

**NEW MEXICO  
DEPARTMENT OF TRANSPORTATION**

**TRANSPORTATION COMMISSION MEETING**



**July 16, 2020**

**Via Video Conference**

# **NEW MEXICO STATE TRANSPORTATION COMMISSION**

## **Video Conference**

**July 16, 2020**

**9:00 am**

## **Meeting Agenda**

- 1. Call to Order:** Walter G. Adams, Chairman
  - a. Establish Quorum**
  - b. Pledge of Allegiance**
- 2. Approval of Agenda:** Walter G. Adams, Chairman
- 3. Approval of Minutes:** Regular Meeting of May 21, 2020
- 4. Introductions:** Walter G. Adams, Chairman
  - a. Elected Officials**
- 5. Public Comment**
- 6. Finance Reports**
  - a. NMFA Monthly Report:** Mark Lovato, Investment Manager, NMFA
  - b. Approval of Budget Adjustment Request (BAR) No. 4-Utility Program:** Dean Serna, Utilities Manager, NMDOT
  - c. Approval of Budget Adjustment Request (BAR) No. 5-FTA Cares Act:** David Harris, Transit and Rail Director, NMDOT
  - d. Approval Budget Adjustment Request (BAR) No. 6-Energy Conservation-General Office & District 5:** Mallery Manzanares, Budget Director, and Acting ASD Director, NMDOT
  - e. Approval of Budget Adjustment Request (BAR) No. 7-Aviation:** Mallery Manzanares, Budget Director, and Acting ASD Director, NMDOT
  - f. Approval of Budget Adjustment Request (BAR) No. 8-Category Change:** Mallery Manzanares, Budget Director, and Acting ASD Director, NMDOT
  - g. Approval of Budget Adjustment Request (BAR) No. 9-Brine Well Transfer:** Mallery Manzanares, Budget Director, and Acting ASD Director, NMDOT
  - h. Approval of Authorizing Bond Resolution:** Peter Shellenberger, Managing Director, PFM
- 7. Policy Reports:**

- a. **Proposed Town of Red River Request to Designate Additional Segments of NM 38 for the Operation of Recreational Off-Highway Vehicles (ROVs):** Paul Brasher, P.E., District Five Engineer, NMDOT
- b. **Approval of STC Resolution No. 2020-02 (JUL) Dedicating the Bridge Located on Canoncito School Road over Interstate 40 in Cibola County (Bridge No. 8635), as the “PFC Raymond Platero Memorial Bridge”:** The Honorable Harry Garcia, New Mexico State Representative, District 69

**8. Secretary Report:** Michael Sandoval, Cabinet Secretary, NMDOT

**9. FHWA Report:** J. Don Martinez, Division Administrator, FHWA

**10. Adjournment**

# Tab 1-2

# **Agenda Items 1-2**

1. Call to Order: Walter G. Adams, Chairman
  - a) Establish Quorum
  - b) Pledge of Allegiance
2. Approval of Agenda: Walter G. Adams, Chairman

# Tab 3

## **Approval of Minutes**

**NEW MEXICO STATE TRANSPORTATION COMMISSION  
MEETING**

**Teleconference Meeting  
May 21, 2020**

The New Mexico State Transportation Commission (STC or Commission) held a regular meeting via teleconference on May 21, 2020. Chairman Adams called the meeting to order at 9:01 a.m. He asked for a roll call to establish a quorum. Jennifer Martinez, Office of the Secretary, New Mexico Department of Transportation (NMDOT), proceeded to call the roll. Commissioners Jennifer Sandoval, Bruce Ellis, Hilma E. Chynoweth, Walter G. Adams, and Charles Lundstrom were present. Commissioner Thomas C. Taylor joined the meeting later.

**Approval of the STC Meeting Agenda**

Chairman Adams informed the STC there was a request to move item number 7 up to item number 5 on the agenda, and move 5 down. Chairman Adams asked for a motion to approve the STC meeting agenda, as amended; Commissioner Sandoval made a motion to approve the agenda, as amended; Commissioner Chynoweth seconded; motion carried unanimously.

**Approval of the STC Minutes**

Chairman Adams asked for a motion to approve the March 19, 2020 STC regular teleconference meeting minutes; Commissioner Ellis made a motion to so approve; Commissioner Sandoval seconded; motion carried unanimously.

### **State Transportation Commissioners Present:**

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

### **NMDOT Staff Present:**

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

### **Elected Officials and Delegations Present:**

The Honorable Harry Garcia, New Mexico State Representative, District 69  
Danielle Sena, Deputy City Clerk, City of Las Vegas  
Michael Hawkes, Socorro County Manager  
Vicki Ballinger, City Manager, City of Elephant Butte  
Michael Montoya, City Councilman, Ward II, City of Las Vegas

### **Introductions**

Chairman Adams asked for a moment of silence for NMDOT employee, Dave Martinez, who passed away on April 8, 2020. Dave was employed by NMDOT for approximately 20 years. His untimely passing is a great loss to the NMDOT family. Chairman Adams, on behalf of the STC, sent condolences and prayers to the Martinez family and stated that Dave will be missed.

Secretary Sandoval thanked Chairman Adams for recognizing the loss of Dave Martinez. He stated that he had known Dave for a long time and directly supervised him for many years. He also mentioned that it is NMDOT's intention to do some type of tribute to him.

Chairman Adams, on behalf of the Commission thanked NMDOT employees for all the work they do every day for NMDOT, the State of New Mexico and the traveling public. He also



thanked the cities and counties of New Mexico for partnering with one another to try to keep their communities safe and make things better during these trying times.

### **Proposed Dedication of the Bridge over Interstate 40, at Exit 131, in To'Hajiilee**

The Honorable Harry Garcia, New Mexico State Representative, District 69, appeared before the STC, on behalf of the To'Hajiilee Navajo Veteran's Organization, to formally request the dedication of the bridge located over Interstate 40, at Exit 131, in To'Hajiilee, in honor of Private First Class (PFC) Raymond Platero. He explained who PFC Raymond Platero was, why the dedication request was being made and presented various documents in support of the request.

Commissioner Adams requested Secretary Sandoval to move forward on the dedication request.

### **Finance Reports**

#### **Approval of FY20 Budget Adjustment Request (BAR) No. 18 - P562 - FHWA Releases**

Mallery Manzanares, Budget Director and Acting Administrative Services Director (ASD), NMDOT, presented and requested approval of FY20 BAR No. 18 - P562 - FHWA Releases. The BAR is required to establish budget authority for the FHWA program. It will increase contractual services (Category 300) by \$30 million, all of which are federal funds. The state match requirement will be met with existing budget authority. The BAR covers FHWA Releases that have occurred in Federal FY20.

**Chairman Adams asked for a motion to approve FY20 BAR No. 18 - P562 - FHWA Releases; Commissioner Ellis made a motion to so approve; Commissioner Lundstrom seconded; motion carried unanimously.**

**Approval of FY20 BAR No. 19 - P565 - Modal**

Mallery Manzanares, Budget Director, and Acting ASD Director, NMDOT, presented and requested approval of FY20 BAR No. 19 - P565 - Modal. The BAR is required to increase the budget authority in federal grants and services (Category 400) for the Transit Bureau in the amount of \$12.8 million. The funds are 100% reimbursable, and are part of an apportionment to the State from the Federal Transit Administration under the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020. The funds will be utilized to pay for eligible local rural public transportation administrative and operating expenses at 100%, with no local match requirements. The \$12.8 million amount represents only a portion of the \$36.5 million CARES Act funding appropriated to the State of New Mexico. A BAR for the remaining amount of \$23,674,320 will be requested in FY21.

**Chairman Adams asked for a motion to approve FY20 BAR No. 19 - P565 - Modal; Commissioner Chynoweth made a motion to so approve; Commissioner Ellis seconded; motion carried unanimously.**

**Approval of FY21 Local Government Road Fund (LGRF) Projects**

Clarissa Martinez, Project Oversight Division, NMDOT, presented and requested approval of FY21 LGRF projects. The LGRF is a designated State fund administered by NMDOT that assists local governments to 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 FY21 LGRF Program budget is \$25.6 million. Ms. Martinez discussed the proposed FY21 LGRF project list and the specific amounts allocated to each program within the LGRF.

**Chairman Adams asked for a motion to approve the FY21 LGRF projects; Commissioner Lundstrom made a motion to so approve; Commissioner Taylor seconded; motion carried unanimously.**

#### **Approval of FY19 Local Government Transportation Project Fund (LGTPF) Projects**

Clarissa Martinez, Project Oversight Division, NMDOT, presented and requested approval of funding from the FY19 LGTPF for two additional projects, one in the City of Bayard, and the other in the City of Santa Rosa.

**Chairman Adams asked for a motion to approve the requested funding from the FY19 LGTPF for the subject projects; Commissioner Taylor made a motion to so approve; Commissioner Lundstrom seconded; motion carried unanimously.**

#### **Policy Reports**

#### **Approval of FY21 NMDOT Office of Inspector General (OIG) Audit Plan**

Jeff Canney, Inspector General, NMDOT, presented and requested approval of the FY21 NMDOT OIG Audit Plan (Audit Plan). He explained that Audit Plan provides an efficient allocation of resources to be directed toward the needs of NMDOT and the concerns of management and stakeholders. The Audit Plan can be amended as needed throughout the year to reflect changes in areas of risk and priorities, as identified by stakeholders. In addition to

conducting the audits and reviews identified in the FY21 Audit Plan, the OIG will perform the non-audit duties required under the provisions of New Mexico State Transportation Commission Policy No. 30, *Office of Inspector General*.

**Chairman Adams asked for a motion to approve the FY21 NMDOT OIG Audit Plan; Commissioner Ellis made a motion to so approve; Commissioner Chynoweth seconded; motion carried unanimously.**

### **Public Comment**

Michael Montoya, City Councilman, Ward II, City of Las Vegas, thanked the STC and NMDOT for all the work that has been done in District 4 for the community. Chairman Adams thanked Councilman Montoya for his leadership.

Vicki Ballinger, City Manager, City of Elephant Butte, thanked NMDOT for the work it did in the area earlier this year. She also thanked Trent Doolittle, P.E., District One Engineer, NMDOT, for his support.

### **Secretary's Comments**

Secretary Sandoval commented regarding the March stay at home order issued by the Governor, and the work that has been done to transition NMDOT employees to teleworking. He thanked Jeremy Lovato, Chief Information Officer, NMDOT, and NMDOT Information Technology (IT) Division staff for all the work they did to successfully transition employees to working at home. He also recognized FHWA for its willingness to help during the COVID-19

pandemic. FHWA, in part, has made it possible for NMDOT to continue its work. In addition, the Secretary thanked NMDOT's maintenance, field and survey crews for their efforts, and commended Rick Padilla, P.E., State Maintenance Engineer, NMDOT, and Paul Brasher, P.E., District Five Engineer, NMDOT, for the work they have been doing. He then discussed NMDOT's current financial situation, the projected \$25 million to \$40 million revenue shortfall and NMDOT's fund balance. In closing, he reported regarding pending federal legislation and the upcoming New Mexico Special Legislative Session.

The Commissioners thanked the Secretary, District Engineers and NMDOT staff for all the work that is being done during the pandemic.

J. Don Martinez, Division Administrator, FHWA, thanked Secretary Sandoval for his efforts to keep projects moving and, most importantly, for authorizing projects that are ready to start in order to help the economy during the pandemic.

## **Adjournment**

**Chairman Adams asked for a motion to adjourn the regular meeting at 10:49 a.m.; Commissioner Ellis made a motion to adjourn the regular meeting; Commissioner Taylor seconded. Motion carried unanimously.**

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**Chairman**

**Walter G. Adams**

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**Secretary**

**Charles Lundstrom**

# Tab 4

## **Introductions**

# Commission Brief

**SUBJECT: Introductions**

**PRESENTER: Walter G. Adams, Chairman**

**BACKGROUND:**

**ACTION: No Action**

# Tab 5

## **Public Comment**



# Commission Brief

**SUBJECT:** Public Comment

**PRESENTER:**

**BACKGROUND:**

**ACTION:** No Action

# Tab 6a

## **NMFA Monthly Report**

# Commission Brief

**SUBJECT: NMFA Report**

**PRESENTER: Mark Lovato, Investment Manager,  
NMFA**

**BACKGROUND:**

**ACTION: No Action**

*New Mexico Finance Authority report to*  
**State Transportation Commission**

**Agenda for July 16, 2020**

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1. NMDOT Combined Investment Summary ending June 30, 2020
  2. NMDOT/NMFA Debt Service outlook to December 15, 2020 payment as of June 30, 2020 and final Debt Service FY 2020
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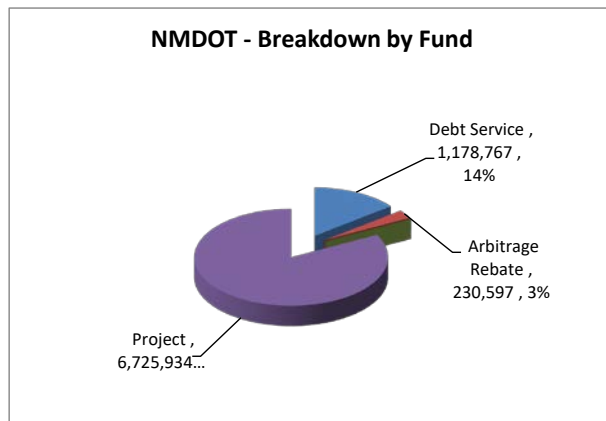
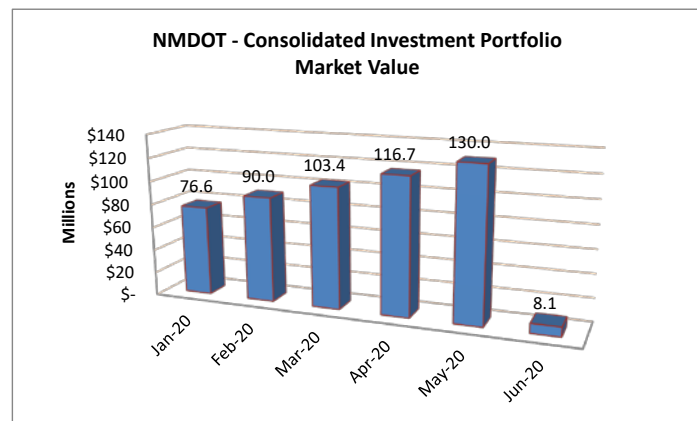


# INVESTMENT OF NM DEPT OF TRANSPORTATION BONDS NMDOT - BOND SERIES PORTFOLIO SUMMARIES

June 30, 2020

NMDOT BOND SERIES DEBT SERVICE - Portfolio Summary							
Bond Series	Beginning Balance	Bond Payment Set Aside Pmt	Interest	Ending Balance	Next Bond DS Pmt 12/15/2020	Final Maturity	Call Date
2010 A1 Senior	624,789.45	(596,300.00)	65.22	28,554.67	1,521,300.00	12/15/2024	12/15/2020
2010 A2 Sub	455,259.19	(434,500.00)	47.63	20,806.82	8,979,500.00	12/15/2021	12/15/2020
2010 B Senior	92,706,914.48	(91,889,125.00)	10,204.60	827,994.08	3,206,125.00	6/15/2024	6/15/2020
2012 Senior	8,664,700.87	(8,579,625.00)	937.23	86,013.10	3,514,875.00	6/15/2026	6/15/2022
2014 A Sub	5,774,517.38	(5,717,000.00)	628.99	58,146.37	1,458,125.00	6/15/2032	6/15/2024
2014 B1 Senior	1,561,145.37	(1,534,500.00)	164.30	26,809.67	1,534,500.00	6/15/2027	6/15/2024
2014 B2 Sub	1,968,720.60	(1,957,250.00)	215.21	11,685.81	337,750.00	6/15/2027	6/15/2024
2018 A Sub	11,258,193.82	(11,140,625.00)	1,187.62	118,756.44	10,453,875.00	6/15/2030	6/15/2028
<b>TOTAL</b>	<b>123,014,241.16</b>	<b>(121,848,925.00)</b>	<b>13,450.80</b>	<b>1,178,766.96</b>	<b>31,006,050.00</b>		

NMDOT BOND SERIES PROJECT/OTHER FUNDS - Portfolio Summary				
Bond Series	Beginning Balance	Draws - Payments	Interest	Ending Balance
2006 A Arbitrage	230,570.14		26.63	230,596.77
2014 A Project	6,725,157.53	-	776.76	6,725,934.29
<b>TOTAL</b>	<b>6,955,727.67</b>	<b>-</b>	<b>803.39</b>	<b>6,956,531.06</b>



NMDOT BOND SERIES LINE OF CREDIT - Portfolio Summary					
Line of Credit	Beginning Balance	Draws - Contributions	Commitment Fee	Ending Balance	Agreement Terms
Wells Fargo	50,000,000.00			50,000,000.00	BNSF Line expires 6/30/2022 LOC started July 2013
Payments	-	-	(24,013.89)	-	Used : 1-mo LIBOR + .77% Unused : .19% Commitment Fees Paid \$663,514
<b>TOTAL</b>	<b>50,000,000.00</b>	<b>-</b>	<b>(24,013.89)</b>	<b>50,000,000.00</b>	

# NMDOT/NMFA OUTSTANDING BOND DEBT SERVICE

For Period: 2st half Fiscal Year 2020

Bond Series	Current Amount Outstanding	Final Maturity Date	Principal Debt Service Due 6/15/2020	Interest Debt Service Due 6/15/2020	Total Debt Service Due 6/15/2020
<b>Fixed Rate Bonds</b>					
2010 A-1 Sr	24,810,000	12/15/24		596,300	596,300
2010 A-2 Sub	17,580,000	12/15/21		434,500	434,500
2010 B Sr	214,765,000	6/15/24	86,520,000	5,369,125	91,889,125
2012 Sr	164,030,000	6/15/26	4,975,000	3,604,625	8,579,625
2014 A Sub	62,480,000	6/15/32	4,155,000	1,562,000	5,717,000
2014 B-1 Sr	61,380,000	6/15/27		1,534,500	1,534,500
2014 B-2 Sub	15,090,000	6/15/27	1,580,000	377,250	1,957,250
2018 A Sub	418,825,000	6/15/30	670,000	10,470,625	11,140,625
	978,960,000		<b>97,900,000</b>	<b>23,948,925</b>	<b>121,848,925</b>
Senior Lien	464,985,000		91,495,000	11,104,550	102,599,550
Subordinate Lien	513,975,000		6,405,000	12,844,375	19,249,375
Total	978,960,000				
<b>Payments on Dec 15, 2019</b>			<b>9,210,000</b>	<b>24,166,925</b>	<b>33,376,925</b>
<b>TOTAL Annual DS</b>			<b>107,110,000</b>	<b>48,115,850</b>	<b>155,225,850</b>

## NMDOT/NMFA OUTSTANDING BOND DEBT SERVICE

For Period: 1st half Fiscal Year 2021

Bond Series	Current Amount Outstanding	Final Maturity Date	Principal Debt Service Due 12/15/2020	Interest Debt Service Due 12/15/2020	Total Debt Service Due 12/15/2020	Debt Service held as of 6/30/2020	Shortage / Overage as of 6/30/2020
2010 A-1 Sr	24,810,000	12/15/24	925,000	596,300	1,521,300	8,204	(1,513,096)
2010 A-2 Sub	17,580,000	12/15/21	8,545,000	434,500	8,979,500	41,158	(8,938,342)
2010 B Sr	128,245,000	6/15/24		3,206,125	3,206,125	827,994	(2,378,131)
2012 Sr	159,055,000	6/15/26		3,514,875	3,514,875	86,013	(3,428,862)
2014 A Sub	58,325,000	6/15/32		1,458,125	1,458,125	58,146	(1,399,979)
2014 B-1 Sr	61,380,000	6/15/27		1,534,500	1,534,500	26,810	(1,507,690)
2014 B-2 Sub	13,510,000	6/15/27		337,750	337,750	11,686	(326,064)
2018 A Sub	418,155,000	6/15/30		10,453,875	10,453,875	118,756	(10,335,119)
	881,060,000		9,470,000	21,536,050	31,006,050	1,178,767	(29,827,283)
Senior Lien	373,490,000		925,000	8,851,800	9,776,800		
Subordinate Lien	507,570,000		8,545,000	12,684,250	21,229,250		
Total	881,060,000						

# **Tab 6b**

## **Approval of Budget Adjustment Request (BAR) No. 4-Utility Program**



# Commission Brief

**SUBJECT:**

**FY21 BAR #4 P562 – PDC**

**PRESENTER:** Dean Sena, Utilities Manager

**BACKGROUND:**

An FY21 BAR is required to establish budget authority for the Project Design and Construction Program in contractual services category (CAT 300) by \$1,100,000.00.

The request is to configure, license, implement, train and data host an electronic utility permitting system. This project will greatly improve the relationship between the NMDOT and stakeholders occupying DOT Right of Way as well as stakeholders applying for access (turn out) permits. It will include a GIS database to manage the information for future project development.

These funds are 100% state funded through the State Road Fund Balance.

**ACTION: Request BAR Approval**

**Tab 6c**

**Approval of Budget  
Adjustment Request  
(BAR) No. 5- FTA  
CARES Act**

# Commission Brief

**SUBJECT:**

**FY21 BAR#5 P565- Modal**

**PRESENTER:** David Harris, Transit and Rail Division Director

**BACKGROUND:**

An FY21 BAR is required to increase the budget authority in Professional Services (CAT 300) by \$800,000 and Federal grants and services (CAT 400) by \$12,000,000 for the Transit Bureau for a total amount of \$12,800,000. These funds are 100% Federal reimbursable.

These funds are part of an apportionment to the State from the Federal Transit Administration under the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020. This CARES Act funding will be utilized to pay for eligible local rural public transportation administrative and operating expenses at 100% Federal funding, with no local match requirements.

This \$12,800,000 request is the second request using the \$36,474,320 in Federal CARES Act funding that has been appropriated for the State of New Mexico. An additional BAR for the remaining amount (\$10,874,320) will be requested later in FY21 as needed.

**ACTION: Request BAR Approval**

# **Tab 6d**

## **Approval of Budget Adjustment Request (BAR) No. 6- Energy Conservation- General Office & District 5**

# Commission Brief

**SUBJECT:**

**FY21 BAR #6 P564 – BSUP**

**PRESENTER:** Mallery Manzanares, Acting ASD

**BACKGROUND:**

An FY21 BAR is required to establish budget authority for the Business Support Program P564 to increase the budget authority in Contractual Services (Category 300), by \$11,000,000 in the Building and Grounds Division.

This BAR will fund the second phase of General Office and District Five energy conservation projects. These projects consists of, but are not limited to: HVAC replacement, LED lighting, replacement of windows and electrical replacement. Both projects have a completion date of June 2021.

State Road Fund Balance supports this BAR.

**ACTION: Request BAR Approval**

**Tab 6e**

**Approval of Budget  
Adjustment Request  
(BAR) No. 7-  
Aviation**

# Commission Brief

**SUBJECT:**

**FY21 BAR #7 P565 – Modal**

**PRESENTER:** Mallery Manzanares, Acting ASD

**BACKGROUND:**

An FY21 BAR is required to increase budget authority for the Modal Program P565, within the Aviation Division in the Grants Category (CAT 400) by \$3,000,000.

The Division will fund construction and maintenance projects for any of the eligible 54 New Mexico airports. The Aviation Bureau will fund 90% of the project cost and the locals will have a 10% match requirement.

State Aviation Fund Balance supports this BAR.

**ACTION: Request BAR Approval**

**Tab 6f**

**Approval of Budget  
Adjustment Request  
(BAR) No. 8-  
Category Change**



# Commission Brief

**SUBJECT:**

**FY21 BAR #8 P562 – PDC**

**PRESENTER:** Mallery Manzanares, Acting ASD

**BACKGROUND:**

An FY21 BAR is required to establish a Category Transfer for the Project Design and Construction Program P562. This BAR will move \$6,500,000 budget authority from Contractual Services (CAT 300) to Grants (CAT 400), to fund 100% State Grant projects to local entities.

This funding exists in our FY21 Operating budget.

**ACTION: Request BAR Approval**

**Tab 6g**

**Approval of Budget  
Adjustment Request  
(BAR) No. 9- Brine  
Well Transfer**

# Commission Brief

**SUBJECT:**

**FY21 BAR #9 P564 – BSUP**

**PRESENTER:** Mallery Manzanares, Acting ASD

**BACKGROUND:**

An FY21 BAR is required to establish budget authority for the Business Support Program P564 to increase the budget authority in Other Financing Uses, Category 500, by \$10,000,000. The department will transfer the funds from State Road Fund Balance to Energy Mineral and Natural Resource Department for the Brine Well Remediation. This transfer is accordance with SB 226 and is the last payment the department is subject to make.

**ACTION:** Request BAR Approval

# **Tab 6h**

## **Approval of Authorizing Bond Resolution**

# Commission Brief

**SUBJECT: Authorizing Bond Resolution**

**PRESENTER: Tamara P. Haas, P.E., Capital Program  
& Investments Division Director**

**BACKGROUND:** The NMDOT is requesting State Transportation Commission authorization and approval for the New Mexico Finance Authority to issue Transportation Revenue Refunding Bonds for the purpose of refunding fixed rate Transportation Revenue Bonds previously issued by the New Mexico Finance Authority. The aggregate principal amount will not exceed \$75 million. With interest rates near all-time lows, the NMDOT could generate debt service savings through a refunding of the bonds. The timing of the refunding would be to have a delivery date no earlier than November 30, 2020. The NMDOT will work with New Mexico Finance Authority for the purpose of refunding state transportation revenue bonds previously issued by the New Mexico Finance Authority.

**ACTION: Approval of Resolution**

**STATE OF NEW MEXICO  
STATE TRANSPORTATION COMMISSION**

**RESOLUTION NO. 2020-03 (JULY)**

RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE BY THE NEW MEXICO FINANCE AUTHORITY OF ONE OR MORE SERIES OF STATE TRANSPORTATION REVENUE REFUNDING BONDS FOR THE PURPOSE OF REFUNDING FIXED RATE TRANSPORTATION REVENUE BONDS PREVIOUSLY ISSUED BY THE NEW MEXICO FINANCE AUTHORITY, SUBJECT TO SATISFYING SPECIFIED PARAMETERS; ACKNOWLEDGING AND DIRECTING THAT THE SECRETARY OF THE NEW MEXICO DEPARTMENT OF TRANSPORTATION CONTINUE TO APPLY FOR AND DISTRIBUTE FEDERAL FUNDS RECEIVED PURSUANT TO A MEMORANDUM OF UNDERSTANDING WITH THE FEDERAL HIGHWAY ADMINISTRATION; AUTHORIZING THE CHAIRMAN OR VICE-CHAIR OF THE COMMISSION TO APPROVE THE FINAL TERMS OF ANY STATE TRANSPORTATION REFUNDING REVENUE BONDS ISSUED PURSUANT TO THIS RESOLUTION; AUTHORIZING THE CHAIRMAN OR VICE-CHAIR OF THE COMMISSION AND THE SECRETARY OF THE DEPARTMENT OF TRANSPORTATION TO EXECUTE AGREEMENTS AND CLOSING CERTIFICATES IN CONNECTION WITH SUCH BONDS; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; RATIFYING PRIOR ACTIONS CONSISTENT WITH THIS RESOLUTION AND REPEALING PRIOR INCONSISTENT ACTIONS.

WHEREAS, the State Transportation Commission (the “Commission”) of the State of New Mexico (the “State”) was created under Article V, Section 14 of the New Mexico State Constitution; and

WHEREAS, pursuant to the provisions of Chapter 3, Laws 2003, adopted during the First Special Session of the Legislature in 2003, codified in Sections 67-3-59.1, .2, .3 and .4, NMSA 1978, as amended (formerly known as the “GRIP Financing Legislation” and hereafter referred to as the “Financing Legislation”), the Commission is authorized to direct the issuance of state transportation refunding revenue bonds (the “State Transportation Refunding Revenue Bonds”) by the New Mexico Finance Authority (the “NMFA”) from time to time, payable from Federal Revenues (as defined in the Master Indenture referred to below) and State Revenues (also as defined in the Master Indenture referred to below) (collectively, the “Pledged Revenues”), in order to provide funds to refund outstanding bonds issued by the Commission; and

WHEREAS, pursuant to the Financing Legislation, the NMFA, as directed and authorized by the Commission, has previously issued its State Transportation Revenue and Refunding Bonds (Senior Lien), Series 2010A-1 in the original aggregate principal amount of

\$95,525,000 and of which approximately \$24,810,000 are currently outstanding (the “2010A-1 Bonds”) issued pursuant to the Master Indenture of Trust dated as of May 1, 2004 (the “Master Indenture”); and

WHEREAS, pursuant to the Financing Legislation the NMFA, as directed and authorized by the Commission, has previously issued its State Transportation Revenue and Refunding Revenue Bonds (Subordinate Lien), Series 2010A-2 in the original aggregate principal amount of \$79,100,000 of which approximately \$17,580,000 are currently outstanding (the “2010A-2 Bonds”); and

WHEREAS, pursuant to the Financing Legislation the NMFA, as directed and authorized by the Commission, has previously issued its State Transportation Refunding Revenue Bonds (Senior Lien), Series 2010B in the original aggregate principal amount of \$461,075,000 of which approximately \$214,765,000 are currently outstanding (the “2010B Bonds” and, together with the 2010A-1 Bonds and the 2010A-2 Bonds, the “Obligations”); and

WHEREAS, pursuant to Section 26 of the Financing Legislation, codified in Section 67-3-59.4, NMSA 1978, as amended, the Commission is directing and authorizing the NMFA to issue State Transportation Refunding Revenue Bonds in an aggregate principal amount not to exceed \$75,000,000 on or before November 30, 2020 (the “2020 Fixed Rate Refunding Revenue Bonds”) to refund all or a portion of the Obligations, subject to certain parameters set out below; and

WHEREAS, the Commission anticipates that the 2020 Fixed Rate Refunding Revenue Bonds will be issued as fixed rate bonds; and

WHEREAS, the Commission further anticipates that the 2020 Fixed Rate Refunding Revenue Bonds may be issued in one or two series reflecting the respective senior and subordinate liens of the Obligations; and

WHEREAS, for the purposes of achieving present value debt service savings on the Obligations, the Commission is authorizing the issuance by the NMFA of the 2020 Fixed Rate Refunding Revenue Bonds to effectuate the current refunding of all or a portion of the Obligations (collectively, the “Refunded Bonds”), subject to the satisfaction of the parameters set forth in Section 2 below; and

WHEREAS, the specific amounts and maturities of the Refunded Bonds shall be determined by the NMFA, based on market conditions, and subject to the requirement that no maturity of any of the Refunded Bonds shall be refunded unless, on the date of pricing of the 2020 Fixed Rate Refunding Bonds, refunding of the Refunded Bonds shall provide a positive debt service savings and the refunding of the Refunded Bonds, taken in their entirety, yields a net present value savings with respect to the debt service of at least three percent (3%), as more particularly set forth in Section 2 below; and

WHEREAS, the Department and the New Mexico Division of the Federal Highway Administration (the “FHWA”) have entered into a Memorandum of Understanding dated June 22, 2010 (the “2010 FHWA MOU”) providing for the process by which the Secretary of the

Department will apply for and distribute funds received as reimbursement from federal funds by the FHWA for debt service and other eligible costs relating to transportation projects; and

WHEREAS, the Commission desires to authorize the Chairman or the Vice Chair of the Commission to approve the final terms of the 2020 Fixed Rate Refunding Revenue Bonds consistent with the parameters set forth in this Resolution; and

WHEREAS, the Commission desires to authorize the Chairman or Vice-Chair of the Commission and the Secretary of the Department to make certain representations and to enter into certain agreements on behalf of, respectively, the Commission and the Department in connection with the 2020 Fixed Rate Refunding Revenue Bonds and to execute certain agreements and certificates necessary, appropriate or convenient in connection with the issuance, sale and delivery of the 2020 Fixed Rate Refunding Revenue Bonds.

NOW, THEREFORE, IT IS RESOLVED BY THE STATE TRANSPORTATION COMMISSION:

**Section 1. Determinations.** The Commission hereby determines that the Refunded Bonds should be refunded in one or more series of refunding bonds if the issuance meets the parameters set forth in Section 2 below. The Commission further determines that issuance of the 2020 Fixed Rate Refunding Revenue Bonds is necessary to create sufficient debt capacity for bonds and other obligations authorized to be issued pursuant to the Financing Legislation to fund transportation projects authorized by the Legislature (the “State Transportation Revenue Bonds”), to protect the public health, conserve the property of, and protect the general welfare and prosperity of the citizens of the State. Subject to satisfaction of the parameters set forth in Section 2 below, the NMFA is hereby directed to refund all or a portion of the Refunded Bonds, through the issuance of one or more series of 2020 Fixed Rate Refunding Revenue Bonds on or before November 30, 2020, with an aggregate maximum size of all series not to exceed \$75,000,000, pursuant to the Master Indenture and one or more Series Indentures, to be secured by and payable from the Pledged Revenues.

**Section 2. Authorization of 2020 Fixed Rate Refunding Revenue Bonds and Parameters of Refunded Bonds.**

(a) For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the citizens of the State, it is declared necessary that the NMFA issue the 2020 Fixed Rate Refunding Revenue Bonds pursuant to the Master Indenture and one or more Series Indentures in one or more series with a minimum issue size of all series not to exceed \$75,000,000. Each series of the 2020 Fixed Rate Refunding Revenue Bonds shall mature on the dates (no later than December 15, 2026), be issued in the amounts, bear interest at the rate or rates (not to exceed 6.5% per annum), and may be subject to optional and mandatory sinking fund redemption prior to their maturities on the dates and at the prices set forth in one or more Sale Resolutions to be adopted by the NMFA on or prior to the sale date of the related series of the 2020 Fixed Rate Refunding Revenue Bonds. The NMFA Sale Resolution or Resolutions shall provide for the creation of funds and accounts (including any reserve fund deemed advisable by the NMFA), and for protective covenants and additional terms and conditions deemed advisable by the NMFA in connection with the marketing of the 2020



Fixed Rate Refunding Revenue Bonds. The 2020 Fixed Rate Refunding Revenue Bonds may be issued as Senior Lien Obligations and Subordinate Lien Obligations under the Master Indenture.

(b) No maturity of any of the Refunded Bonds shall be refunded, and no 2020 Fixed Rate Refunding Revenue Bonds shall be issued to refund any maturity of the Refunded Bonds, unless, on the date of pricing of the 2020 Fixed Rate Refunding Revenue Bonds, refunding all such maturities shall result in a net present value savings with respect to the debt service of such maturities and the refunding of the Refunded Bonds, taken in their entirety, yields a net present value savings with respect to the debt service of at least three percent (3%), of the Refunded Bonds of at least three percent (3%). Subject to these parameters, the NMFA shall determine the amounts and maturities of the Refunded Bonds and the 2020 Fixed Rate Refunding Revenue Bonds.

### **Section 3. Commission and Department Obligation to Apply for Federal Funds.**

The Secretary of the Department is the official of the State authorized by law to receive federal funds allocated or apportioned to the State pursuant to Title 23 of the United States Code for the Department to carry out its programs, duties and services, which federal funds not otherwise obligated for other purposes are paid into the State Road Fund. The Secretary has applied for and received and will continue to apply for and distribute such federal funds received for payment into the State Road Fund, as provided in the Financing Legislation and in the 2010 FHWA MOU.

### **Section 4. Delegation to Chairman or Vice-Chair of the Commission.**

The Chairman, or in the absence of the Chairman, the Vice-Chair, is hereby authorized and directed to approve the final form of the Preliminary Official Statement for the 2020 Fixed Rate Refunding Revenue Bonds and the final terms of the 2020 Fixed Rate Refunding Revenue Bonds, subject to the satisfaction of the parameters set forth in Section 2.

### **Section 5. Continuing Assistance in Implementation of State Transportation Revenue Bonds.**

The Department is hereby directed to provide assistance to the Financial Advisor (as defined in the Series Indenture providing for the issuance of any of the 2020 Fixed Rate Refunding Revenue Bonds) and the NMFA in structuring and approving the issuance and sale of the 2020 Fixed Rate Refunding Revenue Bonds, executing and delivering, without limitation, the following agreements and certifications relating to the 2020 Fixed Rate Refunding Revenue Bonds and use of Bond proceeds, which shall be delivered at the closing or delivery of the 2020 Fixed Rate Refunding Revenue Bonds: tax compliance certificates, general and no litigation certificates, certificates concerning the accuracy of information included in the Preliminary Official Statement and the Official Statement for the 2020 Fixed Rate Refunding Revenue Bonds, continuing disclosure agreements, bond purchase agreements, redemption notices and escrow agreements related to the Refunded Bonds, and such other agreements and certificates as the NMFA, the Financial Advisor, the underwriters, bond counsel, underwriters' counsel, disclosure counsel, the Commission's counsel, the Commission's bond counsel or issuer's counsel may request. The officers, employees and agents of the Commission and the

Department are authorized and directed to execute and deliver all such documents and certificates and are directed to provide all documents and other information requested by the NMFA or its officers, employees and agents related to the administration and management of the State Transportation Revenue Bonds.

**Section 6. Ratification of Prior Actions Taken by the Commission and the NMFA; Inconsistent Actions Superseded.**

Prior actions of the Commission, the Department and the NMFA consistent with this Resolution are hereby ratified and approved. All acts, orders, resolutions, or parts thereof, of the Commission that are inconsistent or in conflict with this Resolution are hereby superseded to the extent only of such inconsistency or conflict.

**Section 7. Effective Date.** The provisions of this Resolution shall become effective immediately upon its adoption and approval.

[Signature page follows]

ADOPTED IN OPEN MEETING BY THE STATE TRANSPORTATION  
COMMISSION ON JULY 16, 2020.

---

Walter G. Adams, Chairman  
District 4

---

Jennifer Sandoval, Vice-Chair  
District 1

---

Charles Lundstrom, Secretary  
District 6

---

Bruce Ellis, Commissioner  
District 2

---

Hilma E. Chynoweth, Commissioner  
District 3

---

Thomas C. Taylor, Commissioner  
District 5

ATTEST: \_\_\_\_\_  
Secretary

**CERTIFICATE REGARDING RESOLUTION  
OF THE NEW MEXICO STATE TRANSPORTATION COMMISSION**

I, the undersigned, Walter G. Adams, Chairman of the New Mexico State Transportation Commission (the “Commission”), DO HEREBY CERTIFY that: (i) the annexed Resolution was duly adopted by the members of the Commission at a meeting thereof duly called and held on July 16, 2020, at which meeting a quorum was present and acting throughout; (ii) the annexed Resolution has been compared by me with the original thereof recorded in the minute books of the Commission and is a correct transcript therefrom and of the whole of said original; (iii) the annexed Resolution has not been altered, amended or repealed; and (iv) the annexed Resolution is in full force and effect on the date of this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 16th day of July 2020.

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Walter G. Adams ,Chairman  
New Mexico State Transportation  
Commission

# NEW MEXICO DEPARTMENT OF TRANSPORTATION

## MARKET UPDATE & DEBT PORTFOLIO OVERVIEW



JUNE 12, 2020

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I. Market Update

II. Current Debt Portfolio

III. Refunding Opportunities

IV. Potential for New Money Borrowing



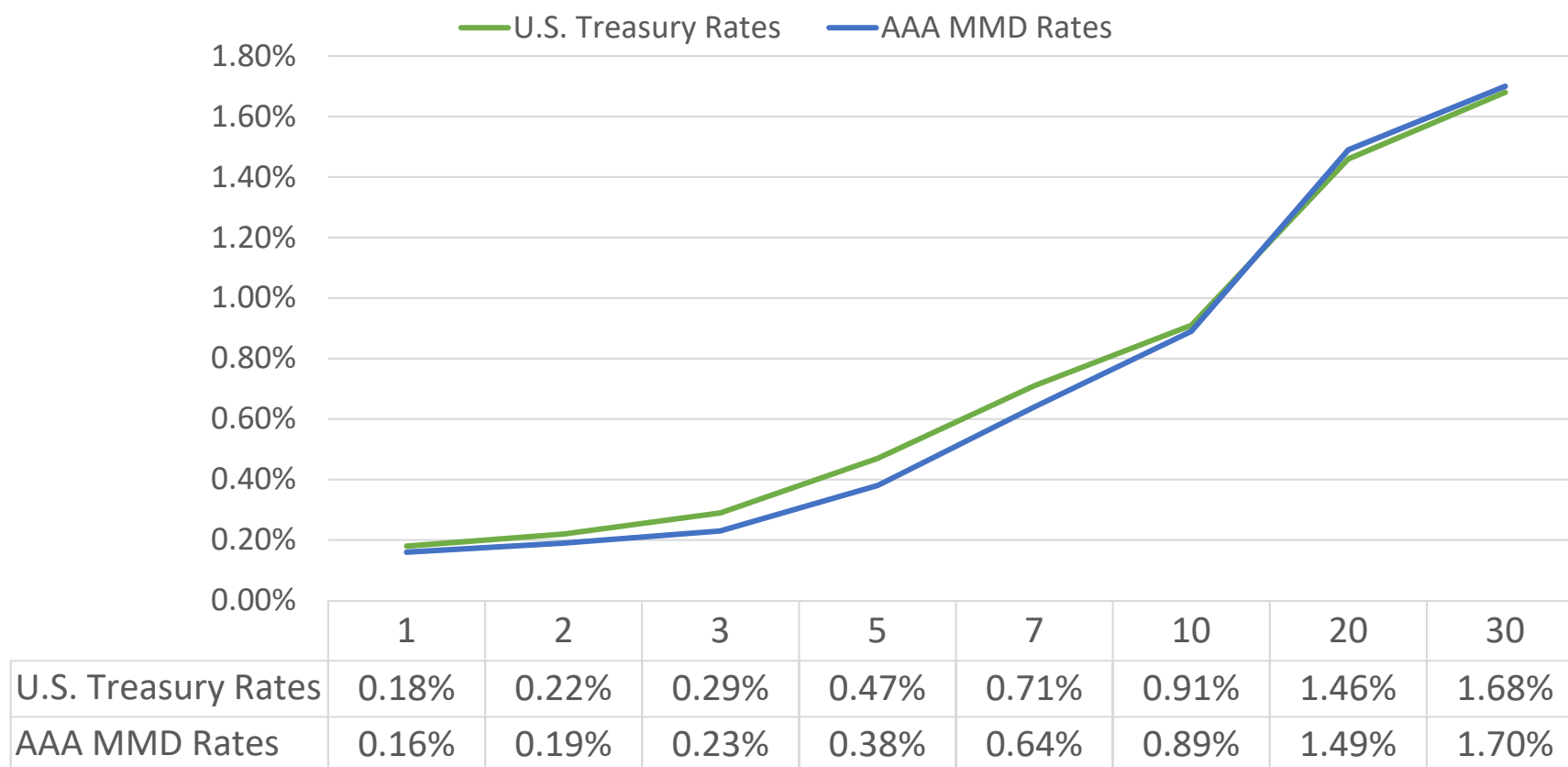


# I. Market Update



# Treasury Rates vs. Municipal Market Rates

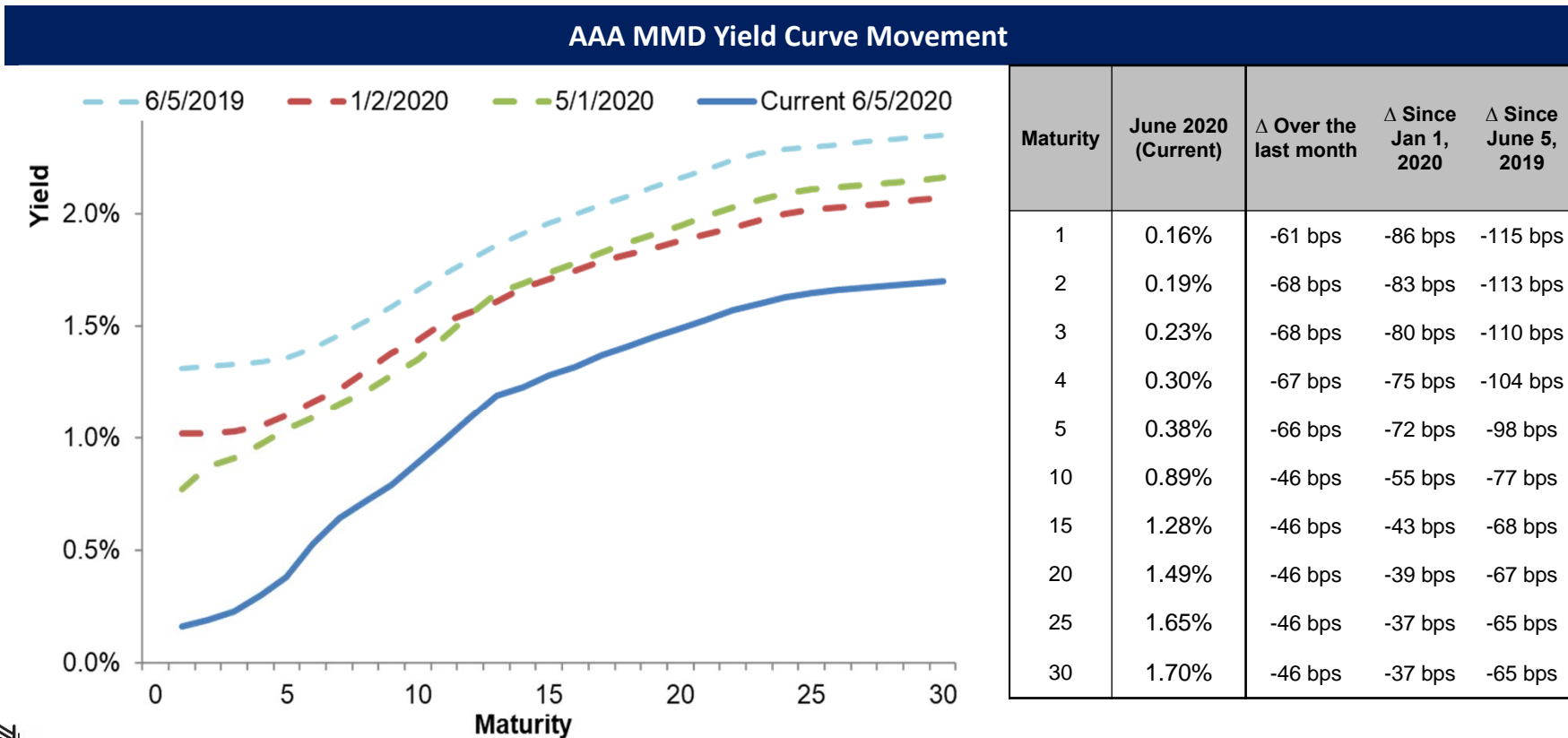
- Municipal market rates generally track with movements in Treasuries across the curve





# Recent Benchmark Rates

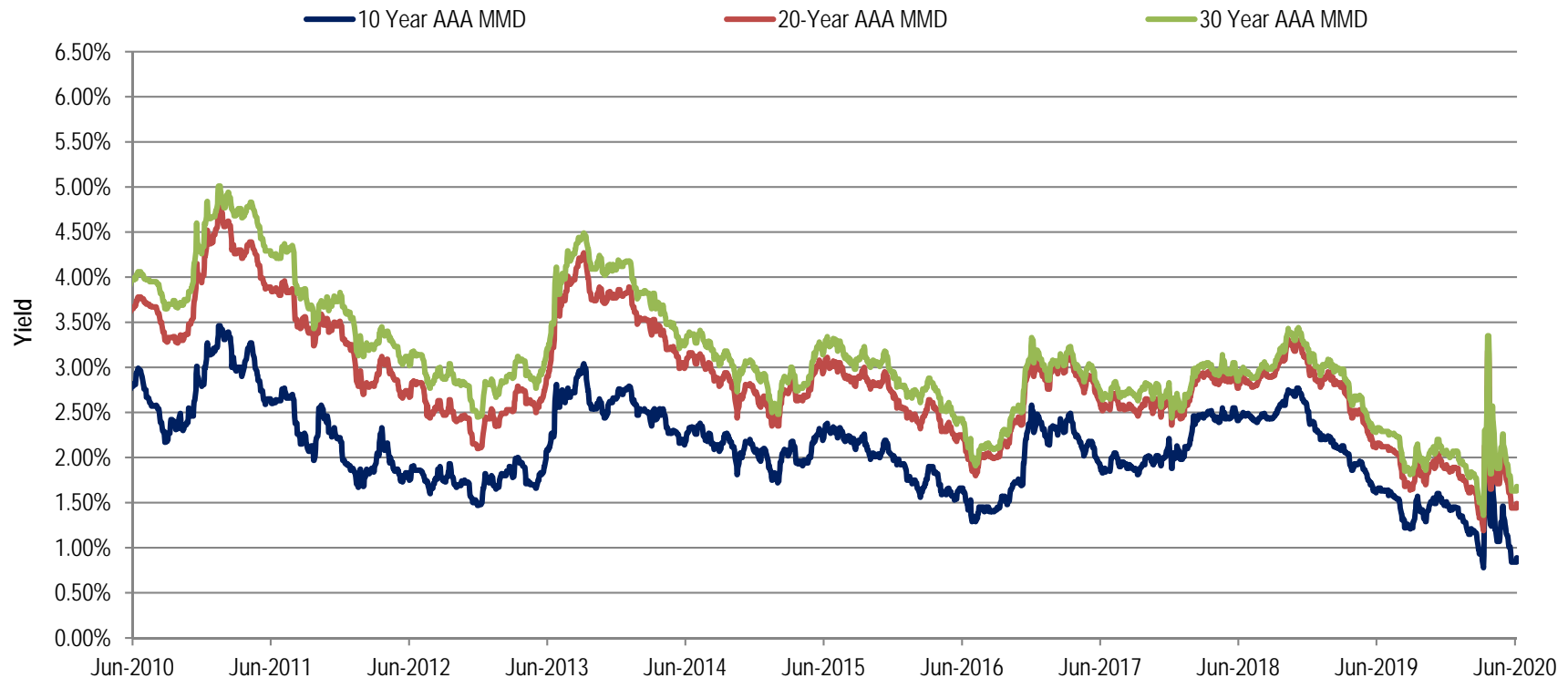
- Tax exempt interest rates (represented by the AAA MMD index - industry-accepted index for tax-exempt bonds) have decreased significantly the middle of 2019 and the beginning of the year
  - ▣ Rates are currently near historic lows



# Historical Benchmark Rates

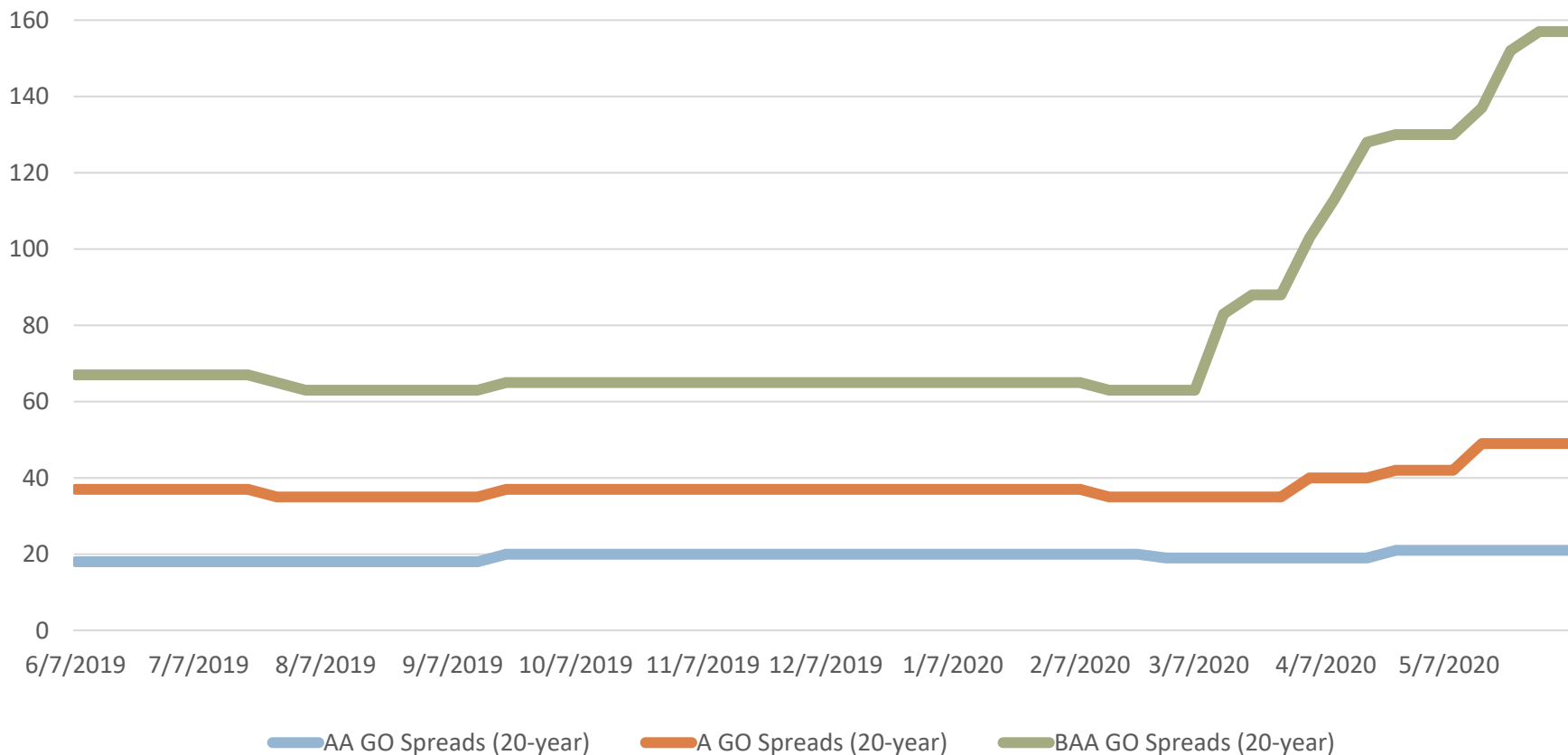
- Long term rates are near all-time lows
  - The 30-Year AAA MMD is 1.70%, 142 basis points below its 10-year average

**Historic AAA GO MMD Rates  
(June 2010 to June 2020)**



# Municipal Credit Spreads

- While interest rates are near all-time lows, credit spreads have begun to increase, especially among lower rated credits
- Spreads remain tight for high quality credits



# Municipal Market Supply

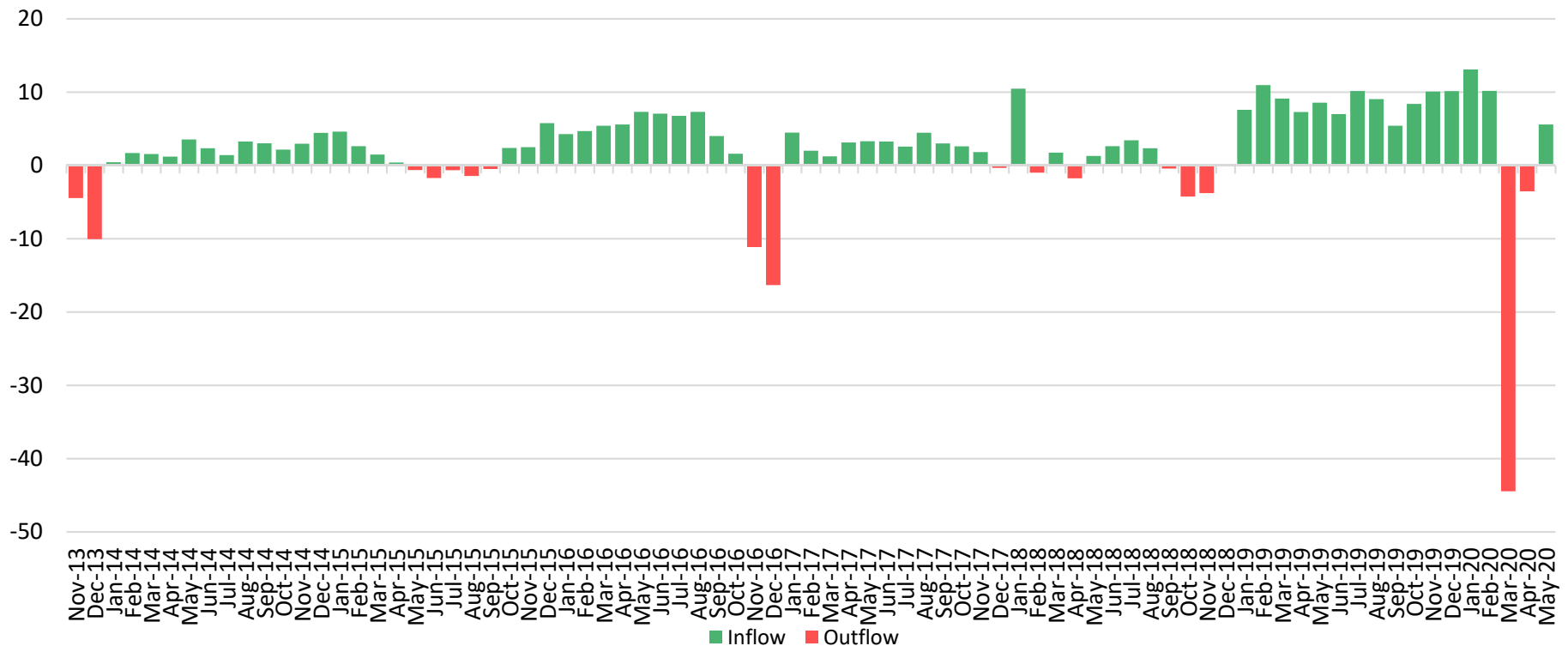
- Overall, market supply in 2019 was 24.4% higher compared to 2018, due to very low interest rates and a corresponding increase in taxable refundings in the low rate environment
- 2020 issuance volume, while historically high to start the year, has fallen in the wake of the COVID Pandemic

Monthly Municipal Market Supply over Past Six Years (in Billions)							
Month	2015	2016	2017	2018	2019	2020	% Change
January	\$29.32	\$25.72	\$36.00	\$21.51	\$24.97	\$32.46	30.02%
February	33.16	31.66	23.36	17.97	26.38	\$41.93	58.96%
March	45.60	42.49	32.62	26.08	27.76	\$18.69	-32.70%
April	41.00	35.37	30.47	31.52	27.92	\$29.41	5.36%
May	36.74	42.32	38.54	35.19	29.19	\$27.99	-4.10%
June	40.19	47.96	39.23	33.40	36.63	-	-
July	35.30	28.83	24.87	27.74	29.78	-	-
August	32.38	46.66	37.20	34.04	39.51	-	-
September	23.57	39.79	29.44	25.22	36.56	-	-
October	33.95	53.45	38.53	36.59	55.54	-	-
November	24.30	31.66	43.58	27.85	46.68	-	-
December	22.20	18.88	62.50	21.96	40.79	-	-
Full Year Total	\$397.71	\$444.80	\$448.61	\$338.93	\$421.69	-	-



# Municipal Market Demand

- Mutual funds are one of the largest investors in municipal bonds and the net inflow or net outflow from mutual funds is indicative of demand for municipal bonds
- Following record inflows in 2019 and early 2020, mutual funds experienced extreme outflows as the full scope of the crisis became better understood
- Mutual funds saw preliminary inflows in May, perhaps an indication of a return to more normal market conditions





## II. Revenues and Debt Portfolio



# Current Debt Overview as of June 8, 2020



- Approximately \$979 million in total par is outstanding as of June 2020:

- Senior Lien Obligations: \$465.0 million.

- Subordinate Lien Obligations: \$514.0 million.

- The final maturity of the NMDOT's portfolio is 2032 (12 years).

- The average life of NMDOT's portfolio is very short.

- About half of principal is scheduled to be repaid in the next 4 years

Senior: Moody's (Aa1) / S&P (AA+)  
Subordinate: Moody's (Aa2) / S&P (AA)

New Mexico DOT Outstanding Debt				
Series	Original Issue Size	Delivery Date	Final Maturity	Outstanding Par
<b>Senior Lien Obligations:</b>				
Series 2010A-1	95,525,000	9/9/10	12/15/24	24,810,000
Series 2010B	461,075,000	10/5/10	6/15/24	214,765,000
Series 2012	220,400,000	12/27/12	6/15/26	164,030,000
Series 2014B-1	61,380,000	12/23/14	6/15/27	61,380,000
<b>Subtotal</b>	<b>\$ 838,380,000</b>			<b>\$ 464,985,000</b>
<b>Subordinate Lien Obligations:</b>				
Series 2010A-2	79,100,000	9/9/10	12/15/21	17,580,000
Series 2014A	70,110,000	3/12/14	6/15/32	62,480,000
Series 2014B-2	18,025,000	12/23/14	6/15/27	15,090,000
Series 2018A	420,090,000	6/27/2018	6/15/30	418,825,000
<b>Subtotal</b>	<b>\$ 587,325,000</b>			<b>\$ 513,975,000</b>
<b>TOTAL</b>	<b>\$ 1,425,705,000</b>			<b>\$ 978,960,000</b>



# Annual Debt Service by Payment Source



- NMDOT's debt service is categorized by three payment sources: (i) State Road Fund (SRF) (ii) Federal Highway Administration (FHWA) and (iii) Highway Infrastructure Fund (HIF)
  - Outstanding debt service totals approximately \$1.2 billion to be repaid through FY2032

Debt Service by Payment Source				
FY Ending	SRF	FHWA	HIF	Total
6/30/2020	27,690,640	119,450,210	8,085,000	155,225,850
6/30/2021	27,697,720	119,414,630	6,472,250	153,584,600
6/30/2022	39,996,630	121,110,345	3,584,750	164,691,725
6/30/2023	39,998,430	114,604,520	8,759,750	163,362,700
6/30/2024	39,998,240	128,567,960	14,271,000	182,837,200
6/30/2025	39,996,775	26,593,400	8,473,750	75,063,925
6/30/2026	39,996,750	26,177,800	8,574,000	74,748,550
6/30/2027	39,996,000	64,449,000	8,685,000	113,130,000
6/30/2028	39,995,500	-	8,785,250	48,780,750
6/30/2029	39,996,250	-	8,894,250	48,890,500
6/30/2030	25,284,000	-	8,995,500	34,279,500
6/30/2031	-	-	9,103,250	9,103,250
6/30/2032	-	-	7,161,000	7,161,000
Total	428,271,993	720,367,865	109,844,750	1,230,859,550





# Projected Debt Service Coverage

- Strong debt service coverage supports the DOT's high credit ratings
- Senior lien debt service coverage: 3.93x for state revenues and 7.15x times on total revenues.
- Total debt service coverage (senior and subordinate) does not fall below 5.07 times.

New Mexico DOT Debt Service Coverage								
Fiscal Year	FY19 Revenues		Debt Service	Senior Lien Coverage		Debt Service		Coverage
	State	State & Federal	Senior Lien	State <sup>1</sup>	Total <sup>2</sup>	Subordinate Lien	Total	Total <sup>3</sup>
2020	458,311,575	835,001,080	\$ 114,845,975	3.99x	7.27x	\$ 40,379,875	155,225,850	5.38x
2021	458,311,575	835,001,080	\$ 114,844,725	3.99x	7.27x	\$ 38,739,875	153,584,600	5.44x
2022	458,311,575	835,001,080	\$ 116,743,350	3.93x	7.15x	\$ 47,948,375	164,691,725	5.07x
2023	458,311,575	835,001,080	\$ 54,202,450	8.46x	15.41x	\$ 109,160,250	163,362,700	5.11x
2024	458,311,575	835,001,080	\$ 19,613,700	23.37x	42.57x	\$ 163,223,500	182,837,200	4.57x
2025	458,311,575	835,001,080	\$ 33,644,425	13.62x	24.82x	\$ 41,419,500	75,063,925	11.12x
2026	458,311,575	835,001,080	\$ 26,177,800	17.51x	31.90x	\$ 48,570,750	74,748,550	11.17x
2027	458,311,575	835,001,080	\$ 64,449,000	7.11x	12.96x	\$ 48,681,000	113,130,000	7.38x
2028	458,311,575	835,001,080	-			\$ 48,780,750	48,780,750	17.12x
2029	458,311,575	835,001,080	-			\$ 48,890,500	48,890,500	17.08x
2030	458,311,575	835,001,080	-			\$ 34,279,500	34,279,500	24.36x
2031	458,311,575	835,001,080	-			\$ 9,103,250	9,103,250	91.73x
2032	458,311,575	835,001,080	-			\$ 7,161,000	7,161,000	116.60x
<b>Total</b>			<b>\$ 544,521,425</b>			<b>\$ 686,338,125</b>	<b>\$ 1,230,859,550</b>	

1. Minimum coverage test requirement = 3.00x
2. Minimum coverage test requirement = 3.50x
3. Minimum coverage test requirement = 3.00x





## III. Refunding Opportunities



# Callable Bonds

- The DOT has about \$70 million of outstanding tax-exempt bonds that become callable in 2020
- With interest rates near all-time lows, the DOT could generate debt service savings through a refunding
- Despite a 6/15 call date on the 2010B Bonds and a 12/15 call date on the 2010A-1 and 2010A-2 Bonds, all of the series could be called in one issuance

Upcoming Refunding Opportunities				
	Maturities	Par	Coupon	Call Date
<b>2010B (Senior)</b>				
	6/15/2023	26,040,000	5.00%	6/15/2020
	6/15/2024	10,940,000	5.00%	6/15/2020
		<b>36,980,000</b>		
<b>2010A-1 (Senior)</b>				
	12/15/2021	710,000	3.00%	12/15/2020
	12/15/2022	16,140,000	5.00%	12/15/2020
	12/15/2022	150,000	3.00%	12/15/2020
	12/15/2024	6,275,000	5.00%	12/15/2020
	12/15/2024	610,000	3.00%	12/15/2020
		<b>23,885,000</b>		
<b>2010A-2 (Sub)</b>				
	12/15/2021	8,535,000	5.00%	12/15/2020
	12/15/2021	500,000	3.00%	12/15/2020
		<b>9,035,000</b>		
<b>Total</b>		<b>69,900,000</b>		



# Timing & Approach to Refunding

- Refunding Bonds Delivery Date: 9/15/20
  - The 2010B Bonds have a call date of 6/15/20 and will be callable
  - The 2010A-1 and 2010A-2 Bonds have a call date of 12/15/20 and will be currently callable starting 9/15/20
  
- Interest Rate Assumptions
  - Current interest rates plus credit spread (10 to 15 bps over AAA-MMD)



# Refunding Results

- All-in TIC: 0.78%
- Gross Savings:  
\$7,599,675
- NPV Savings:  
\$7,523,943(10.8%  
of refunded bonds)
- NPV Savings with a  
30 basis point  
cushion:  
\$6,915,415 (9.9%  
of refunded bonds)

Annual Savings				
FY Ending	Prior Debt Service	Refunding Debt Service	Savings	NPV Savings
6/30/2021	\$3,455,600	\$2,398,500	\$1,057,100	\$1,055,811
6/30/2022	\$12,969,075	\$11,875,500	\$1,093,575	\$1,087,988
6/30/2023	\$44,916,800	\$42,207,250	\$2,709,550	\$2,681,970
6/30/2024	\$11,819,050	\$9,780,750	\$2,038,300	\$2,008,626
6/30/2025	\$7,051,025	\$6,349,875	\$701,150	\$689,548
<b>Total</b>	<b>\$80,211,550</b>	<b>\$72,611,875</b>	<b>\$7,599,675</b>	<b>\$7,523,943</b>

	2020 Current Refunding of 2010B	2020 Current Refunding of 2010A-1	2020 Current Refunding of 2010A-2	Total
<b>Sources</b>				
Par Amount	\$33,235,000	\$21,885,000	\$8,840,000	\$63,960,000
Premium	\$4,581,676	\$2,819,664	\$516,786	\$7,918,126
	<b>\$37,816,676</b>	<b>\$24,704,664</b>	<b>\$9,356,786</b>	<b>\$71,878,126</b>
<b>Uses</b>				
Cash Deposit	\$37,442,250	\$0	\$1	\$37,442,251
SLGS Purchases	\$0	\$24,458,278	\$9,252,414	\$33,710,692
Cost of Issuance	\$207,849	\$136,867	\$55,285	\$400,000
Underwriter's Discount	\$166,175	\$109,425	\$44,200	\$319,800
Additional Proceeds	\$402	\$93	\$4,887	\$5,383
	<b>\$37,816,676</b>	<b>\$24,704,664</b>	<b>\$9,356,786</b>	<b>\$71,878,126</b>





## IV. Potential for New Money



# Potential for New Money Borrowing

- The DOT has the capacity to issue debt for upcoming projects at a very low cost if the need arises
- Assumptions:
  - 12-year maturity
  - Issuance date: 9/15/20
  - 5% coupons
  - \$100-\$200 million of proceeds
  - Interest rates as of 6/5 plus credit spreads (15-50 basis points)
  - 10-year call date
  - Structured around existing debt service



# Potential for New Money Borrowing

- \$100 million of proceeds
- TIC: 1.47%
- All-in TIC: 1.51%
- The DOT has the ability to structure the new debt service to smooth out its annual repayments
- Total Interest = \$32.5 million

## Sources

Par Amount	\$78,940,000
Premium	\$21,560,899
	<b>\$100,500,899</b>

## Uses

Project Fund	\$100,000,000
Cost of Issuance	\$300,000
Underwriter's Discount	\$197,350
Additional Proceeds	\$3,549
	<b>\$100,500,899</b>

FY Ending	Principal	New Debt Service	Existing Debt Service	Refunding Savings	Total Debt Service
6/30/2021		\$2,960,250	\$153,584,600	\$1,057,100	\$155,487,750
6/30/2022		\$3,947,000	\$164,691,700	\$1,093,575	\$167,545,125
6/30/2023		\$3,947,000	\$163,362,700	\$2,709,550	\$164,600,150
6/30/2024		\$3,947,000	\$182,837,200	\$2,038,300	\$184,745,900
6/30/2025	\$20,000,000	\$23,947,000	\$75,063,900	\$701,150	\$98,309,750
6/30/2026	\$20,000,000	\$22,947,000	\$74,748,600		\$97,695,600
6/30/2027		\$1,947,000	\$113,130,000		\$115,077,000
6/30/2028		\$1,947,000	\$48,780,800		\$50,727,800
6/30/2029		\$1,947,000	\$48,890,500		\$50,837,500
6/30/2030		\$1,947,000	\$34,279,500		\$36,226,500
6/30/2031	\$18,050,000	\$19,997,000	\$9,103,300		\$29,100,300
6/30/2032	\$20,890,000	\$21,934,500	\$7,161,000		\$29,095,500
<b>Total</b>	<b>\$78,940,000</b>	<b>\$111,414,750</b>	<b>\$1,075,633,800</b>	<b>\$7,599,675</b>	<b>\$1,179,448,875</b>





# Potential for New Money Borrowing

- \$200 million of proceeds
- TIC: 1.57%
- All-in TIC: 1.59%
- The DOT has the ability to structure the new debt service to smooth out its annual repayments
- Total Interest = \$72.8 million

## Sources

Par Amount	\$154,310,000
Premium	\$46,379,031
	<b>\$200,689,031</b>

## Uses

Project Fund	\$200,000,000
Cost of Issuance	\$300,000
Underwriter's Discount	\$385,775
Additional Proceeds	\$3,256
	<b>\$200,689,031</b>

FY Ending	Principal	New Debt Service	Existing Debt Service	Refunding Savings	Total Debt Service
6/30/2021		\$5,786,625	\$153,584,600	\$1,057,100	\$158,314,125
6/30/2022		\$7,715,500	\$164,691,700	\$1,093,575	\$171,313,625
6/30/2023		\$7,715,500	\$163,362,700	\$2,709,550	\$168,368,650
6/30/2024		\$7,715,500	\$182,837,200	\$2,038,300	\$188,514,400
6/30/2025	\$20,000,000	\$27,715,500	\$75,063,900	\$701,150	\$102,078,250
6/30/2026	\$20,000,000	\$26,715,500	\$74,748,600		\$101,464,100
6/30/2027		\$5,715,500	\$113,130,000		\$118,845,500
6/30/2028	\$2,745,000	\$8,460,500	\$48,780,800		\$57,241,300
6/30/2029	\$2,775,000	\$8,353,250	\$48,890,500		\$57,243,750
6/30/2030	\$17,520,000	\$22,959,500	\$34,279,500		\$57,239,000
6/30/2031	\$43,575,000	\$48,138,500	\$9,103,300		\$57,241,800
6/30/2032	\$47,695,000	\$50,079,750	\$7,161,000		\$57,240,750
<b>Total</b>	<b>\$154,310,000</b>	<b>\$227,071,125</b>	<b>\$1,075,633,800</b>	<b>\$7,599,675</b>	<b>\$1,295,105,250</b>



**Tab 7a**

**Proposed Town of  
Red River Request  
to Designate  
Additional Segments  
of NM 38 for the  
Operation of  
Recreational Off-  
Highway Vehicles**

# Commission Brief

**SUBJECT:** Proposed Town of Red River (“Town”) request to designate additional segments of NM 38 for the operation of Recreational Off-Highway Vehicles (“Route Designation Request”).

**PRESENTER:** Paul Brasher, P.E., District 5 Engineer, NMDOT

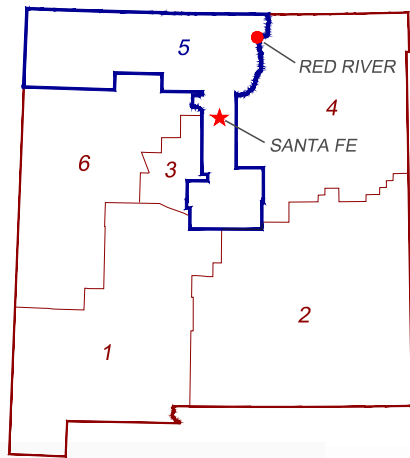
**BACKGROUND:** In accordance with the Off-Highway Motor Vehicle Act and NMSA 1978, Sections 67-3-2(D), 66-3-1001.1 and 66-3-1011, and pursuant to the provisions of Commission Policy 71, *Recreational Off-Highway Vehicles on Paved State Highways* (“CP 71”), the Town has submitted a proposed Route Designation Request to the Commission. The specific state highway segments that the Town has requested to be designated as a recreational off-highway vehicle route (“Designated Route”) are more particularly described as: (1) NM 38 from Caribel Trail to Jayhawk Trail; and (2) NM 38 from Wild Oak Trail east to the Town limits, and are depicted on the map attached hereto as Exhibit “A”.

Designating additional segments of NM 38 for Operation of Recreational Off-Highway Vehicles (“ROVs”) will require Commission review and approval of the Town’s proposed Route Designation Request and adoption of a Commission Resolution, contingent upon the following conditions: (1) the Town’s approval, passage and adoption of a new Ordinance that conforms with the Off-Highway Motor Vehicle Act and NMSA 1978, Sections 66-3-1001.1 and 66-3-1011; (2) the Town and NMDOT’s execution of an amendment to the Maintenance Agreement - Recreational Off-Highway Vehicle Route Signage between NMDOT and the Town, effective as of September 10, 2018, which defines the roles and responsibilities for construction and maintenance of Designated Route facilities; (3) construction and completion of any improvements to the Designated Route, including signage, required by NMDOT for the operation of ROVs; (4) that all-terrain vehicles (“ATVs”) shall not be operated upon the Designated Route; and (5) the Town shall be responsible for patrolling the Designated Route and enforcing the provisions of the Off-Highway Motor Vehicle Act and CP 71.

**ACTION:** No action is required at this time. The purpose of this briefing is to initiate discussion only.

July 16, 2020

# RED RIVER, NM



- NO R.O.V. ALLOWED / NO A.T.V. ALLOWED
- R.O.V. ALLOWED / NO A.T.V. ALLOWED
- R.O.V. ALLOWED / A.T.V. ALLOWED
- DESIGNATED R.O.V. / NO A.T.V. - 2016 \*
- DESIGNATED R.O.V. / NO A.T.V. - 2018 \*\*

— R.O.V. DESIGNATION REQUEST - 2020

\* R.O.V. Designation request by Town of Red River  
R.O.V. Designation by Commission Action - August, 2016

\*\* R.O.V. Designation request by Taos County  
R.O.V. Designation by Commission Action - May, 2018

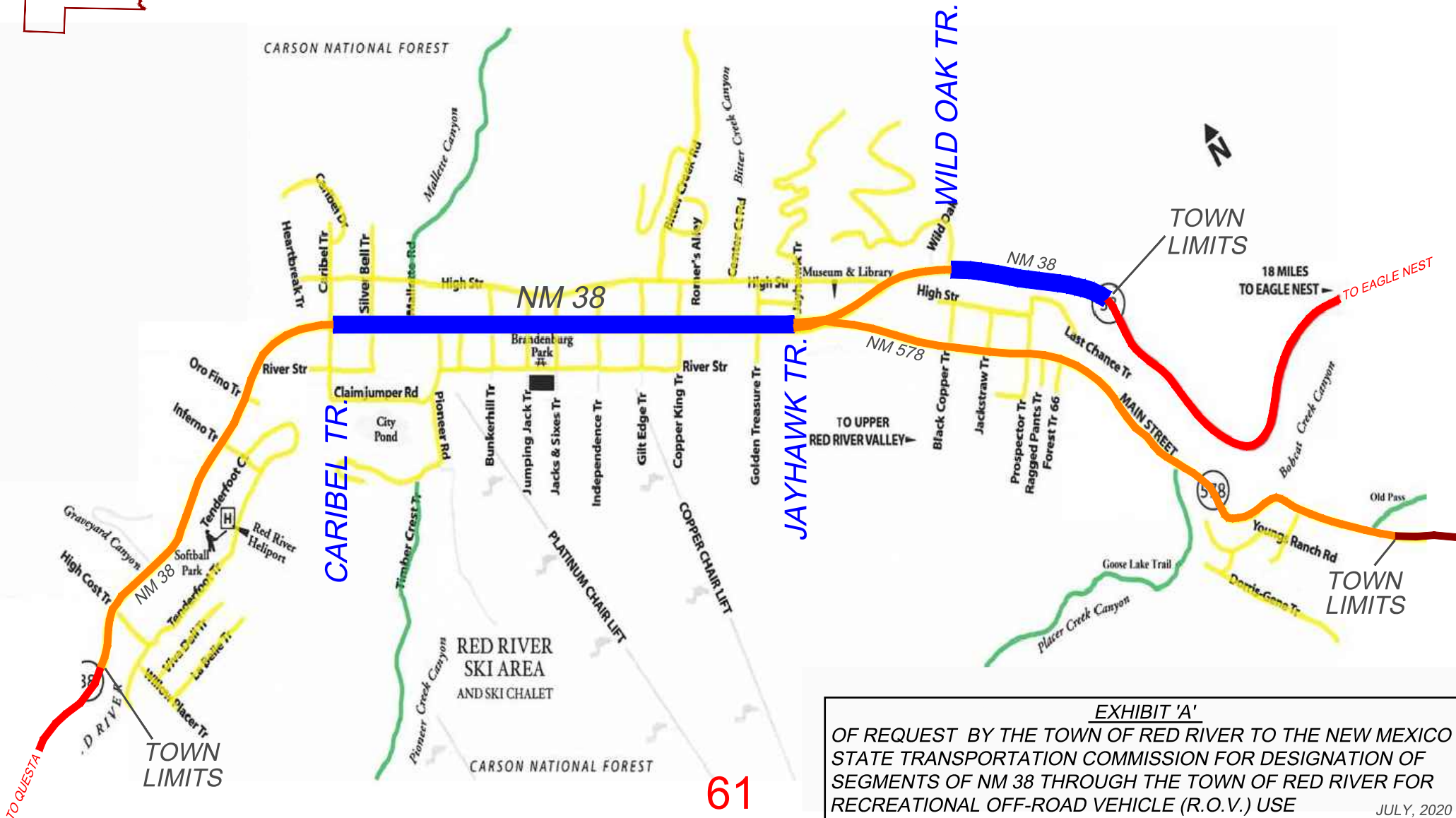


EXHIBIT 'A'  
OF REQUEST BY THE TOWN OF RED RIVER TO THE NEW MEXICO  
STATE TRANSPORTATION COMMISSION FOR DESIGNATION OF  
SEGMENTS OF NM 38 THROUGH THE TOWN OF RED RIVER FOR  
RECREATIONAL OFF-ROAD VEHICLE (R.O.V.) USE  
JULY, 2020

# Tab 7b

**Approval of STC  
Resolution No. 202-  
02 (JUL) Dedicating  
the Bridge Located  
on Cononcito  
School Road over  
Interstate 40 in  
Cibola County  
(Bridge No. 8635),  
as the “PFC  
Raymond Platero  
Memorial Bridge”**

# Commission Brief

**SUBJECT:** Proposed dedication of the bridge located on Cañoncito School Road over Interstate 40 in Cibola County (Bridge No. 8635), as the “Private First Class Raymond Platero Memorial Bridge” and adoption of related STC Resolution 2020-02 (JUL).

**PRESENTER:** The Honorable Harry Garcia, New Mexico State Representative, District 69

**BACKGROUND:** In 2019, the To'Hajiilee Navajo Chapter hosted an Eastern Navajo Agency Council meeting at which Private First Class Raymond Platero was honored, and the To'Hajiilee Navajo Veteran's Organization discussed naming the bridge located on Cañoncito School Road over Interstate 40 in his memory.

On May 21, 2020, the Honorable Harry Garcia, New Mexico State Representative, District 69, appeared before the New Mexico State Transportation Commission, on behalf of the To'Hajiilee Navajo Veteran's Organization, to formally request the dedication of the subject bridge.

PFC Raymond Platero was a native New Mexican of Navajo descent, born on March 10, 1944. He joined the U.S. Army in or about 1969, and was tragically killed in action in Thua Thien Province, South Vietnam on January 26, 1970.

The proposed Resolution dedicates the bridge located on Cañoncito School Road over Interstate 40 as the “Private First Class Raymond Platero Memorial Bridge” to honor and recognize PFC Platero for his patriotism, bravery, dedication and distinguished military service.

**ACTION:** Commission approval and adoption of STC Resolution 2020-02 (JUL) dedicating the bridge located on Cañoncito School Road over Interstate 40 in Cibola County (Bridge No. 8635), as the “Private First Class Raymond Platero Memorial Bridge”.

July 16, 2020

**STATE OF NEW MEXICO**  
**STATE TRANSPORTATION COMMISSION**  
**RESOLUTION NO. 2020-02 (JUL)**

**DEDICATING THE BRIDGE LOCATED ON CAÑONCITO SCHOOL ROAD  
OVER INTERSTATE 40 IN CIBOLA COUNTY (BRIDGE NO. 8635),  
AS THE “PFC RAYMOND PLATERO MEMORIAL BRIDGE”**

WHEREAS, in 2019, the To'Hajiilee Navajo Chapter hosted an Eastern Navajo Agency Council meeting at which Private First Class Raymond Platero was honored, and the To'Hajiilee Navajo Veteran's Organization discussed naming the bridge located on Cañoncito School Road over Interstate 40 in his memory; and

WHEREAS, on May 21, 2020, the Honorable Harry Garcia, New Mexico State Representative, District 69, appeared before the New Mexico State Transportation Commission, on behalf of the To'Hajiilee Navajo Veteran's Organization, to formally request the dedication of the subject bridge; and

WHEREAS, Raymond Platero was a native New Mexican of Navajo descent, born on March 10, 1944; and

WHEREAS, Raymond Platero joined the United States Army in or about 1969, earned the rank of Private First Class (PFC), E-3, and began serving a tour of duty on July 10, 1969, in Vietnam with Company D, 3<sup>rd</sup> Battalion, 187th Infantry, 101<sup>st</sup> Airborne Division; and

WHEREAS, on January 26, 1970, PFC Platero was tragically killed in action in Thua Thien Province, South Vietnam; and

WHEREAS, in recognition of his service in the United States Army, PFC Platero received numerous military service awards, including the Purple Heart, Bronze Star Medal, Air Medal, Army Commendation Medal, National Defense Service Medal, Vietnam Service Medal with three Bronze Service Stars, Republic of Vietnam Campaign Ribbon with Device, Good Conduct Medal, Combat Infantry Badge, Sharpshooter Badge with Automatic Rifle Bar, and Marksman Badge with Rifle Bar; and

WHEREAS, PFC Platero's death serves as a reminder of the commitment and sacrifice that soldiers from New Mexico make every day in the name of duty and service to their State and Country; and

WHEREAS, PFC Platero was an exemplary citizen of the Cañoncito Navajo Reservation, now known as the To'Hajiilee Navajo Reservation, and by the dedication he exhibited as a soldier, he continues to be an inspiration to other citizens of To'Hajiilee; and

WHEREAS, PFC Platero served his State and Country in an exceptional manner and will long be remembered for his patriotism, bravery, dedication and distinguished service. It is, therefore, fitting that there be a permanent reminder of his valor and contribution to To'Hajiilee and the State of New Mexico; and

WHEREAS, the New Mexico State Transportation Commission wishes to create a permanent reminder to honor PFC Platero and to memorialize the sacrifice he made in service to the United States and the State of New Mexico; and

NOW, THEREFORE, IT IS RESOLVED THAT THE NEW MEXICO STATE TRANSPORTATION COMMISSION approves the dedication of the bridge located on Cañoncito School Road over Interstate 40 in Cibola County (Bridge No. 8635), and it shall hereafter be known as the “PFC Raymond Platero Memorial Bridge”; and

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to PFC Platero’s family and the To'Hajiilee Navajo Veteran's Organization.

ADOPTED BY THE STATE TRANSPORTATION COMMISSION IN OPEN MEETING ON July 16, 2020.

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Walter G. Adams, Chairman  
District 4

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Jennifer Sandoval, Vice-Chair  
District 1

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Charles Lundstrom, Secretary  
District 6

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Bruce Ellis, Commissioner  
District 2

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Hilma E. Chynoweth, Commissioner  
District 3

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Thomas C. Taylor, Commissioner  
District 5



# Tab 8

## **Secretary Report**

# Commission Brief

**SUBJECT:** Secretary Report

**PRESENTER:** Michael Sandoval, Cabinet Secretary,  
NMDOT

**BACKGROUND:**

**ACTION:** No Action

# Tab 9

## **FHWA Report**

# Commission Brief

**SUBJECT: FHWA Report**

**PRESENTER: J. Don Martinez, Division  
Administrator, FHWA**

**BACKGROUND:**

**ACTION: No Action**