NEW MEXICO STATE TRANSPORTATION COMMISSION
MEETING

New Mexico Department of Transportation
District Two Conference Room
4505 West Second Street
Roswell, New Mexico 88201
September 21, 2017

The New Mexico State Transportation Commission (STC or Commission) held a regular meeting on September 21, 2017, at the New Mexico Department of Transportation, District Two Conference Room, Roswell, New Mexico. Chairman Schmeits called the meeting to order at 8:30 a.m. Commissioner Mathews led meeting attendees in the Pledge of Allegiance. The Commissioners and NMDOT staff subsequently observed a moment of silence for Commissioner Jackson Gibson, who passed away in August 2017.

Approval of the STC Meeting Agenda

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

Approval of the STC Minutes

Vice-Chairman Mathews asked for a motion to approve the minutes of the STC special meeting of August 24, 2017; Commissioner Sepich made a motion to so approve; Commissioner Mathews seconded; motion carried unanimously.
Elected Officials and Delegations:

Paul Grider, Commissioner, Roosevelt County, District Five
The Honorable Greg Nibert, State Representative, District 59
The Honorable Candy Spence Ezell, State Representative, District 58
Amber Hamilton, County Manager, Roosevelt County

State Transportation Commissioners Present:

Kenneth White, Secretary, District One
David Sepich, Commissioner, District Two
Keith Mortensen, Commissioner, District Three (absent with notice)
Ron Schmeits, Chairman, District Four
Butch Mathews, Vice-Chairman, District Five

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 invited the elected officials present to speak.

Representative Greg Nibert welcomed the STC. He expressed his appreciation to Timothy Parker, P.E., District Two Engineer, NMDOT, for the District’s responsiveness to reported issues. He mentioned a damaged bridge in Lincoln County which is of concern to the ranching community and stated that any help District Engineer Parker and NMDOT might be able to provide with respect to the bridge would be appreciated.

Representative Candy Spence Ezell spoke briefly about needed projects within the District. She commended District Engineer Parker and NMDOT Two District staff for their responsiveness to reported concerns.
Public Comment

Amber Hamilton, Roosevelt County Manager, thanked District Two staff for training provided to local governments regarding contract processes and procedures. She also expressed her gratitude for the teamwork between Roosevelt County and District Two.

Perry Toles, a member of the Roswell bicycle community, thanked NMDOT for the outstanding road surface improvements made to NM 409 (Bottomless Lakes Road).

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. He also reported on the District’s Training for Excellence and Employee Recognition Programs and acknowledged all 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 September 1, 2017. The current adjusted budget for Project Design and Construction (P562) is $536 million, $125.9 million in encumbrances, and $53.1 million in expenses; Highway Operations (P563), $233.8 million, $38.9 million in encumbrances, and $24.1 million in expenses; Business Operations (P564), $42.2 million, $6.7 million in encumbrances, and $3.7 million in expenses; Modal (P565), $64.4
million, $13.7 million in encumbrances, and $1.9 million in expenses. Overall, the main operating budget is at $876.4 million, $185.3 million in encumbrances, and $82.8 million in expenses, with $608.2 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, 13%, Business Operations, 10%, and Modal, 19.2%.

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

**New Mexico Finance Authority (NMFA) Monthly Report**

Mark Lovato, Investment Manager, NMFA, provided an update regarding NMDOT’s investment portfolio funds under NMFA management. As of August 31, 2017, the market value of the portfolio was $61.3 million, a net increase of $14.8 million from July. The change is attributed to variable rate bond payments of $413,862, no draws this month, plus interest earnings of $30,740, and a debt service set aside of $15.3 million. There is 45% in the project account, all of which is in the 2014A Highway Infrastructure Fund (HIF) account, 55% in debt service accounts, and less than 1% in the arbitrage rebate account. On August 31, 2017, the balance in the taxable line of credit at RBC was $50 million for collateral needs, and the balance in the taxable line of credit at Wells Fargo was $50 million for the BNSF Escrow account. M.: Lovato also provided a breakdown regarding NMDOT/NMFA outstanding debt service.

**Proposed Withdrawal of Rulemaking Action Regarding Amendments to NMDOT Rule, 2.40.30 NMAC, State Infrastructure Bank**

David Harris, Transit and Rail Division Director, NMDOT, discussed the proposed withdrawal of the rulemaking action previously approved by the STC on July 20, 2017, for the
purpose of amending NMDOT rule, 2.40.30 NMAC, State Infrastructure Bank. Mr. Harris explained that the proposed amendments to the rule are no longer necessary because the definition of "eligible projects" does not need to be modified at this time.

Potential New Mexico State Infrastructure Bank (SIB) Loan to Rio Metro Regional Transit District (RMRTD) to Upgrade Highway Railroad Grade Crossings for New Mexico Rail Runner Express (NMRX)

David Harris, Transit and Rail Division Director, NMDOT, reported that RMRTD intends to apply for a SIB loan to help fund highway railroad grade crossing improvements along the NMRX corridor. The improvements will increase effectiveness and enforcement of stop and proceed protocols in the event a gate malfunction is reported. This positive train control (PTC) safety improvement will directly benefit highway safety, and is therefore eligible under the SIB capitalized program.

Infrastructure Committee

Local Government Road Fund (LGRF) FY2017/2018 Financial Hardship Match Waiver Recommendation

Clarissa Marínez, Project Oversight Division, NMDOT, presented the LGRF FY2017/2018 Financial Hardship Match Waiver Recommendation. The recommendation includes 20 local projects that the Department of Finance Administration (DFA) has recommended to receive match waiver grants, the aggregate amount of which is approximately $710,109. The STC, at its May 18, 2017 meeting, reviewed and approved the FY2017 LGRF
project list, the approximate total of which was $20.1 million. The local government entities on
that list, with the assistance of their respective transportation District offices, submitted proposal
packages to DFA requesting match waiver funding assistance for their projects.

Policy Committee

Proposed Dedication of the “Max Coll Corridor” in Santa Fe County and Related STC
Resolution No. 2017-04 (SEP)

Tom Church, Cabinet Secretary, NMDOT, presented proposed STC Resolution No.
2017-04 (SEP). The Resolution proposes to dedicate a 6.2 mile portion of U.S. 285 between the
Lamy turnoff (Milepost 284), commonly known as “Old Lamy Trail”, to the intersection of I-25
at exit 290 (Milepost 290), commonly known as the “Lamy Exit”, in Santa Fe County, as the
“Max Coll Corridor”.

Secretary Church introduced Eric Coll, nephew of former New Mexico State
Representative Max Coll, who subsequently read the proposed Resolution to the STC. On behalf
of the Coll family, he thanked NMDOT and the STC for recognizing his late uncle and
considering the proposed corridor dedication.

Request to Initiate Rulemaking Action Regarding Repeal of NMDOT Rule, 18.31.4 NMAC,
Litter Control and Beautification Grant Requirements

Tamara P. Haas, P.E., Asset Management and Planning Division Director, NMDOT,
presented a request to initiate Rulemaking Action to repeal NMDOT rule, 18.31.4 NMAC, Litter
Control and Beautification Grant Requirements. She explained that the New Mexico Legislatu
transferred the state beautification grant program from NMDOT to the New Mexico Tourism Department in 2001 through House Bill 338, *Amend Litter Control & Beautification Act*, which was subsequently codified as NMSA 1978, Sections 67-16-1 through 67-16-14. At the request of the New Mexico Tourism Department, NMDOT is seeking to repeal the existing rule, 18.31.4 NMAC, *Litter Control and Beautification Grant Requirements*.

**Withdrawal of Rulemaking Action for Repeal and Replacement of NMDOT Rules, 18.20.3 NMAC, Driver Education Schools; 18.20.8 NMAC, Driving Safety Schools; 18.20.10 NMAC, New Mexico’s Motorcycle Training Program; 18.20.11 NMAC, Ignition Interlock Devices; and 7.32.20 NMAC, Driving While Impaired (DWI) Schools**

Franklin Garcia, Traffic Safety Division, NMDOT, presented a request to withdraw the rulemaking action approved by the STC in 2015 to repeal and replace NMDOT rules, 18.20.3 NMAC, *Driver Education Schools*; 18.20.8 NMAC, Driving Safety Schools; 18.20.10 NMAC, *New Mexico’s Motorcycle Training Program*; 18.20.11 NMAC, *Ignition Interlock Devices*; and 7.32.20 NMAC, *Driving While Impaired (DWI) Schools*. Mr. Garcia explained that per certain provisions in the State Rules Act, as recently amended by the Legislature, a rulemaking action must now be completed within two years of the date it was commenced. The date of that two year limitation is approaching; accordingly, NMDOT will soon need to request the STC’s approval to initiate a new rulemaking action in order to ensure compliance with the law. In the interim, the existing rules will remain in effect.
Proposed Amendments to Commission Policy No. 4, *New Mexico State Transportation*

*Commission Rules and Policies (CP 4)*

In follow-up to the July 20, 2017 STC meeting discussion regarding proposed amendments to CP 4, Stephen Thies, Assistant General Counsel, NMDOT, responded to the Commissioner’s inquiries concerning the reasons for publication of rulemaking notices in three newspapers of general circulation as opposed to at least one newspaper in all six transportation districts. Mr. Thies suggested an alternative whereby when the STC approves a rulemaking action, NMDOT could publish notice in one general circulation newspaper and newspapers in any additional districts as requested by Commissioners.

The STC determined that additional information regarding advertising in other areas around the State and the costs to do so will be required before the STC can grant final approval of the proposed amendments to CP 4. Accordingly, the matter was tabled and will be reintroduced for further discussion and consideration at the November 2017 STC meeting.

Proposed Amendments to Commission Policy No. 69, *Landscape Development on State Transportation Facilities (CP 69)*

In follow-up to the July 20, 2017 STC meeting discussion regarding proposed amendments to CP 69, Stephen Thies, Assistant General Counsel, NMDOT, revisited the subject amendments. CP 69 is the policy governing the expenditure of eligible state and federal transportation funds for landscaping projects on state transportation facilities.

The Commissioners briefly discussed the proposed amendments to CP 69 and agreed that the policy, as amended, is now ready for STC approval.
Proposed Update of Commission Policy No. 88, Special Construction Features (CP 88)

In follow-up to the July 20, 2017 STC meeting discussion regarding NMDOT's proposal to update CP 88, Stephen Thies, Assistant General Counsel, NMDOT, again discussed the policy update. CP 88 is the policy that requires the most economical use of State and Federal funds when constructing highway and roadway enhancement projects on the State's transportation system.

The Commissioners briefly discussed the proposed update of CP 88 and agreed that the policy is now ready for STC approval.

Proposed Amendments to Commission Policy No. 90, Certification of Regional Transit District (CP 90)

In follow-up to the July 20, 2017 STC meeting discussion regarding proposed amendments to CP 90, Stephen Thies, Assistant General Counsel, NMDOT, revisited the subject amendments. CP 90 is the policy that outlines the procedures by which the State Transportation Commission carries out certain requirements set forth in the Regional Transit District Act, NMSA 1978, Chapter 73, Article 25, which was enacted to provide, among other things, regional networks of safe and efficient public transit systems.

The Commissioners briefly discussed the proposed amendments to CP 90 and agreed that the policy, as amended, is now ready for STC approval.
Staff Briefings

Secretary Report

Tom Church, Cabinet Secretary, NMDOT, reported that NMDOT is doing well and to date, all federal funds have been obligated. He commended staff for their hard work. He also reported regarding NMDOT’s SHARE system upgrade, as well as the status of recent State Personnel Office (SPO) changes and how they have affected NMDOT human resources staff.

Action Items

Chairman Schmeits asked for a motion to approve STC agenda action items 10(a) LGRF FY2017/2018 Financial Hardship Match Waiver Recommendation; and 10(b) Proposed Dedication of the “Max Coll Corridor” in Santa Fe County and Adoption of Related STC Resolution No. 2017-04 (SEP).

Commissioner White made a motion to approve STC agenda action item 10(a) LGRF FY2017/2018 Financial Hardship Match Waiver Recommendation; Commissioner Sepich seconded; motion carried unanimously.

Commissioner Mathews made a motion to approve STC agenda action item 10(b) Proposed Dedication of the “Max Coll Corridor” in Santa Fe County and Adoption of Related STC Resolution No. 2017-04 (SEP); Commissioner Sepich seconded; motion carried unanimously.
STC Agenda Action Items 11(a), (b), (c), and (d), Proposed Amendments to CP Nos. 4, 69, and 90, and Update of CP No. 88

Chairman Schneits asked for a motion to approve STC agenda action items 11(a), (b), (c), and (d), Proposed Amendments to CP Nos. 4, 69, and 90, and Update of No. CP 88.

Commissioner Sepich made a motion to table STC agenda action item 11(a) regarding proposed amendments to CP 4, subject to further review and discussion by the Commissioners; Commissioner Mathews seconded; motion carried unanimously.

Chairman Schneits asked for a motion to approve action items 11(b), (c) and (d), Proposed Amendments to CP Nos. 69 and 90, and Update of CP No. 88.

Commissioner White made a motion to so approve STC agenda items 11(b), (c) and (d), Proposed Amendments to CP Nos. 69 and 90, and Update of CP No. 88; Commissioner Sepich seconded; motion carried unanimously.

STC Agenda Action Items - Rulemaking

Chairman Schneits asked for a motion to approve action item 12(a) Withdrawal of Rulemaking Action for Repeal and Replacement of NMDOT Rules 18.20.3 NMAC, Driver Education Schools; 18.20.8 NMAC, Driving Safety Schools; 18.20.10 NMAC, New Mexico’s Motorcycle Training Program; 18.20.11 NMAC, Ignition Interlock Devices; and 7.32.20 NMAC, Driving While Impaired (DWI) Schools.

Commissioner White made a motion to so approve action item 12(a) Withdrawal of Rulemaking Action for Repeal and Replacement of NMDOT Rules 18.20.3 NMAC, Driver Education Schools; 18.20.8 NMAC, Driving Safety Schools; 18.20.10 NMAC, New Mexico’s Motorcycle Training Program; 18.20.11 NMAC, Ignition Interlock Devices; and 7.32.20
NMAC, *Driving While Impaired (DWI) Schools*; Commissioner Mathews seconded; motion carried unanimously.

Chairman Schmeits asked for a motion to approve action item 12(b) Request to Initiate Rulemaking Action Regarding Repeal of NMDOT rule, 18.31.4 NMAC, *Litter Control and Beautification Grant Requirements*.

Commissioner Mathews made a motion to so approve action item 12(b) Request to Initiate Rulemaking Action Regarding Repeal of NMDOT rule, 18.31.4 NMAC, *Litter Control and Beautification Grant Requirements*; Commissioner Sepich seconded; motion carried unanimously.

Chairman Schmeits asked for a motion to approve action item 12(c) Withdrawal of Rulemaking Action Regarding Amendments to NMDOT rule, 2.40.30 NMAC, *State Infrastructure Bank*.

Commissioner White made a motion to so approve item 12(c) Withdrawal of Rulemaking Action Regarding Amendments to NMDOT rule, 2.40.30 NMAC, *State Infrastructure Bank*; Commissioner Sepich seconded; motion carried unanimously.

**Adjournment**

Chairman Schmeits asked for a motion to adjourn the regular meeting at 11:00 a.m.; Commissioner Sepich made a motion to so adjourn; Commissioner Mathews seconded; motion carried unanimously.

Chairman

Ronald Schmeits

Secretary

Kenneth R. White

September 21, 2017