NEW MEXICO STATE TRANSPORTATION COMMISSION MEETING

New Mexico Department of Transportation
District One Auditorium
2912 E. Pine Street
Deming, New Mexico 88030
November 16, 2017

The New Mexico State Transportation Commission (STC or Commission) held a regular meeting on November 16, 2017, at the New Mexico Department of Transportation, District One Auditorium, Deming, New Mexico. Chairman Schmeits called the meeting to order at 8:30 a.m. Commissioner White led meeting attendees in the Pledge of Allegiance.

Approval of the STC Meeting Agenda

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

Approval of the STC Minutes

Vice-Chairman Mathews asked for a motion to approve the minutes of the STC regular meeting of September 21, 2017; Commissioner Mathews made a motion to so approve; Commissioner Sepich seconded; motion carried unanimously.
Elected Officials and Delegations:

Gabriel Ramos, Commissioner, Grant County, District One

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
Billy Moore, 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 and NMDOT Executive Staff introduced themselves and welcomed all meeting attendees. Chairman Schmeits welcomed the new District Six Commissioner, Billy Moore, to the STC. Chairman Schmeits invited the elected officials present to speak.

Gabriel Ramos, Commissioner, Grant County, welcomed the STC to southwest New Mexico. He expressed his appreciation to NMDOT for its work in Grant County and stated, “The true heroes are the employees working the highways.”

Public Comment

Gabriel Ramos, Commissioner, Grant County, commented regarding Commission Policy No. 71, *Recreational Off-Highway Vehicles on Paved State Highways* (CP 71). Recently, Grant County passed an ordinance to allow OHVs on certain County roads. CP 71 requires a posted
speed limit of 45 mph or less on state highways, and in looking at some of the roads for which Grant County is proposing OHV usage, the speed limit would have to be lowered from 55 mph to 45 mph. Commissioner Ramos asked the STC to consider, in the near future, revising the speed limit provision in CP 71 to 55 mph. He explained that representatives from Grant County have not been to any previous hearings regarding CP 71, and thus, would now like to request the STC to consider the revision. He believes that CP 71 was designed for the Red River, New Mexico area, which is quite different from southwest New Mexico, and he thinks that it is quite safe to use OHVs at the speed of 55 mph on paved highways.

Chairman Schmetter commented that he personally uses ROVs, and believes that 55 mph seems too fast since safety is a priority for the public. He asked Commissioner Ramos if Grant County has done any safety studies to justify the speed increase. Commissioner Ramos responded that he has been to Arizona where the ROV speed limit is 55 mph and “it seems to be safe.” With regard to a safety study, he hopes the State of New Mexico will conduct one.

Brian Jones, Executive Director, Asphalt Pavement Association of New Mexico (APANM), discussed an APANM training conducted in Las Cruces on November 15, 2017, which NMDOT District One and Two staff and local government employees attended. The training focused on asphalt best practices and maintenance. Mr. Jones explained that since APANM was established, it has been trying to offer various trainings to benefit industry. Another training will be held in Albuquerque on November 21, 2017, and five other trainings will be offered in 2018.

Richard Maynes, a resident of Santa Clara, New Mexico, expressed his opposition to CP 71. He believes the policy is unconstitutional because it regulates the use of OHVs on state
roads to speed limits of 45 mph or less. He would like the speed limit to be changed to 55 mph. He stated that he has done research, thinks CP 71 was designed for the Town of Red River, New Mexico, and does not represent the entire State of New Mexico. Mr. Maynes also stated that he attended the STC meeting in order to represent Grant County and the citizens of New Mexico, as well as to advocate for side-by-side vehicles. He provided the STC with information and statistics regarding OHV use in Arizona and Colorado. In closing, he reiterated his request to revise the speed limit provision in CP 71 to 55 mph.

Chairman Schmeits asked Tom Church, Cabinet Secretary, NMDOT, to have NMDOT staff look into the speed limit issue and respond accordingly.

District One Presentation and Employee Recognition

Trent Doolittle, P.E., District One Engineer, NMDOT, gave a presentation regarding District One 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 recent award winners.

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 October 31, 2017. The current adjusted budget for Project Design and Construction (P562) is $536 million, $235.3 million in encumbrances, and $80.1 million in expenses; Highway Operations (P563), $233.8 million,
$41.7 million in encumbrances, and $58.2 million in expenses; Business Operations (P564), $42.1 million, $5.9 million in encumbrances, and $15.2 million in expenses; Modal (P565), $64.4 million, $21.1 million in encumbrances, and $5.5 million in expenses. Overall, the main operating budget is at $876.4 million, $304 million in encumbrances, and $158.9 million in expenses, with $413.4 million remaining. NMDOT is in good financial standing at this time. Current NMDOT program vacancy rates are as follows: Project Design and Construction, 20.8%; Highway Operations, 14.3%; Business Operations, 17.7%; and Modal, 16.4%.

The Commissioners and NMDOT staff briefly discussed NMDOT vacancy rate percentages.

**FY18 Budget Adjustment Request (BAR) Nos. 6 and 7**

Michael Friel, Accounting Services Director/Chief Financial Officer, NMDOT, presented FY18 BAR Nos. 6 and 7. FY18 BAR No. 6 P562 - PDC/FHWA is needed to establish budget authority for the FHWA program. The BAR will increase contractual services (category 300) by $287.1 million, $249.4 of which will be funded with federal funds, and $37.8 million, for the state match requirement, will be funded with State Road Fund monies.

FY18 BAR No. 7 P562 - PDC/WIPP is required to establish budget authority for the WIPP Program. The BAR will increase contractual services (category 300) by $12.5 million, which will be funded with a portion of the federal funds received pursuant to the Settlement Agreement and Stipulated Final Order entered into between the United States Department of Energy and the New Mexico Environment Department.
Proposed Salary Increases for Engineering and Engineering Type Classifications

Anthony Lujan, Deputy Secretary, NMDOT, outlined the proposal to increase to midpoint certain salaries for NMDOT engineering and engineering type classifications. He reported that on June 16, 2017, the New Mexico State Personnel Board, based on the findings of a statewide classification and compensation study, approved the adoption of new engineer and surveyor, and architect specific salary structures, as well as 33 new job classifications. The new job classifications were developed in order to offer career growth opportunities to affected staff. The proposed new salary structures are intended to provide market competitive salaries and greater opportunities for recruiting and retaining staff. In addition to NMDOT, State Agencies supportive of the implementation of the salary increases and new classifications include the New Mexico Office of the State Engineer, the Energy Minerals and Natural Resources Department, the New Mexico Environment Department, the New Mexico Public Regulation Commission, and the New Mexico General Services Department.

Proposed Salary Increases for Certain Information Technology (IT) Classifications

Ron Baca, Administrative Services Director, NMDOT, outlined the proposal to increase to midpoint the salaries for certain NMDOT IT classifications. He reported that on June 23, 2016, the State Personnel Board approved the adoption of a new IT-specific salary structure and 55 new job classifications. The new salary structure is intended to provide market competitive salaries and greater opportunities for recruiting and retaining experienced IT staff. NMDOT is proposing to increase IT staff salaries that fall below the mid-point levels of the new classifications. At present, approximately 48 staff positions will be affected; the estimated fiscal impact to NMDOT is approximately $620,000. The increases will be phased over a three-year period.

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FY17 NMDOT Office of Inspector General (OIG) Annual Report

Jeff Canney, Inspector General, NMDOT, presented the FY17 OIG Annual Report. The report summarizes the objectives and accomplishments of the OIG for the fiscal year ended June 30, 2017. It includes information gathered by the various functional areas of the OIG and outlines the results of numerous internal audits, construction audits and investigations.

Infrastructure Committee

Federal Highway Administration (FHWA) Process Review Regarding Non-Participating Change Orders

Max Valerio, FHWA, reported on the process review conducted by the FHWA to (1) assess the impact of non-participating change orders on NMDOT’s construction program; (2) identify causes and trends; and (3) evaluate and recommend opportunities for improvement. The review assessed three federal fiscal years of change order data (2014 – 2016) and found that (1) the overall impact on NMDOT’s construction program is fairly insignificant, the average being less than 1%; (2) individual District’s annual state maintenance budget may be impacted because of having to use 100% state funding; and (3) the per change order causes of highest costs were attributable to settlements and related justifications, inadequate documentation or insufficient justification, and design errors and omissions. The review recommended the following: (1) improve change order documentation and supporting information; (2) ensure independent analyses are included in every change order; (3) implement design Quality Control / Quality Assurance (QC/QA) procedures to minimize potential for design errors; and (4) implement NMDOT’s new design error and omission policy which may allow for recovery of costs.
Request to Change the Designated Primary and Alternate Routes to the Waste Isolation Pilot Plant (WIPP) for the National Transuranic (TRU) Program Southern Transportation Corridor

James Mason, Department of Energy – Carlsbad Field Office (DOE-CBFO), presented a request to change the designated primary and alternate routes to the WIPP for the National TRU Program Southern Transportation Corridor. He explained that the congested traffic conditions, ongoing construction, narrow shoulders and bridges, and frequent turnouts along US 285, a two lane road with many blind curves and hills, between Carlsbad and Pecos, Texas, presents far more threats and hazards to the safe transport of TRU waste than the predominately four lane divided highways of NM 18 and US 62/180. Authorizing the use of the Hobbs Alternate Route as the primary southern corridor approach, would meet Federal Motor Carrier Safety Administration (FMCSA) and U.S. Department of Transportation (USDOT) regulations (49 CFR Part 397) favoring routes that limit risk to the public by maximizing use of divided highways. Use of this route will also address concerns regarding the use of the more rural roads, where heavy oil field traffic, construction and lack of shoulders have often been cited as potentially impacting the continued safe transport of TRU waste to the WIPP facility.

Elizabeth Travis, Deputy General Counsel, NMDOT, provided an overview regarding use of the routes and the process required for the designation of a permanent WIPP route. Clarifying the DOE-CBFO proposal to use the Hobbs Alternate Route as a designated route for WIPP shipments, not just those originating at the Waste Control Specialists (WCS) facility, but also for those coming from the south and the east coast. Under NMSA 1978, Section 73-4A-1, the STC has exclusive authority to designate permanent WIPP transportation routes within New Mexico. Route designation is a lengthy process involving five main activities: (1) a route
analysis; (2) substantive consultation with local jurisdictions and neighboring states; (3) state rulemaking to amend 18.20.9 NMAC - Designation of Highway Routes for Transport of Radioactive Materials; (4) notice of the rule change and route designation to the USDOT and FMCSA; and (5) FMCSA publication of the route in the National Hazardous Materials Route Registry. NMDOT will work collaboratively with DOE-CBFO and other state agencies to expedite the process, but it is estimated that the process for designating a permanent WIPP route may take more than a year to accomplish.

Because many tasks must be accomplished prior to the STC authorizing a new permanent designated WIPP route, the DOE-CBFO amended its request (1) so the STC may authorize NMDOT to initiate the required route designation activities and make periodic progress reports to the STC; (2) to extend the term of STC Resolution 2017-01 to allow DOE-CBFO continued use of the Hobbs Alternate Route for WIPP shipments originating at the WCS during the pendency of the route study, consultations and rule-making activities; and (3) to consider a resolution at the January meeting to allow use of the Hobbs Alternate Route for shipments with origins other than from the WCS facility. Mr. Mason confirmed that the existing Hobbs Alternate Route Resolution, 2017-01 (JUN), would expire at the end of 2017 and before DOE-CBFO would complete the anticipated WCS shipments. He also confirmed that the resumption of shipments from WCS could be postponed until early February.

Policy Committee

Proposed Dedication of a Portion of NM 347/Paseo Del Volcan as the “Pete V. Domenici Memorial Highway”
Ken Murphy, P.E., District Three Engineer, NMDOT, discussed the proposed dedication of a portion of NM 347/Paseo Del Volcan in the City of Rio Rancho, Sandoval County, as the “Pete V. Domenici Memorial Highway.” He reported that both the City of Rio Rancho and Sandoval County passed official resolutions requesting the STC to consider designating NM 347/Paseo Del Volcan as the “Pete V. Domenici Memorial Highway.” They submitted the resolutions together with supporting letters to the NMDOT and the STC. The total proposed length of NM 347 is 29.7 miles, 7.1 miles of which, from US 550 to Unser Boulevard, has been constructed and is owned by the State of New Mexico. A request to officially dedicate the 7.1 mile constructed portion of the highway will be presented to the STC at its January 17, 2018 STC meeting.

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

Commission Rules and Policies (CP 4)

In follow-up to the September 21, 2017 STC meeting discussion regarding proposed amendments to CP 4, Stephen Thies, Assistant General Counsel, NMDOT, provided supplemental information regarding general circulation newspaper publication costs and circulation numbers.

Proposed Amendments to Commission Policy No. 5, Involvement in Operations (CP 5)

Stephen Thies, Assistant General Counsel, NMDOT, discussed proposed amendments to CP 5. CP 5 is the policy which currently provides that it is the STC’s policy that the Secretary of Transportation shall be in complete charge of Department operations. Minor revisions have been
made to the language of CP 5 to clarify that the STC determines all matters of policy for NMDOT and the Cabinet Secretary controls and manages its day-to-day operations.

**Proposed Amendments to Commission Policy No. 41, Budget (CP 41)**

Stephen Thies, Assistant General Counsel, NMDOT, presented the proposed amendments to CP 41. CP 41 is the policy governing the Commission’s authority to review and approve NMDOT’s proposed annual budget request. Minor revisions have been made to the language of CP 41, primarily due to the fact that when the policy was last updated and approved, the STC met on a monthly basis and now meets every other month.

**Proposed 2018 STC Meeting Schedule**

Anthony Lujar, Deputy Secretary, NMDOT, presented the proposed 2018 STC meeting schedule. Commissioner Mortensen requested to change the location of the proposed March 2018 District Three meeting from Belen Patrol to Rio Rancho.

**Draft FY2017 NMDOT Annual Report**

Tom Church, Cabinet Secretary, NMDOT, presented the draft FY2017 NMDOT Annual Report. He mentioned that a few technical changes were caught internally and will need to be made to the report. The report provides an overview of NMDOT and the areas for which it has oversight, particularly concerning the state highway system. The report includes a financial summary for the fiscal year ended June 30, 2017, and information concerning the State Road Fund; Federal Highway Administration Federal Aid Program; New Mexico transportation revenue bonds; revenue; expenditures; highway maintenance; transportation assets; program
dashboard; the State Construction Program; district projects; and Modal Division programs, including aviation, ports of entry, public transit, and traffic safety initiatives.

**Action Items**

**Approval of FY18 Budget Adjustment Request (BAR) Nos. 6 and 7**

Michael S. Friel, Accounting Services Director CFO, NMDOT, requested the STC’s to approval of BAR Nos. 6 P562 - PDC/FHWA and BAR No. 7 P562 - PDC/WIPP.

Chairman Schmeits asked for a motion to approve BAR No. 6 P562 - PDC/FHWA; Commissioner Sepich made a motion to approve BAR No. 6 P562 - PDC/FHWA; Commissioner Mathews seconded; motion carried unanimously.

Chairman Schmeits asked for a motion to approve BAR No. 7 P562 - PDC/WIPP; Commissioner Sepich made a motion to approve BAR No. 7 P562 - PDC/WIPP; Commissioner Mathews seconded; motion carried unanimously.

**Approval of (1) Request to Consider Changing the Designated Primary Routes to the WIPP for the National TRU Program Southern Transportation Corridor; and (2) Continued Use of the Hobbs Alternate Route.**

Chairman Schmeits asked for a motion on the amended DOE-CBFO request concerning the designated primary and alternate routes to the WIPP for the National TRU Program Southern Transportation Corridor.

Commissioner Mathews made a motion to amend STC agenda action item 9(b) regarding the request to change the designated primary and alternate routes to the WIPP for the National TRU Program Southern Transportation Corridor to (1) authorize the
NMDOT to initiate the required activities and report back to the STC on a periodic basis concerning adoption of a new permanent WIPP route for the Hobbs bypass; (2) bring a resolution at the January 17, 2018 STC meeting to extend the time for DOE-CBFO shipments from the WCS facility to WIPP using the Hobbs route; and (3) bring a resolution forward at the January meeting to allow use of the Hobbs Alternate Route for shipments with origins other than from the WCS facility; Commissioner Moore seconded; motion carried unanimously.

Approval of the Proposed 2018 STC Meeting Schedule

Anthony Lujan, Deputy Secretary, NMDOT, requested the STC’s approval of the proposed 2018 STC meeting schedule, as amended by changing the March 2018 STC District Three meeting location from Belen Patrol to Rio Rancho.

Chairman Schmeits asked for a motion to approve the proposed 2018 STC meeting schedule, as amended; Commissioner Mathews made a motion to so approve the proposed 2018 STC meeting schedule, as amended; Commissioner Mortensen seconded; motion carried unanimously.

Approval of Proposed Salary Increases for Engineering and Engineering Type Classifications to Mid-Point

Anthony Lujan, Deputy Secretary, NMDOT, requested the STC’s approval of the proposed salary increases for engineering and engineering type classifications to mid-point.

Chairman Schmeits asked for a motion to approve the proposed salary increases for engineering and engineering type classifications to mid-point; Commissioner Sepich made a motion to so approve the proposed salary increases for engineering and engineering type
classifications to mid-point; Commissioner Mortensen seconded; motion carried unanimously.

Approval of Proposed Salary Increases for Certain Information Technology (IT)

Classifications to Mid-Point

Ron Baca, Administrative Services Director, NMDOT, requested the STC’s approval of the proposed salary increases for certain IT classifications to mid-point.

Chairman Schmeits asked for a motion to so approve the proposed salary increases for certain IT classifications to mid-point; Commissioner Mathews made a motion to so approve the proposed salary increases for certain IT classifications to mid-point; Commissioner Mortensen seconded; motion carried unanimously.

Approval of Draft FY2017 NMDOT Annual Report

Chairman Schmeits asked for a motion to approve the draft FY2017 NMDOT Annual Report with the technical changes requested by Secretary Church.

Commissioner White made a motion to so approve the draft FY2017 NMDOT Annual Report with the technical changes requested by Secretary Church; Commissioner Mortensen seconded; motion carried unanimously.

STC Agenda Action Items – Commission Policies

Stephen Thies, Assistant General Counsel, NMDOT, requested the STC’s approval of the proposed amendments to CP 4.

Chairman Schmeits asked for a motion to approve the proposed amendments to CP 4; Commissioner White made a motion to so approve; Commissioner Mathews seconded; motion carried unanimously.
Stephen Thies, Assistant General Counsel, NMDOT, requested the STC’s approval of the proposed amendments to CP 5.

Chairman Schmeits asked for a motion to approve the proposed amendments to CP 5; Commissioner Mathews made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.

Stephen Thies, Assistant General Counsel, NMDOT, requested the STC’s approval of the proposed amendments to CP 41.

Chairman Schmeits asked for a motion to approve the proposed amendments to CP 41; Commissioner Mathews made a motion to so approve; Commissioner Mortensen seconded; motion carried unanimously.

Adjournment

Chairman Schmeits asked for a motion to adjourn the regular meeting at 12:30 p.m.; Commissioner Sepich made a motion to so adjourn; Commissioner White seconded; motion carried unanimously.

Chairman

Ronald Schmeits

Secretary

Kenneth R. White

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