line in San Juan County as the “Chief Manuelito Highway”.

Vice-Chairman Mathews commented that STC Commissioner Jackson Gibson has been a great leader for the Navajo people. Vice Chairman Matthews also stated that he supports the designation of the U.S. 491 in New Mexico as the “Chief Manuelito Highway.”

**Commissioner White made a motion to so approve; Commissioner Gibson seconded; motion carried unanimously.**

**STC Agenda Action Items 10(d)(1), (2), (3), and (4), Proposed Amendments to Commission Policies 4, 69, and 90, and Update of Commission Policy No. 88**

Vice-Chairman Mathews asked for a motion on action items 10(d)(1), (2), (3), and (4).

**Commissioner White made a motion to table STC agenda action items 10(d)(1), (2), (3), and (4) subject to further review and discussion by the Commissioners; Commissioner Sepich seconded; motion carried unanimously.**

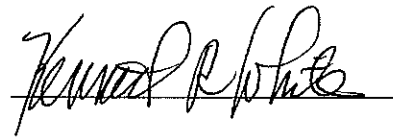
Adjournment

Vice-Chairman Mathews asked for a motion to adjourn the regular meeting at 11:45 a.m.; Commissioner Sepich made a motion to so adjourn; Commissioner Gibson seconded; motion carried unanimously.



Chairman

Ronald Schmeits



Secretary

Kenneth R. White