

**NEW MEXICO STATE TRANSPORTATION COMMISSION
MEETING**

**The Lodge at Santa Fe Hotel
750 N. St. Francis Drive
Santa Fe, New Mexico 87501
January 21, 2016**

The New Mexico State Transportation Commission (STC or Commission) held a regular meeting on January 21, 2016, at the Lodge at Santa Fe Hotel, Santa Fe, New Mexico. Chairman Schmeits called the meeting to order at 8:30 a.m. Commissioner Mathews led meeting attendees in the Pledge of Allegiance.

Approval of the Agenda

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

Approval of the Minutes

Chairman Schmeits asked for a motion to approve the minutes of the special meeting of November 19, 2015; Commissioner Mathews made a motion to so approve; Commissioner White seconded; motion carried unanimously.

Elected Officials and Delegations:

Peter Ives, Mayor Pro Tem, City of Santa Fe
Gerard Saiz, Mayor Pro Tem, Village of Los Lunas
Alonzo Baldonado, New Mexico State Representative, District 8
Kelly Fajardo, New Mexico State Representative, District 7
Carl Trujillo, New Mexico State Representative, District 46

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:

Anthony Lujan, Deputy Secretary
Loren Hatch, Deputy Secretary
NMDOT Staff

Welcoming Remarks

The Honorable Peter Ives, Mayor Pro Tem, City of Santa Fe, on behalf of Mayor Javier Gonzales and the Santa Fe City Council, welcomed the STC and NMDOT staff to Santa Fe. He spoke briefly about transportation and infrastructure within the state.

District Five Presentation and Employee Recognition

Paul Brasher, P.E., Acting District Five Engineer, NMDOT, gave a presentation regarding District Five activities, during which he discussed completed, active and upcoming projects and maintenance accomplishments. He also reported on the District's Employee Recognition Program and acknowledged 2015 award recipients, Mario Trujillo, Chip Seal Supervisor, as Employee of the Year; Mechanic Shop staff as Crew of the Year; and the Gallina Patrol as Best Practice Program winner for speed sign limit covers.

Chairman Schmeits invited the Honorable Carl Trujillo, New Mexico State Representative, to address the STC and meeting attendees. Representative Trujillo thanked the

Commissioners and NMDOT staff for their work and stated that he is cognizant of the State's transportation needs.

Anthony Lujan, Deputy Secretary, NMDOT, briefed the STC regarding NMDOT's General Office Employee Recognition Program. He acknowledged 2015 award recipients, Jessica Lopez as Employee of the Year and the Road Inventory Program as Section of the Year.

Presentations by Elected Officials and Delegations

The Honorable Gerard Saiz, Mayor Pro-Tem, Village of Los Lunas; Greg Martin, Administrator, Village of Los Lunas; and Kevin Eades, P.E., Vice President, Molzen Corbin, provided an update on the I-25 Interchange and East-West Corridor project. Mayor Pro Tem Saiz also acknowledged New Mexico State Representatives Alonzo Baldonado and Kelly Fajardo for their steadfast support of the project.

Public Comment

Miguel Gabaldon, former NMDOT District Five Engineer, welcomed the STC to Santa Fe and acknowledged the 2015 District Five Employee Recognition award recipients.

Zoe Richmond, Public Affairs Director, Union Pacific (UP), introduced Brenda Mainwaring, UP's new Public Affairs Department Vice President. She expressed her gratitude for the good working relationship UP has enjoyed with NMDOT and updated the STC on current and past UP initiatives and projects.

Workshop Agenda

Finance Committee

Monthly Financial Report

Ron Baca, Financial Control Director, NMDOT, presented the NMDOT operating budget financial summary for the month ending December 31, 2015. He reported that NMDOT is in good financial standing, revenues are tracking as forecasted, and expenditures are being managed according to revenues. 30% of funding has been encumbered and reserved for obligations; 35% has been expended to date, and 35% remains to be expended through the end of the fiscal year. Cash balances as of January 5, 2016 are \$81 million, and the total operating fund balance is \$83.4 million.

New Mexico Finance Authority (NMFA) Monthly Report

Mark Lovato, Investment Manager, NMFA, provided an update regarding NMDOT portfolio funds under NMFA management. As of December 31, 2015, the balance in the portfolio was \$130.5 million, a net decrease of \$35.5 million from November. The change is attributed to debt service payments of \$53.1 million, no draws, plus total earnings of \$4,316, \$13.8 million debt service set asides payments, and \$3.8 million from escrow accounts. There is 68% in the project account, of which \$3.2 million is in the 2010A bond fund account, \$67 million in the 2014A Highway Infrastructure Fund (HIF) account, 30% in debt service, and 2% in the arbitrage rebate account. On December 31, 2015, 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 January 7, 2016, the amount to exit

the swaps was \$108.9 million. Mr. Lovato also provided a breakdown regarding NMDOT/NMFA outstanding debt service.

Public Financial Management (PFM) Quarterly Debt Portfolio Report

Peter Shellenberger, Managing Director, PFM, and Christine Choi, Senior Managing Consultant, PFM, presented an updated debt management report, which included detailed information regarding recent municipal market conditions, NMDOT's current debt portfolio, and current financing considerations.

Infrastructure Committee

Status of Design Projects in the Statewide Transportation Improvement Program (STIP)

Armando Armendariz, P.E., State Construction Bureau, NMDOT, and Dolores Gallegos, PINF Finance Bureau Chief, NMDOT, presented an update regarding STIP projects let in the last quarter. Of the seventeen original projects that were scheduled to be let, NMDOT let eleven, six were rescheduled, and four new projects were added, which amounted to a total of fifteen projects for the quarter. Five projects were located in District One, one in District Two, three in District Three, three in District Four, and three in District Five.

Policy Committee

Annual Determination of Notice Provisions for Open and Closed State Transportation

Commission Meetings Pursuant to NMSA 1978, Section 10-15-1(D) of the Open Meetings

Act

Loren Hatch, Deputy Secretary, NMDOT, discussed the annual determination of notice provisions for open and closed State Transportation for State Transportation Commission meetings pursuant to NMSA 1978, Section 10-15-1(D). He explained that every public body in the State that holds public meetings is required to define, on an annual basis, the particulars regarding reasonable notice for meetings. The STC is required at this time to take action setting specific notice provisions for its open and closed public meetings. Mr. Hatch recommended that the STC affirm its current notice provisions contained in Commission Policy 1.

Regular Meeting Agenda

Staff Briefings

Secretary Report

Anthony Lujan, Deputy Secretary, NMDOT, gave a brief report to the STC regarding recent snow removal efforts and the 2016 Legislative Session that commenced on January 19.

FHWA Report

J. Don Martinez, Division Administrator, FHWA, reported briefly regarding the federal highway bill and funding status.

Action Items

Approval of Annual Determination of Notice Provisions for Open and Closed State Transportation Commission Meetings Pursuant to NMSA 1978, Section 10-15-1(D) of the Open Meetings Act

Loren Hatch, Deputy Secretary, NMDOT, requested the STC's approval of the annual determination of notice provisions for open and closed State Transportation Commission meetings pursuant to NMSA 1978, Section 10-15-1(D) of the Open Meetings Act.

Chairman Schmeits asked for a motion to approve the annual determination of notice provisions for open and closed State Transportation Commission meetings pursuant to NMSA 1978, Section 10-15-1(D) of the Open Meetings Act; Commissioner White made a motion to so approve; Commissioner Mathews seconded; motion carried unanimously.

Commissioner Comments

Commissioner White expressed his appreciation for the information presented during the meeting and extended his thanks to NMDOT staff.

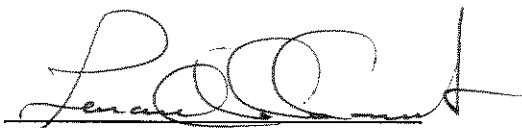
Commissioner Sepich commended NMDOT staff on the excellent outcome of the recent audit.

Commissioner Mortensen thanked NMDOT District Three staff for their excellent work during the recent snow storms.

Commissioner Mathews also expressed his appreciation to NMDOT staff who worked on the roads during the recent storms.

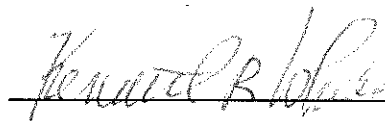
Chairman Schmeits, too, extended his thanks to NMDOT staff for their recent efforts during the storms.

Chairman Schmeits asked for a motion to adjourn the special meeting at 11:30 a.m.; Commissioner Mortensen made a motion to so adjourn; Commissioner Mathews seconded; motion carried unanimously.

A handwritten signature in black ink, appearing to read "Ronald Schmeits", written over a horizontal line.

Chairman

Ronald Schmeits

A handwritten signature in black ink, appearing to read "Kenneth R. White", written over a horizontal line.

Secretary

Kenneth R. White