

**NEW MEXICO STATE TRANSPORTATION COMMISSION  
MEETING**

**Village of Ruidoso Council Chambers  
313 Cree Meadows Drive  
Ruidoso, New Mexico 88346  
August 15, 2019**

The New Mexico State Transportation Commission (STC or Commission) held a regular meeting on August 15, 2019, at The Village of Ruidoso Council Chambers, Ruidoso New Mexico. Commissioner Adams called the meeting to order at 8:32 a.m. Chairman Adams asked for a roll call to establish a quorum. Jennifer Martinez, Office of the Secretary, NMDOT, proceeded to call the roll. Commissioners Bruce Ellis, Keith Mortensen, Walter G. Adams, and Charles Lundstrom were present.

**Approval of the STC Meeting Agenda**

**Chairman Adams asked for a motion to approve the STC meeting agenda; Commissioner Mortensen made a motion to so approve; Commissioner Lundstrom seconded; motion carried unanimously.**

**Approval of the STC Minutes**

**Chairman Adams asked for a motion to approve the May 22, 2019 STC regular meeting minutes; Commissioner Ellis made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.**

## **Introductions**

Commissioner Adams welcomed everyone to the meeting and thanked the Village of Ruidoso for its hospitality. He introduced Mayor Lynn D. Crawford, Village of Ruidoso. Mayor Crawford welcomed the STC to Ruidoso and thanked NMDOT for its work in the area. He also commented on various projects, traffic issues, new business enterprises, tourism, and the current proposal before the STC requesting approval for the use of recreational off-highway vehicles, a proposition he supports.

Michael Sandoval, Cabinet Secretary, NMDOT, introduced the elected officials at the STC meeting, and NMDOT staff introduced themselves.

## **Elected Officials and Delegations:**

Ray Dean, Trustee, Town of Carrizozo  
Lynn D. Crawford, Mayor, Village of Ruidoso  
Stephen Aldridge, Mayor, City of Jal  
Elaine Allen, Commissioner, District 5, Lincoln County  
The Honorable Candy Spence Ezzell, New Mexico State Representative, District 58  
Robin Gibson, Constituent Service Representative, Office of the Lt. Governor,  
State of New Mexico  
Dallas Draper, Commissioner, District 3, Lincoln County  
Franklin McCasland, Commissioner, District 3, Quay County  
The Honorable Bobby Ortiz, Mayor Pro Tem, City of Moriarty  
Dennis Lopez, Commissioner, District 1, Roosevelt County

## **State Transportation Commissioners Present:**

Jennifer Sandoval, Vice-Chair, District One (absent with notice)  
Bruce Ellis, Commissioner, District Two  
Keith Mortensen, Commissioner, District Three  
Walter G. Adams, Chairman, District Four  
Vacant, District Five  
Charles Lundstrom, Secretary, District Six

**NMDOT Staff Present:**

Michael Sandoval, Cabinet Secretary  
Kenneth B. Baca, General Counsel  
NMDOT Staff

**Public Comment**

Lance Roe, owner, Backcountry Attitudes; Kevin Fleedary, Lincoln County resident; Justin Huffman, Director of Tourism, Village of Ruidoso; and Pat Fox, Lincoln County resident, spoke in support of the Village of Ruidoso's request to designate a certain segment of NM 48 for the use of Recreational Off-Highway Vehicles (ROVs).

Dennis Lopez, Commissioner, Roosevelt County, commended Timothy Parker, P.E., District Two Engineer, NMDOT, and District Two staff for their collaboration on projects with Roosevelt County and the City of Portales.

Nick Porell, P.E., Public Works Director, San Juan County, on behalf of the San Juan County Commission and County Manager, thanked Secretary Sandoval in advance of the scheduled STC meeting vote to approve Local Government Transportation Project Fund (LGTPF) projects. He explained that the County has a project on the Secretary's recommended approval list. It is for a \$2.5 million contribution to a \$7 million bridge project. He requested the STC to consider including the project on its final list of approved projects.

**District Two Presentation and Employee Recognition**

Timothy Parker, P.E., District Two Engineer, NMDOT, gave a presentation regarding District Two activities, during which he discussed the District's various projects and maintenance accomplishments.

### **Statewide Best Practice**

Trent Doolittle, P.E., District One Engineer, NMDOT, presented the Statewide Best Practice Award to the Silver City Patrol for its box blade grader and wind row sizer. A video was shown to demonstrate the use of the tool for patching. Mr. Doolittle introduced the members of the Patrol to the STC. He also introduced Filiberto Castorena, P.E., Assistant District One Engineer, NMDOT, who will be retiring on August 30, 2019. Both Chairman Adams and Secretary Sandoval thanked Mr. Castorena for his service to NMDOT, and congratulated him on his retirement.

### **Additional Public Comment**

The Honorable Candy Spence Ezzell, New Mexico State Representative, District 58, expressed her appreciation to NMDOT staff for their hard work. She then discussed the oil and gas industry in the southeastern part of the State, which she considers the number one income producer for the state budget. She reported that there are grave concerns about the roads in the area that are traveled daily by industry employees, farmers, ranchers, residents, and out of State visitors. The issues relate to the amount of traffic on the roads and the rate at which they are deteriorating. Funds were allocated in the last Legislative Session to address these issues; accordingly, she urged District Two Engineer, Tim Parker, to get the needed work done.

## **Staff Briefings**

### **FHWA Report**

J. Don Martinez, FHWA, stated the end of the federal fiscal year will occur at the end of September, at which time the State will have several million dollars to obligate. Applications for redistribution have been submitted; however, it is unknown how much money the State will actually receive. The problem the NMDOT faces, as well as every other state, is that transportation needs are in the billions of dollars, but Congress' focus is not on reauthorizing transportation funds, but instead, on gun control. Mr. Martinez believes that at this point in time, reauthorization will not happen anytime soon. It will probably happen after the election. He does not anticipate that there will be a budget; it will probably be a continuing resolution, which means that NMDOT will likely receive the same amount of funds as it did in previous years.

### **Secretary Report**

Secretary Sandoval reported that Tamara Haas, one of NMDOT's most senior and knowledgeable employees, and an excellent engineer, will be taking on a new Executive Staff role as Capital Programs and Investments Division Director. Mrs. Haas will continue to be responsible for NMDOT's Asset Management program; her new duties will include (1) responsibility for NMDOT's bonding program; (2) verifying and ensuring that District Engineers' projects match data-based needs; (3) evaluating NMDOT's project delivery system for the purpose of identifying and eliminating bottlenecks; and (4) providing direction and support when and where needed to produce projects more efficiently. Mrs. Haas' present responsibility for other areas, including Planning, Research and Data Management, will soon be transferred to NMDOT's new Executive Projects Director, Mr. Jerry Valdez.

Secretary Sandoval congratulated Mrs. Haas for all of her accomplishments, and stated that he will do whatever he can to help her given of the size of the job she has taken on. Chairman Adams, on behalf of the Commission, also congratulated Mrs. Haas, and stated that she will be a great asset to NMDOT in her new position.

Secretary Sandoval also formally introduced NMDOT's new Executive Projects Director, Jerry Valdez, as a member of Executive Staff. He stated that he looks forward to working with Mr. Valdez and utilizing his expertise to improve customer service and NMDOT's relationship with the public.

Secretary Sandoval also gave a brief update regarding funding and the status of various upcoming projects in the southeastern portion of the State, specifically Eddy and Lea Counties.

### **Communications Plan**

Marisa Maez, Communications Director, NMDOT, presented NMDOT's new Communications Plan. She discussed the purpose and essential elements of the Plan, and reported that she will be taking the lead in directing certain District Public Information Officers' tasks, the objective of which will be to provide consistent leadership, definition of duties, and messaging.

### **Aviation Division Update**

Dan Moran, Aviation Division Finance and Administrative Manager, NMDOT, and Pedro Rael, Aviation Division Director, NMDOT, presented an Aviation Division update, which included information regarding Aviation Division responsibilities, funding, airports, projects, grants, and programs.

## **Finance Reports**

### **NMDOT Monthly Financial Report**

Mallery Manzanares, Budget Director and Acting ASD Director, NMDOT, presented the NMDOT operating budget and financial report as of August 1, 2019. Current program vacancy rates are as follows: District One, 11.2%; District Two, 17.1%; District Three, 18.6%; District Four, 20.7%; District Five, 13.8%; District Six, 10.6%; Highway Operations, 24.1%; Project Design and Construction, 27.8%; Business Support, 18.25%; and Modal, 11.9%. The current budget for Project Design and Construction is \$608.4 million, with a remaining balance of \$116 million; Highway Operations, \$253.1 million, with a remaining balance of \$12.5 million; Business Support, \$42.7 million, with a remaining balance of \$6.6 million; and Modal, \$76.4 million, with a remaining balance of \$5.6 million. Mrs. Manzanares also discussed NMDOT cash balances and restricted fund balances.

### **Approval of Local Government Transportation Project Fund (LGTPF)**

Sean Sandoval, Acting Deputy Project Oversight Director, NMDOT, presented and requested the STC's approval of the FY19 LGTPF prioritized projects list. The LGTPF was established by 2019 House Bill 694, which was signed into law by Governor Lujan Grisham on April 3, 2019 (Laws 2019, Chapter 205). The LGTPF is administered by NMDOT; its purpose is to make grants to local governments for approved transportation infrastructure projects.

Secretary Sandoval explained that both the Metropolitan Planning Organizations and Regional Planning Organizations were involved in identifying projects that are important to them. The grant funds are very accessible because the State provides up to 95% of the funds for the projects, and local entities need only provide matching funds of 5%. Of the 166 applications

received by NMDOT, 57 projects were selected to receive funding. Upon receipt of STC approval, NMDOT will award approximately \$55 million in LGTPF grants. The list of approved LGTPF grants will be posted to the NMDOT website.

**Chairman Adams asked for a motion to approve the LGTPF projects list; Commissioner Ellis made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.**

**Approval of FY20 Budget Adjustment Request (BAR) No. 5 – Local Government Transportation Project Fund (LGTPF)**

Mallery Manzanares, Budget Director and Acting ASD Director, NMDOT, presented and requested approval for FY20 BAR No. 5 – LGTPF. The BAR is required to establish budget authority for the Project Design Construction Program (P562) and to increase the budget authority in Grants/Services (Category 400) by \$4.5 million. The funds will go to the LGTPF to fund nine different road projects for six tribal entities.

**Chairman Adams asked for a motion to approve FY20 BAR No. 5 – LGTPF; Commissioner Mortensen made a motion to so approve; Commissioner Ellis seconded; motion carried unanimously.**

**Approval of FY20 BAR No. 6 – District Infrastructure**

Mallery Manzanares, Budget Director and Acting ASD Director, NMDOT, presented and requested approval of FY20 BAR No. 6 – District Infrastructure. The BAR is required to establish budget authority for the Highway Operations Program (P563) - Districts 1- 6. The BAR will increase Other Costs (Category 400) by \$3.0 million dollars for continuous maintenance and



repairs to the District Offices and patrol infrastructure. These funds are remaining funds from FY19 that did not qualify for rollover.

**Chairman Adams asked for a motion to approve FY20 BAR No. 6 – District Infrastructure; Commissioner Mortensen made a motion to so approve; Commissioner Lundstrom seconded; motion carried unanimously.**

**Approval of FY20 BAR No. 7 – District Equipment**

Rick Padilla, P.E., State Maintenance Engineer, NMDOT, presented and requested approval of FY20 BAR No. 7 – District Equipment. The BAR is required to establish budget authority for the Highway Operations Program (P563) - Districts 1 – 6. The BAR will increase the budget authority in Other Costs (Category 400) by \$22.0 million. The Districts have identified equipment priorities that are essential to chip seal operations and highway maintenance activities. The funds will be supported by State Road Fund balance.

**Chairman Adams asked for a motion to approve FY20 BAR No. 7 – District Equipment; Commissioner Ellis made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.**

**Approval of BAR No. 8 – Brine Well Remediation**

Mallery Manzanares, Budget Director and Acting ASD Director, NMDOT, presented and requested approval of FY20 BAR No. 8 – Brine Well Remediation. The BAR is required to establish budget authority for the Business Support Program (P564). The BAR will increase the budget authority in Other Financing Uses (Category 500) by \$10.0 million. NMDOT will transfer the funds from State Road Fund balance to the Energy, Minerals and Natural Resource Department

(EMNRD) for the Brine Well Remediation project. This transfer is being made pursuant to 2018 Senate Bill 226.

Representative Ezzell commented regarding the importance of promptly completing the brine well remediation project. Eddy County and the City of Carlsbad are providing matching funds for this project for a certain period of time. Representative Ezzell inquired as to whether the railroad is contributing to the project. Tim Parker P.E., District Two Engineer, NMDOT, responded that the question of whether the railroad is making any contribution to the project has not been raised before. Representative Ezzell believes it would be a good idea to partner with the railroad on the project because it will help with traffic congestion. Mr. Parker will reach out to EMNRD regarding the matter.

**Chairman Adams asked for a motion to approve FY20 BAR No. 8 – Brine Well Remediation; Commissioner Mortensen made a motion to so approve; Commissioner Lundstrom seconded; motion carried unanimously.**

#### **New Mexico Finance Authority (NMFA) Monthly 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 June 30, 2019. Currently, there is \$227,241 in the arbitrage rebate account and \$6.6 million in the project account. The 2006 A, B, and C bond series are paid off, no liability is due. The balance in NMDOT's taxable line of credit at Wells Fargo for the BNSF requirement is \$50 million. A commitment fee in the amount of \$24,430 was paid in June. The total debt service due on June 15, 2019 was \$120.4 million, and due on December 15, 2019, is a principal payment of \$9.2 million, plus interest of \$24.1 million, for a total of \$33.3 million.

## **Policy Reports**

### **Approval of Proposed Amendments to Commission Policy No. 6, *Role and Responsibilities of the Secretary of Transportation* (CP 6)**

Stephen Thies, Assistant General Counsel, NMDOT, presented and requested approval of proposed amendments to CP 6. CP 6 is the policy that outlines the Secretary's role and responsibilities pertaining to operational control of the Department. CP 6 has been amended to clarify the Secretary's responsibility with respect to maintaining an organizational structure of the Department.

**Chairman Adams asked for a motion to approve the proposed amendments to CP 6; Commissioner Ellis made a motion to so approve; Commissioner Lundstrom seconded; motions carried unanimously.**

### **Approval of Proposed Amendments to Commission Policy No. 30, *Office of Inspector General* (CP 30)**

Jeff Canney, Inspector General, NMDOT, presented and requested approval of proposed amendments to CP 30. CP 30 is the policy which authorizes the Secretary of Transportation to establish and maintain the Office of Inspector General (OIG) to assure that the activities and operations of NMDOT are conducted in accordance with Federal and State laws, rules, regulations, and NMDOT policies, administrative directives and procedures. State statute gives the Cabinet Secretary the responsibility to organize the Department in a manner he deems will properly conduct the work of the Department. The position of information security officer has been located in the OIG in accordance with CP 30. So as not to restrict the Cabinet Secretary's ability to organize the Department as a whole, the directive contained in CP 30 that the OIG maintain that

position within its organizational structure is being deleted. If the amendment is approved, the Cabinet Secretary will locate that position within the organizational structure of the Department in a manner he concludes will allow the position to efficiently and effectively perform its assigned duties.

**Chairman Adams asked for a motion to approve the proposed amendments to CP 30; Commissioner Mortensen made a motion to so approve; Commissioner Lundstrom seconded; motion carried unanimously.**

**Approval of Proposed Sunset of Commission Policy No. 92, Closure of Traffic Lanes on the State Highway System (CP 92)**

Stephen Thies, Assistant General Counsel, NMDOT, presented and requested approval of proposed sunset of CP 92. CP 92 directs NMDOT to take reasonable action to reduce the impact to the traveling public resulting from the closure of traffic lanes on the state highway system. Pursuant to Commission Policy No. 4, *New Mexico State Transportation Commission Rules and Policies*, Commission policies expire five years from their effective date. Accordingly, CP 92 expired on January 23, 2019. In anticipation of the possible reissuance of CP 92, it was submitted to a team of NMDOT subject matter experts for review and comment. The consensus of the team was that the policy was unnecessary because its provisions were never actually implemented. Therefore, rather than recommend the reinstatement of CP 92, a request to allow it to sunset is being made to the Commission at this time.

**Chairman Adams asked for a motion to approve the sunset of CP 92; Commissioner Ellis made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.**

### **Approval of FY20 NMDOT Office of Inspector General (OIG) Audit Plan**

Jeff Canney, Inspector General, NMDOT, presented and requested approval of the FY20 NMDOT OIG Audit Plan (Audit Plan). He explained that the Audit Plan provides an efficient allocation of resources to address broad and effective coverage of the NMDOT's four programs. The proposed OIG audits were selected based on risk and input from NMDOT leadership, stakeholders and OIG staff. The Audit Plan can be amended as needed throughout the year to reflect changes in areas of risk and priorities as identified by management. In addition to the audits identified in the Audit Plan, OIG will conduct follow-up reviews of previous audits and will assess progress made to remedy findings identified in corrective action plans.

**Chairman Adams asked for a motion to approve the FY20 NMDOT OIG Audit Plan; Commissioner Lundstrom made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.**

### **Approval of Village of Ruidoso Request to Designate a Certain Segment of NM 48 for the Operation of Recreational Off-Highway Vehicles (ROVs)**

Francisco Sanchez, P.E., Assistant District Two Engineer, NMDOT presented and requested approval of the Village of Ruidoso (Village) request to designate a certain segment of NM 48 for the operation of ROVs (Route Designation Request). In accordance with the Off-Highway Motor Vehicle Act and NMSA 1978, Sections 67-3-2(D), 66-3-1001.1 and 66-3-1011, and pursuant to the provisions of Commission Policy No. 71, *Recreational Off-Highway Vehicles on Paved State Highways (CP 71)*, the Village has submitted a Route Designation Request to the STC. The specific state highway segment that the Village has requested to be designated as a ROV route (Designated Route) is depicted on the maps included in the Village's submission

package, and is more particularly described in proposed STC Resolution No. 2019-04 (AUG) Designating a Certain Segment of NM 48 for Operation of Recreational Off-Highway Vehicles (ROVs).

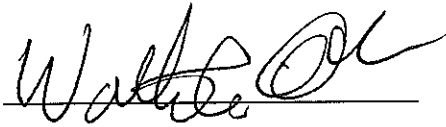
STC approval of the Village Route Designation Request and adoption of STC Resolution No. 2019-04 (AUG) is contingent upon the following conditions: (1) the Village and NMDOT's execution of an agreement defining the roles and responsibilities for construction and maintenance of Designated Route facilities, including signage, the terms and conditions for ROV operation, and the allocation of legal responsibilities pertaining to use of ROVs and the Designated Route; (2) construction and completion of any improvements to the Designated Route, including signage required by NMDOT for the operation of ROV's, except that the Secretary of NMDOT may authorize use of the Designated Route utilizing temporary traffic control devices while the remaining contingencies are completed; (3) that all-terrain vehicles (ATVs) shall not be operated upon the Designated Route; and (4) the Village shall be responsible for patrolling the Designated Route and enforcing the provisions of the Off-Highway Motor Vehicle Act and CP 71.

**Chairman Adams asked for a motion to approve the Village of Ruidoso request to designate a certain segment of NM 48 for the operation of ROVs; Commissioner Ellis made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.**

Secretary Sandoval informed the STC that NMDOT is looking into providing each Commissioner with a cell phone, laptop computer or tablet, and a state email account to conduct STC business. He will let them know if it is possible to do so.

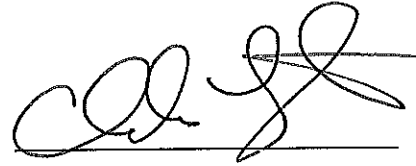
**Adjournment**

**Chairman Adams asked for a motion to adjourn the regular meeting at 12:08 p.m.; Commissioner Mortensen made a motion to adjourn the regular meeting; Commissioner Lundstrom seconded. Motion carried unanimously.**

A handwritten signature in cursive script, appearing to read "Walter Adams", written over a horizontal line.

**Chairman**

**Walter Adams**

A handwritten signature in cursive script, appearing to read "Charles Lundstrom", written over a horizontal line.

**Secretary**

**Charles Lundstrom**

