

NEW MEXICO STATE TRANSPORTATION COMMISSION

MEETING

Video Conference Meeting

May 20, 2021

The New Mexico State Transportation Commission (STC or Commission) held a regular meeting via video conference on May 20, 2021. Chairman Adams called the meeting to order at 9:01 a.m. He asked for a roll call to establish a quorum. Mershawn Griego, Office of the Secretary, New Mexico Department of Transportation (NMDOT), proceeded to call the roll. Commissioners Walter G. Adams, Jennifer Sandoval, Bruce Ellis, Hilma E. Chynoweth, and Thomas C. Taylor were present. Commissioner Lundstrom was absent.

Chairman Adams asked for a moment of silence for NMDOT employee, Brian Gutierrez, who passed away in April, and NMDOT General Counsel, Ken Baca's father and former NMDOT employee, Louis Baca, who also recently passed away. On behalf of the STC, he offered condolences to their families.

Approval of the STC Meeting Agenda

Chairman Adams asked for a motion to approve the STC agenda; Commissioner Chynoweth made a motion to so approve; Commissioner Ellis seconded; motion carried unanimously.

May 20, 2021

Approval of the STC Minutes

Chairman Adams asked for a motion to approve the March 25, 2021 STC regular video conference meeting minutes; Commissioner Taylor made a motion to so approve; Commissioner Ellis seconded; motion carried unanimously.

State Transportation Commissioners Present:

Jennifer Sandoval, Vice-Chair, District One
Bruce Ellis, Commissioner, District Two
Hilma E. Chynoweth, Commissioner, District Three
Walter G. Adams, Chairman, District Four
Thomas C. Taylor, Commissioner, District Five
Charles Lundstrom, Secretary, District Six (Absent with Notice)

NMDOT Staff Present:

Michael Sandoval, Cabinet Secretary
Justin Reese, Deputy Secretary, Business Support
Rick Padilla, P.E., Executive Director of Highway Operations
Jerry Valdez, Executive Projects Director
Kenneth B. Baca, General Counsel
NMDOT Staff

Elected Officials and Delegations Present:

The Honorable Harry Garcia, New Mexico State Representative, District 69
The Honorable Joshua Hernandez, New Mexico State Representative, District 60
Candyce O'Donnell, Taos County Commission Chair, District 5
The Honorable Tim Keller, Mayor, City of Albuquerque

Introductions

Chairman Adams and Michael Sandoval, Cabinet Secretary, NMDOT, welcomed attendees to the STC meeting and invited all elected officials in attendance to introduce themselves.

The Honorable Harry Garcia, New Mexico State Representative, District 69; the Honorable Joshua Hernandez, New Mexico State Representative, District 60; and Candyce O'Donnell, Taos County Commission Chair, District 5, followed by introducing themselves. Lawrence Rael, Chief Operations Officer, City of Albuquerque, on behalf of the Honorable Tim Keller, Mayor City of Albuquerque, greeted the STC and stated that Mayor would be joining the meeting later.

Chairman Adams thanked NMDOT District Three for hosting the STC meeting and, on behalf of the Commission, thanked NMDOT employees for the work they did during the pandemic and for all the work they do each and every day.

Commissioner Chynoweth welcomed meeting attendees and thanked legislators in attendance for their partnership and the funding provided to District Three through the 2021 Legislative Session. She also thanked NMDOT employees for their work during the pandemic and in the future.

Public Comment

The Honorable Tim Keller, Mayor City of Albuquerque, discussed the City's attempt to use a "New Deal" style of investment in infrastructure during the pandemic. Albuquerque has used its City emergency powers to push forward approximately \$200 million in infrastructure investments, mainly on arterials that feed into the highways and on long overdue repaving and access projects. The City is also continuing work to address pedestrian safety, vagrancy, lighting

and landscaping. The City wants to ensure there are places of refuge for pedestrians on medians when they are crossing Route 66 and that there is appropriate landscaping and lighting for both pedestrians and drivers in certain other dangerous areas. He mentioned the City could use NMDOT's help on Coors and Paseo and, specifically with respect to landscaping and enhanced lighting, at the on and off ramps where I-40 intersects with 4th and 2nd Streets, where there are major safety concerns. He also mentioned the City is splitting the federal funds it recently received and is using half for pandemic related relief and the other half for infrastructure.

The Honorable Harry Garcia, New Mexico State Representative, District 69, inquired regarding the status of the STC approved naming of the bridge at Mile Marker 131 for "Mr. Platero". He also asked about the use of state roads for off road vehicles.

Secretary Sandoval responded that there are very specific requirements for and analysis that must be done by NMDOT when the STC is asked to approve the use of off road or recreational vehicles on state roads or other roads under the jurisdiction of NMDOT. He will discuss with Representative Garcia the steps the community will need to take and the information that will need to be provided in order to request STC consideration.

With regard to Representative Garcia's question about the bridge the STC dedicated last year to "Mr. Platero", Larry Maynard, District Six Engineer, NMDOT, responded that the District will need to obtain specific information about the dedication and then order the signs for the bridge.

Representative Garcia commended NMDOT for its litter removal efforts. The situation in his District has significantly improved. Chairman Adams commented that NMDOT is in the process of installing "no littering" signs in an attempt to raise awareness of the problem. He hopes fines for littering can be increased in the 2022 Legislative Session.

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Candyce O'Donnell, Taos County Commission Chair, District 5, reported regarding Taos County's Earth Day clean-up efforts in Peñasco and Truchas. Six tons of litter were removed. She also reported that Taos received \$150,000 from Governor Lujan Grisham for security cameras at the Rio Grande Gorge Bridge. The County intends to work with NMDOT to procure the best provider for the cameras. Sadly, law enforcement recently recovered the body of National Guardsman, Juan Muñoz. A memorial service will be held this evening and Mass will be celebrated on Saturday, May 22, 2021, at Our Lady of Guadalupe Parish. In closing, she mentioned a request concerning the \$1.2 million in capital outlay for electric vehicle charging stations statewide (See 2021 Regular Legislative Session House Bill 285, *Capital Outlay Projects*, Section 33, Department of Transportation Projects-- Severance Tax Bonds-- Item No. 103, page 192). She explained Taos County is working with Kit Carson Electric Cooperative on regional planning. Accordingly, it would be helpful to know where NMDOT proposes to install charging stations in Taos County, so the County can assist in planning where to install other charging stations.

Neil Jackson, Mountain States Constructors, Inc. (MSCI), commented on behalf of MSCI; as a representative of Associated Contractors of New Mexico (ACNM); and a member of the prequalification committee. The contractors have been working with NMDOT since August 2019 to develop a mutually agreeable prequalification rule. He believes the new, soon to be introduced rule, is something that everyone can get on board with, support, and will be harder to challenge by other contractors. He thanked NMDOT for working with contractors on the new rule.

Secretary's Report

Secretary Sandoval reported regarding the funding NMDOT received in the 2021 Regular Legislative Session, including approximately \$300 million in appropriations from the General Fund and approval to bond for almost \$300 million for road and construction projects. He explained NMDOT provided a list of projects to legislators during the Session and that those projects were identified in House Bill 2, *General Appropriation Act of 2021*. He outlined NMDOT's proposed plans for the funding.

Secretary Sandoval briefly discussed NMDOT's proposed return to work plan. NMDOT will probably transition over most of the summer to allow employees who want to return to their offices to do so, and employees who would like to telework from home to finalize arrangements. The State Personnel Office (SPO) will issue a telework policy that will allow employees to work from home part-time or full-time, depending upon their job duties. Not everyone will be eligible to telework as some employees will be needed to work in the office. The Secretary indicated that NMDOT will begin the transition on June 1; however, he does not see a significant part of the Department back in place until July or early August.

A bill passed in the 2021 Regular Legislative Session (Senate Bill 345, *Per Diem and Mileage Act Changes*) that will increase per diem rates as of July 1, 2021, from \$85 per night to \$151 per night. Santa Fe is considered a high-cost area; the new rates are approximately \$190 - \$195 per night.

NMDOT's current vacancy rate is about 14%. All SPO restrictions have been removed so NMDOT may now hire as it was able to before the pandemic. Secretary Sandoval hopes NMDOT

will be able to reduce its vacancy rate to 10% or below. NMDOT will be hiring up to 50 summer interns statewide.

Litter has been a big issue. Due to the lack of staff and NMDOT being unable to utilize New Mexico Corrections Department inmates, the Department has not been able to keep up with the problem the way it would like to. Starting in June, once per month, NMDOT will be offering Department employees overtime pay to help pick up litter on Saturdays.

Commissioner Ellis inquired about NMDOT's return to work policy, specifically the Department's position regarding vaccinations. Secretary Sandoval responded that in accordance with current guidance, NMDOT may ask for vaccination information and employees who are willing to provide that information will not have to wear masks in the building. NMDOT cannot require employees to be vaccinated; however, for the overall health of the Department, the Secretary has encouraged all staff members to be vaccinated.

Chairman Adams suggested that NMDOT institute a motorist awareness campaign focusing on cross walks and speed limits given that children will soon be returning to school.

District Three Update

Justin Gibson, P.E., District Three Engineer, NMDOT, provided an update regarding District Three, during which he discussed the District's FY 21 budget, projects, maintenance, and other activities. He also reported on the District's Employee Recognition Program and acknowledged recent award winners. He informed the STC about the loss of South Urban Patrol employee, Murphy Sandoval, who passed away last month. He expressed his gratitude for Mr.

Sandoval's exceptional dedication to NMDOT. In closing, he thanked District Three staff and showed a video that provided a brief overview of District operations this last year.

On behalf of the STC, Chairman Adams offered condolences to Murphy Sandoval's family.

Finance Reports

NMDOT Financial Status Update

Mallery Manzanares, Budget Director and Acting ASD Director, NMDOT, presented the NMDOT financial status update as of May 1, 2021. NMDOT's combined FY21 budget is presently \$1.5 billion. State Road Fund: To date, NMDOT has received a total of \$581.3 million in revenues and spent \$675.1 million. Restricted Funds: NMDOT's FY21 restricted funds budget is presently \$161.1 million. To date, NMDOT has received a total of \$50.6 million in revenue and spent \$51 million. Mrs. Manzanares also discussed NMDOT's current cash balances for operating budget funds and projected fund balances for FY21 year end: Road Fund: \$29.4 million; Restricted Funds: \$32.6 million; and Operating Fund: \$62 million.

Approval of NMDOT FY22 Budget Request

Laura Bianchini, Chief Economist, NMDOT, presented the FY22 Road Fund revenue forecast that was prepared in January and used for NMDOT's FY22 legislative budget request. A new forecast will be completed in July.

Mallery Manzanares, Budget Director and Acting ASD Director, presented and requested approval of NMDOT's FY22 budget in the total amount of \$1 billion, which includes: \$171.5 million for Personal Services and Employee Benefits; \$458.2 million for Contractual Services; and

\$386.2 million for Other Costs, e.g., debt service and field supplies. This is the highest budget request NMDOT has submitted to date. Currently, NMDOT has 2,578.5 full time employees (FTE). The budget is comprised of State Road Fund Revenue in the amount of \$493.1 million; Restricted Revenue in the amount of \$77.3 million; Transfers from Other Agencies in the amount of \$12.3 million, primarily to fund the ports of entry; State Road Fund Balance in the amount of \$29 million; and Federal Revenue in the amount of \$404.1 million.

Chairman Adams asked for a motion to approve NMDOT's FY22 Budget Request; Commissioner Taylor made a motion to so approve; Commissioner Ellis seconded; motion carried unanimously.

Approval of FY21 Budget Adjustment Request (BAR) No. 25 – Summer Interns

Mallery Manzanares, Budget Director and Acting ASD Director, NMDOT, presented FY21 BAR No. 25 - Agency - Summer Interns. The BAR is required to establish budget authority for Personal Salaries and Benefits (Category 200) in the amount of \$500,000, to hire up to 50 high school or college summer interns and for overtime pay for NMDOT employees participating in the "Toss No Mass" Campaign.

Chairman Adams asked for a motion to approve FY21 BAR No. 25 - Agency - Summer Interns; Commissioner Chynoweth made a motion to so approve; Commissioner Taylor seconded; motion carried unanimously.

Approval of FY22 Local Governments Road Fund Program (LGRF) Request

Clarissa Martinez, Statewide LGRF Manager, Project Oversight Division, NMDOT, presented and requested approval of the FY22 LGRF Program request. The LGRF is a designated

State fund administered by NMDOT that helps local governments pay for approved local construction and maintenance projects. The State provides 75% of the project funding, which local entities match at 25%. The local entities take the lead in developing and contracting to construct the projects. The total FY22 LGRF Program budget is \$24,790,000. Ms. Martinez discussed the proposed FY22 LGRF project list and the specific amounts allocated to each program within the LGRF.

Chairman Adams asked for a motion to approve the FY22 LGRF Program request; Commissioner Ellis made a motion to so approve, as recommended; Commissioner Sandoval seconded; motion carried unanimously.

New Mexico Finance Authority (NMFA) Report

Mark Lovato, Investment Manager, NMFA, provided an update regarding NMDOT's investment portfolio funds under NMFA management and NMDOT/NMFA's outstanding bond debt service as of April 30, 2021. As of that date, NMFA was holding \$111,467,546.04 for debt service. NMFA closed NMDOT's arbitrage rebate account. The \$230,642.86 balance in the account at closing was transferred into NMDOT's 2014 A project (Highway Infrastructure Fund) account. Currently, there is \$6,727,265.46 in that account. NMDOT's \$50 million line of credit at Wells Fargo expires in approximately one year and, at that point, it will be renewed. NMDOT's current outstanding debt is \$864,870,000. Its next debt service payment in the total amount of \$122,842,675 (\$101,270,000 in principal plus \$21,572,675 in interest) is due on June 15, 2021. With that payment, NMDOT's 2010 B Series bonds will be fully paid off. After NMDOT's June 15 payment, its fiscal year debt service payments will total \$152,120, 925.

Policy Reports

2021 Senate Bill 133 (SB 133) – Initiate Rulemaking Action for New Rule to Administer the Rural Air Service Enhancement Act

Pedro Rael, Aviation Division Director, NMDOT, presented and requested approval to commence a rulemaking to implement certain provisions of 2021 Regular Session SB 133, *Rural Air Service Enhancement Act*. SB 133 creates a grant program for the purpose of encouraging and establishing air services over currently unserved routes throughout New Mexico. Counties and municipalities that own an airport and have a minimum population of 20,000 living within a 50-mile radius of the airport are eligible to apply for a grant. Local entities without air service could qualify for a grant up to \$1.75 million with a 10% match. Local entities with existing air service could still qualify for a grant up to \$1.25 million with a 50% match. Airplanes used on routes associated with the grant funding are limited to those capable of seating 9 passengers or fewer. In New Mexico there are a total of 51 airports, excluding the Albuquerque International Sunport. These 51 airports come under the umbrella of the NMDOT Aviation Division, and 20 of those airports meet the statutory qualifications to apply for an air services enhancement grant.

The Aviation Division requests permission to initiate rulemaking for the administration of the program, especially with respect to applications for grants by local public entities.

Commissioner Ellis asked about the total amount of money that will be available through the grants. Mr. Rael responded that a total of \$9 million will be available, and of that amount, 10% or \$900,000, can be used for infrastructure support for the program.

Chairman Adams asked for a motion to approve the request to open rulemaking in order to implement the Act; Commissioner Ellis made a motion to so approve; Commissioner Taylor seconded; motion carried unanimously.

Approval Request to Open a Rulemaking Action to Draft New Rules in Compliance with the Legislative Directives in 2021 Regular Legislative Session House Bill 270, *Autonomous Vehicles* (HB 270)

Charles Remkes, P.E., Chief, Intelligent Transportation Systems, NMDOT, presented and requested the STC's authorization to proceed with rulemaking for establishing requirements for autonomous vehicle testing in New Mexico. The intent of the rule is to encourage the advancement and efficient implementation of autonomous vehicle testing in New Mexico that will not impede maintaining a safe environment for public roadway users.

Chairman Adams asked for a motion to approve the request to open a rulemaking action to draft new rules in compliance with the legislative directives in HB 270, *Autonomous Vehicles*; Commissioner Chynoweth made a motion to so approve; Commissioner Taylor seconded; motion carried unanimously.

Approval Request for Final Rulemaking Action Adopting Amendments to 18.27.5 NMAC, Transportation and Highway Construction General Provisions, Contractor Prequalification Rule, to be effective June 8, 2021

Tisha Clark, P.E. Acting State Construction Engineer, NMDOT, outlined the amendments to the Contractor Prequalification Rule and requested the STC's approval of the final Rule to become effective June 8, 2021.

Commissioner Ellis asked what risk, if any, remains for NMDOT in the changes. Secretary Sandoval responded that he does not believe the amendments change the risk, rather NMDOT looks at this as an improvement and, if anything, it reduces NMDOT's risk.

Jim Garcia, Associated Contractors of New Mexico (ACNM), thanked NMDOT for working with the contractors on the rule.

Chairman Adams asked for a motion to approve final rulemaking action adopting amendments to 18.27.5 NMAC, Transportation and Highway Construction General Provisions, Contractor Prequalification Rule, to be effective June 8, 2021; Commissioner Ellis made a motion to so approve; Commissioner Chynoweth seconded; motion carried unanimously.

Proposed Dedication of the Bridge Located on NM 6 Over the Rio Grande in the Village of Los Lunas (Bridge No. 9827), as the "Daniel D. Fernandez Veterans Memorial Bridge"

Justin Gibson, P.E., District Three Engineer, NMDOT, briefed the STC regarding the proposed request to dedicate the recently completed bridge located on NM 6 over the Rio Grande in Los Lunas (NM 6 Bridge) as the "Daniel D. Fernandez Memorial Bridge".

United States Army Specialist 4th Class (Sp4c) Daniel D. Fernandez was a native New Mexican, born on June 30, 1944. He enlisted in the United States Army in 1962. On February 18,

1966, in his second tour of duty in Vietnam, he was tragically killed in action in Hau Nghia Province when he threw himself on a live grenade to protect the lives of his comrades who were attending to a wounded soldier. In recognition of his heroic action that saved the lives of four other soldiers at the cost of his own, Sp4c Fernandez was posthumously awarded the Medal of Honor in 1967 by President Lyndon B. Johnson.

If the Commission grants approval to proceed with the subject designation, a request to officially dedicate the NM 6 Bridge will be submitted to the Commission for approval at its next regular meeting.

Chairman Adams stated that the STC will take the proposal under consideration and will look forward to seeing it as an action item at the July 2021 STC meeting.

Annual Report to State Auditor Regarding Regional Transit Districts (RTDs)

Kevin Olinger, Transit Bureau Chief, NMDOT, briefed the STC regarding the annual report to the State Auditor concerning RTDs. He explained that New Mexico statute requires the STC to submit an annual report to the State Auditor concerning the activities of all active RTDs. Currently, there are four active RTDs: North Central, Rio Metro, South Central and Southwest. The report details how many districts have been created, describes their boundaries, specifies the regional transit systems that are being provided and how they are being funded. Mr. Olinger stated that the report will be sent to the State Auditor later this month in compliance with the State statute and Commission Policy 90, *Certification of Regional Transit District (RTD)*.

Proposed Amendments to the 2021 STC Meeting Schedule

Secretary Sandoval, NMDOT, reported that it appears the July STC meeting will be able to be held in person in Las Cruces. The September STC meeting is scheduled for the Milan-Grants area and the last STC meeting of the year is presently scheduled in November in the Hobbs area. The Secretary asked the Commissioners if they would like to change any of meeting venues. He also mentioned the need to schedule either a virtual or in person special STC meeting in late August to approve \$120 million in Transportation Project Fund (TPF) grants before September 1, 2021. He explained that the TPF applications and awards will not be ready until early August and, consequently, will not be able to be approved at the July STC meeting.

Commissioner Chynoweth suggested holding future summer meetings in the northern area of the state, in cooler climates, and fall and winter meetings in the southern part of the state.

Commissioner Ellis asked about the possibility of televising STC meetings to limit the number of people that physically have to attend and to be more inclusive of those that do not have to be physically present.

Chairman Adams asked if it was possible for Secretary Sandoval to ensure there is a suitable location in Grants or Milan for the September STC meeting. The Chairman also confirmed with the Secretary there will be no changes to the 2021 STC meeting venues.

The Commissioners agreed to schedule a virtual special STC meeting on Thursday, August 19, 2021 at 9:00 a.m. via Zoom; agenda items to be determined.

Chairman Adams asked for a motion to approve scheduling a special STC meeting on Thursday, August 19, 2021, at 9:00 a.m., via Zoom; Commissioner Taylor made a motion to so approve; Commissioner Chynoweth seconded; motion carried unanimously.

Federal Highway Administration (FHWA) Report

Melinda (“Mindy”) Roberson, FHWA Acting New Mexico Division Administrator, informed the STC that Work Zone Awareness Week was celebrated last month. The event is held every year in April to recognize those individuals who have lost their lives in work zones. Between 2017 and 2019 there were 19 fatalities in work zones on New Mexico roadways. Ms. Roberson asked everyone to be especially diligent and careful in work zones and to be cognizant of workers. She also stated that FHWA appreciates its partnership with NMDOT and all that is being done to support safety on roadways.

Adjournment

Chairman Adams asked for a motion to adjourn the regular meeting at 11:57 a.m.; Commissioner Ellis made a motion to adjourn the regular meeting; Commissioner Taylor seconded. Motion carried unanimously.



Chairman

Walter G. Adams



Secretary

Charles Lundstrom