

**NEW MEXICO STATE TRANSPORTATION COMMISSION
MEETING**

**New Mexico Department of Transportation
Belen Patrol Yard
22 General E. Baca Road
Belen, New Mexico 87002
February 18, 2016**

The New Mexico State Transportation Commission (STC or Commission) held a regular meeting on February 18, 2016, at the NMDOT Belen Patrol Yard, Belen, New Mexico. Chairman Schmeits called the meeting to order at 8:30 a.m. Commissioner Mortensen led meeting attendees in the Pledge of Allegiance.

Approval of the Agenda

Chairman Schmeits asked for a motion to approve the agenda; Commissioner Mathews made a motion to so approve; Commissioner Sepich seconded; motion carried unanimously.

Approval of the Minutes

Chairman Schmeits asked for a motion to approve the minutes of the regular meeting of January 21, 2016; Commissioner Mathews made a motion to so approve; Commissioner White seconded; motion carried unanimously.

Elected Officials and Delegations:

Jerah Cordova, Mayor, City of Belen
Charles Eaton, Commissioner, Valencia County, District Four
Lina Benavidez, Public Works Director, City of Belen

State Transportation Commissioners Present:

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

NMDOT Staff Present:

Tom Church, Cabinet Secretary
Anthony Lujan, Deputy Secretary
Loren Hatch, Deputy Secretary
NMDOT Staff

Welcoming Remarks

The Honorable Jerah Cordova, Mayor, City of Belen, welcomed the STC and NMDOT staff to Belen. He spoke briefly about transportation and infrastructure in Belen.

District Three Presentation and Employee Recognition

Kenneth Murphy, P.E., Acting District Three Engineer, NMDOT, gave a presentation regarding District Three activities, during which he discussed completed, active and upcoming projects. He also reported on the District's Employee Recognition Program and acknowledged 2015 award recipients, Bernard Armijo, Heavy Equipment Supervisor, as Employee of the Year; the Environmental Management Crew as Statewide Crew of the Year; the North Urban/Ben Lopez Patrol as Statewide Best Patrol; and the "Brush Hog" and "Skid Mount Herbicide Spray System" as Best Practices winners.

Presentations by Elected Officials and Delegations

Steven Tomita, Development Services Manager, City of Belen, gave a presentation entitled “Importance of the Transportation Systems in the City of Belen and their Impact on Economic Development,” during which he discussed the City’s transportation network and its significance in economic development.

Public Comment

Brian Jones, Executive Director, Asphalt Paving Association of New Mexico (APANM), spoke briefly regarding the national awards that New Mexico recently won.

Workshop Agenda

Finance Committee

Monthly Financial Report

Ron Baca, Financial Control Director, NMDOT, presented the NMDOT operating budget financial summary for the month ending January 31, 2016. He reported that NMDOT is in good financial standing, revenues are tracking as forecasted, and expenditures are being managed according to revenues. 75% of NMDOT’s operating budget has been encumbered and expended. Cash balances as of February 3, 2016 are \$79.1 million, and the total operating fund balance is presently \$83.4 million.

New Mexico Finance Authority (NMFA) Monthly Report

Mark Lovato, Investment Manager, NMFA, provided an update regarding NMDOT’s portfolio funds under NMFA management. As of January 31, 2016, the balance in the portfolio was \$107.6 million, a net increase of \$4.1 million from December. The change is attributed to

debt service payments of \$256,750, \$6.1 million in draws, plus total earnings of \$6,456, and \$10.5 million in debt service set asides payments. There is 59% in the project account, of which \$2.2 million is in the 2010A bond fund account, \$62 million in the 2014A Highway Infrastructure Fund (HIF) account, 39% in debt service, and 2% in the arbitrage rebate account. On January 31, 2016, the balance in the taxable line of credit at RBC was \$42 million for collateral needs, and the balance in the taxable line of credit at Wells Fargo was \$50 million for the BNSF Escrow account. As of February 5, 2016, the amount to exit the swaps was approximately \$119.6 million. Mr. Lovato also provided a breakdown regarding NMDOT/NMFA outstanding debt service.

Infrastructure Committee

U.S. Department of Energy (DOE) Alternate Routes Request for New Mexico Waste Isolation Pilot Program (WIPP)

Todd Shrader, Manager, DOE, Carlsbad Field Office, and Bill Mackey and James Mason, DOE, presented an alternate routes request for WIPP, during which they discussed existing negotiated routes, the New Mexico settlement agreement, and proposed route repairs and alternate routes. They also provided an update on WIPP recovery efforts.

Ernest Archuleta, P.E., Operations Division Director, NMDOT, also briefed the STC regarding NMDOT's 2015 WIPP related road maintenance activities.

Regular Meeting Agenda

Staff Briefings

Secretary Report

Tom Church, Cabinet Secretary, NMDOT, reported regarding the budget passed in the 2016 New Mexico Legislative Session. NMDOT received a total appropriation in the amount of \$867.5 million, which includes \$458 million from State Road Fund revenues and \$408.9 million from federal funding sources. The appropriation represents a \$2.8 million increase above FY16 approved operating levels, including \$529.9 million for Project Design and Construction, \$233.8 million for Highway Operations, \$42.2 million for Business Support, and \$61.7 million for Modal Programs.

Loren Hatch, Deputy Secretary, NMDOT, acknowledged Associated Contractors of New Mexico (ACNM) for its support of NMDOT's design-build procurement bills (House Bill 206 and Senate Bill 215), both of which passed during the 2016 Legislative Session. Because the bills are identical, NMDOT anticipates that at least one of the two will be signed by the Governor and become law.

FHWA Report

J. Don Martinez, Division Administrator, FHWA, commented briefly regarding NMDOT's 2016 Legislative Session design-build procurement bills. He also reported that highway crash fatalities in New Mexico have decreased by 20% in the last year.

Commissioner Comments

Chairman Schmeits extended his thanks to the City of Belen for hosting the STC meeting and to the representatives of DOE for presenting an update on WIPP.

Commissioner White thanked the City of Belen for hosting the STC meeting.

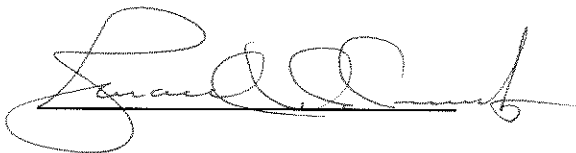
Commissioner Sepich stated that he enjoyed Mayor Cordova's presentation regarding the City of Belen and commended NMDOT employees for their exceptional work.

Commissioner Mortensen thanked the City of Belen.

Commissioner Mathews expressed his appreciation to NMDOT staff and thanked the City of Belen.

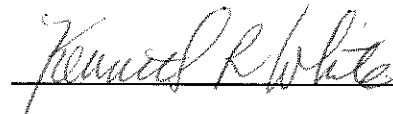
Commissioner Gibson commended Secretary Church and NMDOT staff and thanked Brian Jones of APANM for the information he shared regarding the awards that New Mexico recently received.

Chairman Schmeits asked for a motion to adjourn the regular meeting at 10:45 a.m.; Commissioner Mathews made a motion to so adjourn; Commissioner White seconded; motion carried unanimously.



Chairman

Ronald Schmeits



Secretary

Kenneth R. White